

NOTICE OF THE EXTRAORDINARY GENERAL MEETING OF THE EQUITY SHAREHOLDERS OF SLK SOFTWARE PRIVATE LIMITED IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN SLK SOFTWARE PRIVATE LIMITED (“DEMERGED COMPANY”) AND SLK DIGITAL PRIVATE LIMITED (“RESULTING COMPANY”) AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS (“SCHEME”)

MEETING	
Day	Friday
Date	January 3, 2025
Time	8:00 AM
Mode of meeting	Through Video Conferencing
Venue	7 th Floor, Tower - A, SLK Green Park, 19/P, 20/1, 20/2, Amin Properties LLP SEZ., Pujanahalli, Bangalore Rural – 562110, Karnataka, India

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IN THE MATTER OF SECTION 233 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013
AND
IN THE MATTER OF THE SCHEME OF ARRANGEMENT
BETWEEN
SLK SOFTWARE PRIVATE LIMITED ("DEMERGED COMPANY")
AND
SLK DIGITAL PRIVATE LIMITED ("RESULTING COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ("SCHEME")

NOTICE CONVENING EXTRAORDINARY GENERAL MEETING OF THE EQUITY SHAREHOLDERS OF SLK SOFTWARE PRIVATE LIMITED FOR APPROVAL OF THE SCHEME OF ARRANGEMENT BETWEEN SLK SOFTWARE PRIVATE LIMITED ("DEMERGED COMPANY") AND SLK DIGITAL PRIVATE LIMITED ("RESULTING COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ("SCHEME") UNDER SECTION 233 OF THE COMPANIES ACT, 2013

To,
The Equity Shareholders of SLK Software Private Limited

NOTICE is hereby given that an Extraordinary General Meeting ("EGM") of the Equity Shareholders of the Demerged Company, will be held for the purpose of their considering, and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between SLK Software Private Limited ("Company" or "Demerged Company") and SLK Digital Private Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme") on Friday, January 3, 2025 at 8:00 am (IST).

"RESOLVED THAT pursuant to the provisions of Section 233 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and other applicable provisions, if any, of the Companies Act, 2013, circulars, and notifications made thereunder (including any statutory modification or re-enactment thereof as may be applicable), applicable provisions of the Income-tax Act, 1961 and other applicable law / statute, if any and in accordance with the relevant clauses of the Memorandum of Association and Articles of Association of the Company and subject to the approvals, permissions and sanctions of the Central Government through the Regional Director, South – East Region, Ministry of Corporate Affairs ("Regional Director") or such other competent authority, as the case may be and subject to such conditions and modifications as may be prescribed or imposed by the Central Government through the Regional Director or by any statutory / regulatory / sectoral or other relevant authorities, while granting such consents, approvals and permissions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall deemed to mean and include one or more Committee(s) constituted / to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the proposed Scheme of Arrangement between SLK Software Private Limited ("Demerged Company") and SLK Digital Private Limited ("Resulting Company") and their respective shareholders and creditors ("Scheme"), be and is hereby approved including any amendment / modification / alteration made therein as may be considered necessary by any concerned statutory / regulatory / judicial or quasi-judicial authority or Registrar of Companies, Income-tax department or Goods and Services tax department, Regional Director under Section 233 of the Companies Act, 2013 or otherwise or any tribunal including the National Company Law Tribunal or as may be considered necessary by / found acceptable to the Board of Directors of the companies involved, for any reason whatsoever or as may be directed / approved by the shareholders and/or creditors of the companies involved or any affected person.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make necessary amendments as may be suggested by the Registrar of Companies, the Income-tax department or the Goods and Services tax department, the Regional Director under Section 233 of the Companies Act, 2013 to the

Scheme of Arrangement between SLK Software Private Limited and SLK Digital Private Limited and their respective shareholders and creditors.

RESOLVED FURTHER THAT *the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the above resolution and effectively implement the arrangement embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or directed by the Central Government through the Regional Director while sanctioning the arrangement embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper without being required to seek any further approval of the shareholders and the shareholders shall be deemed to have given their approval thereto expressly by authority under this Resolution."*

TAKE FURTHER NOTICE that persons entitled to attend and vote at the said EGM may vote in person or by proxy, provided that the proxies in the prescribed form, are deposited at the registered office of the Demerged Company not later than 48 hours before the said EGM, as aforesaid.

TAKE FURTHER NOTICE that a copy the said Scheme; the Explanatory Statement under Section 230(3) read with Section 102 of the Companies Act, 2013 and Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with all annexures thereto and such other documents / disclosures as prescribed under Rule 25(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 along with the proxy form, attendance slip and route map are enclosed herewith.

The above mentioned Scheme, if approved at the said EGM, will be subject to the subsequent approval of the Central Government through the Regional Director.

For **SLK SOFTWARE PRIVATE LIMITED**



Parth Dinubhai Amin
Managing Director
DIN: 00152263

Date: December 26, 2024
Place: Bangalore

NOTES

1. A proxy appointed to attend and vote on behalf of an Equity Shareholder at a meeting, as aforesaid, need not be an Equity Shareholder of the Demerged Company. The instrument of proxy to be effective should however, be duly signed by the person entitled to attend and vote at the meeting or by his authorised representative and deposited not later than 48 hours before the time for holding the meeting with the Demerged Company at its Corporate Office. Form of proxy is attached and can also be obtained free of charge at the registered office of the Demerged Company. If the Demerged Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid. All alterations made in the form of proxy must be initialed by the shareholder.
2. Where a body corporate authorises any person to act as its representative at a meeting, a copy of the resolution of the Board of Directors or other governing body of such body corporate authorising such person to act as its representative at such meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorised officer of such body corporate shall be lodged with the Demerged Company at its registered office not later than 48 hours before the time for holding the meeting.
3. A registered Equity Shareholder or his Proxy or Authorised Representative is requested to bring the copy of the notice to the Meeting and produce the attendance slip duly completed and signed at the entrance of the venue of the meeting.
4. The Explanatory Statement pursuant to Section 102 of the Act setting out the material facts concerning the Special Business is annexed hereto.
5. All the documents referred to in the accompanying notice and Explanatory Statement, shall be available for inspection through electronic mode, basis the request being sent on mukund.srinivas@slkgroup.com
6. The quorum for the meeting of the Equity Shareholders of the Demerged Company shall be fixed in accordance with Section 103 of the Act present either in person or by proxy.
7. Mr. Pradeep B Kulkarni, Practicing Company Secretary, (FCS No. 7260, CP No. 7835), will act as the scrutinizer at the meeting of the Equity Shareholders if required.
8. The results, together with the Scrutinizer's Report, will be displayed at the Registered Office of the Demerged Company.

This notice is being dispatched to all Equity Shareholders of the Demerged Company whose names appear in the Register of Members of the Demerged Company and in the Register of Beneficial Owners as on December 26, 2024. Voting rights shall be reckoned accordingly on the paid-up value of the shares registered in the names of Equity Shareholders as on December 26, 2024.

Registered Office:

SLK SOFTWARE PRIVATE LIMITED

40/A, KHB Industrial Area,
Yelahanka, Bangalore – 560 064, Karnataka, India

Telephone: +9180 41805721

E-mail: contact@slkgroup.com

Website: <https://slksoftware.com>

Enclosures: As above

IN THE MATTER OF SECTION 233 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT,
2013
AND
IN THE MATTER OF THE SCHEME OF ARRANGEMENT
BETWEEN
SLK SOFTWARE PRIVATE LIMITED ("DEMERGED COMPANY")
AND
SLK DIGITAL PRIVATE LIMITED ("RESULTING COMPANY")
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ("SCHEME")

EXPLANATORY STATEMENT UNDER SECTIONS 233 READ WITH SECTION 102 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 ("ACT") AND RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 ("CAA RULES") TO THE NOTICE OF THE MEETING OF EQUITY SHAREHOLDERS OF SLK SOFTWARE PRIVATE LIMITED

1. **MEETING FOR SCHEME**

This is a statement accompanying the Notice convening the Meeting of Equity Shareholders of SLK Software Private Limited, for the purpose of their considering and if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement between SLK Software Private Limited ("**Demerged Company**") and SLK Digital Private Limited ("**Resulting Company**") and their respective shareholders and creditors ("**Scheme**"). The Scheme provides for the arrangement between the Demerged Company and Resulting Company. The Scheme also provides for various other matters consequent and incidental thereto.

The salient features of the Scheme are given in this Statement. The detailed terms of the arrangement may be referred to in the Scheme, appended as '**Annexure – I**'.

Capital terms not defined herein and used in the Notice and this Statement shall have the same meaning as ascribed to them in the Scheme.

2. **DATE, TIME AND MODE OF MEETING**

The meeting of the Equity Shareholders of the Demerged Company will be held on Friday, January 3, 2025 at 8:00 AM (IST) for the purpose of their considering and, if thought fit approving, with or without modification(s), the said Scheme, through video conferencing , at "Board Room" 7th Floor, Tower-A, SLK Green Park, 19/P, 20/1, 20/2, Amin Properties LLP SEZ., Pujanahalli, Bangalore Rural – 562110, Karnataka, India.

3. **RATIONALE AND BENEFITS OF THE SCHEME**

1. *The Demerged Company and the Resulting Company are a part of the same group. As part of an overall strategy for the optimum running, growth and development of the respective businesses of the Demerged Company, it is considered desirable and expedient to reorganise and reconstruct by demerging the Demerged Undertaking from the Demerged Company into the Resulting Company in the manner as provided in this Scheme.*
2. *The proposed Scheme is expected, inter alia, to result in following benefits:*
 - i. *offer opportunities to the management of the Demerged Company and Resulting Company to specialise and vigorously pursue growth and expansion opportunities for each business separately;*
 - ii. *enable the Demerged Company and Resulting Company to explore new opportunities and to further concentrate its resources towards development and management of the respective businesses;*

- iii. *effectively utilising cash flows of each business and limiting restrictions arising out of different terms of various lenders for each business;*
- iv. *creating greater visibility on performance of each of the businesses;*
- v. *enhancing operational efficiency;*
- vi. *value unlocking of respective businesses with ability to achieve valuation based on respective-risk return profile and cash flows;*
- vii. *attracting specific investors and strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective divisions in the longer-term; and*
- viii. *focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.*

The Scheme is in the interest of all stakeholders of the Demerged Company and the Resulting Company.

4. BACKGROUND OF THE COMPANIES

4.1 Particulars of the Demerged Company

- (i) **SLK SOFTWARE PRIVATE LIMITED** was incorporated on July 24, 2000, as a private company, under the provisions of the Companies Act, 1956. The CIN of the Demerged Company is U72200KA2000PTC027503 and PAN is AAEC57548E. The e-mail address of the Demerged Company is legal@slkgroup.com and website is <https://slksoftware.com>. The registered office of the Demerged Company is situated at 40/A, KHB Industrial Area, Yelahanka, Bangalore – 560 064, Karnataka, India.
- (ii) During the last five years, there has been no change in the registered office of the Demerged Company.
- (iii) Main objects of the Demerged Company, as per its Memorandum of Association, have been reproduced below for the perusal of the Equity Shareholders:
 - a) *To carry on business as Designers, Manufacturers, Assemblers, developers, Consultants, providers, producers, Integrators, maintenance Contractors and Sub-Contractors, Buyers and Sellers, exporters, Importers, Marketers, Trainers and Offshore Developers of all types of Software including Embedded Software for Computer Networking Devices, Internet Applications, Management and Business Solutions(including Enterprise resource Planning and Management and Solutions related thereto) and related services both in India and Abroad.*
 - b) *To carry on the business of Website designing, Web Hosting, and Development, Internet Service Provider, Web Marketing Campaigns, E-commerce Solutions, Business Application Software and Multi-Module Application Software in India and abroad and to deal in all types of peripherals, spare parts, telecom products, networking products and other allied items and products or assemblies derived therefrom.*
 - c) *To design, develop market and to impart training in all areas of Information technology viz., web design, computer/hardware and peripherals and to undertake research and development activities in computer software/hardware and*

peripherals including systems analysis, programming and computer maintenance, as well as to provide data processing services of all kinds including transcription of all types and kinds of medical, legal etc. and setting up training centres, educational institution, computer schools by imparting technical and project management skills to Information technology and related areas of activities.

- d) To carry on the business in India and abroad of software development, software development consultancy services, marketing and selling of software I.T. related products, and services and to depute, deploy, provide within India or Abroad on chargeable basis or otherwise, manpower be it the employees of the Company or other human resources, for providing consultancy, development, marketing, sales other human resources, for providing consultancy, development, marketing, sales other human resources, for consultancy, development, marketing, sales and delivery of software projects.

During the last five years, there has been no change in the objects Clause of the Demerged Company.

- (iv) The Demerged Company is, inter alia, engaged in the business of export of software services and development, software automation product, treasury and real estate business.

- (v) The Share Capital of the Demerged Company (as on the date of this Notice) is as follows:

Particulars	Amount in INR
Authorised share capital	
5,00,00,000 equity shares of INR 1 each	5,00,00,000
2,00,000 preference shares of INR 100 each	2,00,00,000
TOTAL	7,00,00,000
Issued, subscribed and paid-up capital	
2,95,97,804 equity shares of INR 1 each, fully paid up	2,95,97,804
TOTAL	2,95,97,804

Subsequent to the above, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Demerged Company.

- (vi) The latest annual financial statements of the Demerged Company have been audited for the financial year ended on March 31, 2024. The provisional financial statements of the Demerged Company for the period ended August 31, 2024, is appended as 'Annexure – II'.

- (vii) The Demerged Company has not listed its shares on any Stock exchange(s).

- (viii) The details of Directors of the Demerged Company (as on the date of this Notice) along with their addresses are mentioned herein below:

Details of Directors		
Name	Designation	Address
Girish Kumar Sugumaran	Director	847,17th Cross, MCECHS Layout, Dr. Shivarama Karanth Nagar, Bengaluru, KA – 560 077, India

Shishir Suresh Shirgaonkar	Director	12, Kostka House, 31 Pali Road, Bandra (W), Mumbai – 400 050, India
Daniel White John	Director	257, Benedict Avenue, Suite D, Norwalk, Ohio 44857 US.
Parth Dinubhai Amin	Managing Director	114, Ritika Farms, Avalahalli Doddaballapura Road, Yelahanka Bengaluru – 560 064 Karnataka, India
Rangan Mohan	Director	600, 12th Main, HAL II Stage, Bangalore – 560 008, Karnataka, India
Roshen Amin	Director	114, Ritika Farms, Avalahalli Doddaballapura Road, Yelahanka Bengaluru – 560 064 Karnataka, India
Gamma Kali Prasanna	Director	J142, SNN Raj Spirtua, 34, Kanakapura Road, Bengaluru, Karnataka, India

4.2 **Particulars of the Resulting Company (SLK Digital Private Limited)**

- (i) **SLK DIGITAL PRIVATE LIMITED** was incorporated on August 5, 2024, as a private company, under the provisions of the Companies Act, 2013. The CIN of the Resulting Company is U62099KA2024PTC191669, and PAN is ABOCS0507L. The e-mail address of the Resulting Company is legal@slkgroup.com. The registered office of the Resulting Company is situated at SLK1 40/A KHB Industrial Area, Yelahanka, Bangalore – 560 064, India.
- (ii) The main objects of the Resulting Company, as per its Memorandum of Association, have been reproduced below for the perusal of the Equity Shareholders:
- a) *To carry on Business as Designers, Manufacturers, Assemblers, Developers, Consultants, Providers, Producers, Integrators, Maintenance Contractors and Sub contractors, Buyers and Sellers, Exporters, Importers, Marketers, Trainers and Offshore Developers of all types of Software including Embedded Software for Computer Networking Devices, Internet applications, Management and Business Solutions (including Enterprise Resource Planning and Management and solutions related thereto) and related services both in India and Abroad.*
 - b) *To carry on the business of Website designing, Web Hosting and Development, Internet Service Provider, Web Marketing Campaigns, E-Commerce Solutions, Business Application Software and Multi-Module Application Software in India and abroad and to deal in all types of peripherals, spare parts, telecom products, networking products and other allied items and products or assemblies derived therefrom.*
 - c) *To design, develop market and to impart training in all areas of Information Technology viz, web design, computer software/hardware and peripherals and to undertake research and development activities in computer software/hardware and peripherals including systems analysis, programming and computer maintenance, as well as to provide data processing services of all kinds including transcription of all types and kinds like medical, legal etc. and setting up training centers, educational institutions, computer schools by imparting technical and project management skills to Information technology and related areas of activities.*

- d) To carry on the business in India and abroad of software development, software development consultancy services, marketing and selling of software I.T. related products, and services and to depute, deploy, provide within India or abroad on chargeable basis or otherwise, manpower be it the employees of the Company or other human resources, for providing consultancy, development, marketing, sales and delivery of software projects.

Since incorporation, there has been no change in the objects Clause of the Resulting Company.

- e) The Resulting Company is incorporated to carry on software business.

(iii) The Share Capital of the Resulting Company (as on the date of this Notice) is as follows:

Particulars	Amount in INR
Authorised share capital	
1,00,000 equity shares of INR 1 each	1,00,000
TOTAL	1,00,000
Issued, subscribed and paid-up capital	
1,00,000 equity shares of INR 1 each, fully paid up	1,00,000
TOTAL	1,00,000

(iv) The provisional financial statements of the Resulting Company for the period ended August 31, 2024, is appended as 'Annexure – III'.

(v) The details of Directors of the Resulting Company (as on the date of this Notice) along with their addresses are mentioned herein below:

Details of Directors		
Name	Designation	Address
Girish Kumar Sugumaran	Director	847,17th Cross, MCECHS Layout, Dr. Shivarama Karanth Nagar, Bengaluru, KA - 560 077, India
Vidur Parth Amin	Additional Director	114, Ritika Farms, Avalahalli Doddaballapura Road, Yelahanka Bengaluru – 560 064 Karnataka, India

5. SALIENT FEATURES OF THE SCHEME

The salient features of the Scheme, *inter alia*, are as stated below. The capitalised terms used herein shall have the same meaning as ascribed in the Scheme.

- (a) The Scheme provides for: (i) demerger, transfer and vesting of the Demerged Undertaking (as defined in the Scheme) from the Demerged Company into the Resulting Company on a going concern basis, and discharge of consideration, in form of shares, by the Resulting Company to the shareholders of the Demerged Company, in accordance with the provisions of Section 2(19AA) of the Income-tax Act, 1961; and (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting

Company.

- (b) In consideration for the demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company, the Resulting Company shall issue and allot, on a proportionate basis to each shareholder of the Demerged Company as per the following ratio:

"1 (One) fully paid equity share of INR 1 (Indian Rupee One) each of the Resulting Company, credited as fully paid up, for every 1 (One) equity share fully paid up of INR 1 (Indian Rupee One) each of the Demerged Company held by such shareholder"

The equity shares of the Resulting Company to be issued pursuant to this Clause 8.1 shall be referred to as **"Resulting Company New Equity Shares"**.

- (c) The 'Appointed Date' of the Scheme shall be October 1, 2024 or such other date as may be decided by the Board of the Parties (*as defined in the Scheme*).
- (d) 'Effective Date' shall mean the opening business hours of the date on which last of the conditions specified in Clause 20 (Conditions Precedent) of this scheme are complied with.
- (e) The entire pre-scheme paid up share capital of the Resulting Company as on the Effective Date shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company as an integral part of the Scheme.

Note: The above are the salient features of the Scheme. The Equity Shareholders are requested to read the entire text of the Scheme annexed hereto to get fully acquainted with the provisions thereof.

6. RELATIONSHIP SUBSISTING BETWEEN PARTIES TO THE SCHEME

The Resulting Company is a wholly owned subsidiary of the Demerged Company.

7. BOARD APPROVALS

- 7.1 The Board of Directors of the Demerged Company at its Meeting held on September 19, 2024, accepted and approved the Scheme, as given below:

Name of Director	Voted in favour/ against/ did not participate or vote
Girish Kumar Sugumaran	Favour
Rangan Mohan	Favour
Shishir Suresh Shirgaokar	Favour
G K Prasanna	Favour
Roshen Amin	Favour

- 7.2 The Board of Directors of the Resulting Company at its Meeting held on September 19, 2024 accepted and approved the Scheme, as given below:

Name of Director	Voted in favour/ against/ did not participate or vote
Himadri Gupta	Favour
Girish Kumar Sugumaran	Favour

8. INTEREST OF DIRECTORS, KEY MANAGERIAL PERSONNEL (KMPS) AND THEIR RELATIVES

8.1 SLK SOFTWARE PRIVATE LIMITED (“Demerged Company”)

None of the Directors, KMPS of the Demerged Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their directorship and/or shareholding in the Demerged Company, if any. Save as aforesaid, none of the said Directors or the KMPS or their respective relatives have any material interest in the Scheme.

8.2 SLK DIGITAL PRIVATE LIMITED (“Resulting Company”)

None of the Directors, KMPS of the Resulting Company and their respective relatives (as defined under the Act and rules framed thereunder) have any interest in the Scheme except to the extent of their directorship and/or shareholding in the Resulting Company, if any. Save as aforesaid, none of the said Directors or the KMPS or their respective relatives have any material interest in the Scheme.

9. EFFECT OF SCHEME ON STAKEHOLDERS

The effect of the Scheme on various stakeholders is summarised below:

9.1 Equity Shareholders (promoter and non-promoter shareholders) and KMP

The effect of the Scheme on the Equity Shareholders and KMP of the Demerged Company and the Resulting Company, is given in the report adopted by the Board of Directors of the Demerged Company and the Resulting Company at their respective meetings held on September 19, 2024 and September 19, 2024, respectively, pursuant to the provisions of Section 232(2)(c) of the Act which is annexed hereto and marked as ‘Annexure – IV and V’ respectively.

9.2 Directors

- (i) The Scheme will have no effect on the office of the existing Directors of the Demerged Company and the Resulting Company. Further, no change in the Board of Directors of the Demerged Company and the Resulting Company is envisaged on account of the Scheme. It is clarified that, the composition of the Board of Directors of the Demerged Company and the Resulting Company may change by appointments, retirements or resignations in accordance with the provisions of the Act and Memorandum and Articles of Association of the Demerged Company and the Resulting Company.
- (ii) The effect of the Scheme on Directors of the Demerged Company and the Resulting Company in their capacity as shareholders of such companies are the same as in case of other shareholders of such company, as mentioned in the aforesaid report.

9.3 Employees

- (i) With effect from the Effective Date, the Resulting Company undertakes to engage, without any interruption in service, all employees forming part of the Demerged

Undertaking, on the terms and conditions not less favorable than those on which they are engaged by the Demerged Company immediately prior to the Effective Date.

- (ii) Apart from the above, employees engaged in the Demerged Company and the Resulting Company will continue to be employees of the Demerged Company and the Resulting Company, respectively, on the same terms and conditions, as before.

9.4 **Creditors**

Except as stated in the Scheme, the creditors of the Demerged Company and the Resulting Company will continue to be creditors of the Demerged Company and the Resulting Company, respectively, on the same terms and conditions, post the Scheme becoming effective. Further, pursuant to the Scheme, creditors of the Demerged Company forming a part of the Demerged Undertaking will become creditors of the Resulting Company, on the same terms and conditions as were applicable to the Demerged Company, post the Scheme becoming effective.

9.5 **Debenture holders and Debenture Trustees**

The Demerged Company and the Resulting Company have not issued any debentures, therefore, the requirement of appointing a debenture trustee does not arise.

9.6 **Depositors and Deposit Trustees**

The Demerged Company and the Resulting Company have not taken any term deposits from depositors; therefore, no deposit trustees have been appointed.

There will be no adverse effect on account of the Scheme on the aforesaid stakeholders. The Scheme is proposed to the advantage of all concerned, including the said stakeholders.

10. **NO INVESTIGATION PROCEEDINGS**

No investigation proceedings have been instituted or are pending against the Demerged Company and the Resulting Company under Sections 210 to 229 of Chapter XIV of the Act or corresponding provisions under the Companies Act, 1956.

11. **DETAILS OF CAPITAL OR DEBT RESTRUCTURING, IF ANY**

The Scheme does not in any manner adversely or prejudicially affect the rights of any creditors of the Demerged Company and the Resulting Company or contemplate any compromise or arrangement with the creditors of the Demerged Company and the Resulting Company. Further, there is no debt restructuring envisaged in the Scheme.

12. **VALUATION REPORT**

A copy of the share entitlement ratio report dated September 9, 2024 issued by Mr. Avneep L Mehta, Registered Valuer (Registration No. IBBI/RV/02/2019/11509) ("**Share Exchange Ratio Report**"), in connection with the Scheme is appended as '**Annexure – VI**'.

13. **AMOUNTS DUE TO UNSECURED CREDITORS**

The amounts due to unsecured creditors of the Demerged Company and the Resulting Company, as on November 30, 2024, is as follows:

Sr. No.	Particulars	Amount in INR
1.	SLK Software Private Limited	10,95,37,655
2.	SLK Digital Private Limited	Nil

14. **SHAREHOLDING PATTERN**

A. The pre and post Scheme shareholding pattern of the Parties is as follows:

i. Demerged Company

The pre and post Scheme equity shareholding pattern of the Demerged Company is as follows (based on shareholding data as on the date of this notice):

Category of shareholder	Pre		Post	
	No. of shares	% of Holding	No. of shares	% of Holding
Promoter	2,95,97,804	100	2,95,97,804	100
Public	-	-	-	-
Custodian	-	-	-	-
Total	2,95,97,804	100	2,95,97,804	100

ii. Resulting Company

The pre and post Scheme shareholding pattern of the Resulting Company is as follows (based on shareholding data as on the date of this notice):

Category of shareholder	Pre		Post*	
	No. of shares	% of Holding	No. of shares	% of Holding
Promoter	1,00,000	100	2,95,97,804	100
Public	-	-	-	-
Custodian	-	-	-	-
Total	1,00,000	100	2,95,97,804	100

15. **AUDITORS CERTIFICATE ON CONFORMITY OF ACCOUNTING TREATMENT IN THE SCHEME WITH ACCOUNTING STANDARDS**

The Statutory Auditors of the Demerged Company and the Resulting Company, respectively, have confirmed that the accounting treatment specified in the said Scheme is in conformity with the accounting standards prescribed under Section 133 of the Companies Act, 2013 and other Generally Accepted Accounting Principles in India. Copies of the Accounting Treatment Certificate issued by Statutory Auditor of the Demerged Company and the Resulting Company are annexed herewith as 'Annexure – VII and VIII', respectively.

16. **DECLARATION OF SOLVENCY**

Copies of the Declaration of Solvency in form CAA-10 in pursuance of Section 233(1)(c) of the Companies Act, 2013 of the Demerged Company and the Resulting Company filed with the Regional Director, Registrar of Companies, Goods and Services Tax authorities and the Income-tax Department having jurisdiction over the Demerged Company and the Resulting Company are attached hereto as 'Annexure – IX and X', respectively.

17. **APPROVALS AND INTIMATIONS IN RELATION TO THE SCHEME**

A copy of the Scheme has been filed by the Demerged Company and the Resulting Company with the jurisdictional Registrar of Companies.

The notice of the Meeting along with the copy of the Scheme in the prescribed form, will be served on all concerned authorities.

18. **INSPECTION OF DOCUMENTS**

In addition to the documents appended hereto, the following documents will be available for inspection and for obtaining extracts of or making copies of, by the Equity Shareholders of the Demerged Company at 7TH Floor, Tower-A, SLK Green Park, 19/P, 20/1, 20/2, Amin Properties LLP SEZ., Pujanahalli, Bangalore Rural – 562 110, India during normal business hours on working days prior to the date of the meeting:

- (a) Memorandum and Articles of Association of the Demerged Company and the Resulting Company;
- (b) Copy of the Scheme;
- (c) Copy of the Board Resolutions dated September 19, 2024 of the Demerged Company and the Resulting Company; and
- (d) Certificate of the Statutory Auditor of the Demerged Company confirming that the accounting treatment prescribed under the Scheme is in compliance with Section 133 of the Act and other Generally Accepted Accounting Principles in India.

Based on the above and considering the rationale and benefits, in the opinion of the Board, the Scheme will be of advantage to, beneficial and in the interest of the Demerged Company, its Equity Shareholders, creditors and other stakeholders and the terms thereof are fair and reasonable. The Board of Directors of the Demerged Company recommend the Scheme for approval of the Equity Shareholders.

The Directors and KMPs, as applicable, of the Demerged Company and of the Resulting Company, and their relatives do not have any concern or interest, financially or otherwise, in the Scheme except as directors and shareholders in general.

A copy of this Scheme, Statement, Form of Proxy and Attendance Slip may be obtained free of charge on any working day prior to the date of the meeting, from the registered office of the Demerged Company situated at 7TH Floor, Tower-A, SLK Green Park, 19/P, 20/1, 20/2, Amin Properties LLP SEZ., Pujanahalli, Bangalore Rural – 562 110, India.

For **SLK SOFTWARE PRIVATE LIMITED**



Parth Dinubhai Amin
Managing Director
DIN: 00152263

Date: December 26, 2024

Place: Bangalore

Registered office:
SLK SOFTWARE PRIVATE LIMITED
40/A, KHB Industrial Area,
Yelahanka, Bangalore – 560 064,
Karnataka, India
Telephone: +91 80 4180 5721
E-mail: contact@slkgroup.com
Website: <https://slksoftware.com>



PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**IN THE MATTER OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF SCHEME OF ARRANGEMENT BETWEEN SLK SOFTWARE PRIVATE LIMITED
AND
SLK DIGITAL PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
AND
IN THE MATTER OF SECTIONS 233 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES
ACT, 2013**

CIN: U72200KA2000PTC027503

Name of the Company: **SLK Software Private Limited (Demerged Company)**

Registered Address: SLK 1, 40/A, KHB Industrial Area,
Yelahanka Bangalore KA 560064 IN

Email-Id: _____

I / We being the equity shareholder(s) of SLK Software Private Limited hereby appoint:

1) Name: _____
Address: _____

Email-ID: _____
Signature: _____

Or failing him / her / it

2) Name: _____
Address: _____

Email-ID: _____
Signature: _____

As my / our proxy and whose signature(s) are appended above to attend and vote (on poll) for me / us and on my / our behalf at the Meeting of the Demerged Company to be held on Friday, January 3, 2025 at 8:00 AM (IST) at 7TH Floor, Tower-A, SLK Green Park, 19/P, 20/1, 20/2, Amin Properties LLP SEZ, Pujanahalli, Bangalore Rural – 562110, and at any adjournment or adjournments thereof in respect of such resolutions and in such manner as are indicated below:

Sr. No.	Resolution	For	Against
1	APPROVAL FOR THE SCHEME OF ARRANGEMENT BETWEEN SLK SOFTWARE PRIVATE LIMITED AND SLK DIGITAL PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ("SCHEME")		

Signed this _____ day of _____

Signature of equity shareholder _____

Signature of proxy holder(s) _____

Please affix Revenue Stamp of Re. 1

NOTES:

- 1) This Form of Proxy in order to be effective, should be duly completed and deposited at the registered office of the Demerged Company, not less than 48 hours before the commencement of the Meeting.
- 2) Please affix revenue stamp before putting signature.
- 3) In case of any alterations made in the Form of Proxy, the alteration should be initialed.
- 4) In case of multiple proxies, the proxy later in time shall be accepted.
- 5) Proxy need not be the equity shareholder of the Demerged Company.
- 6) Body corporate unsecured creditor(s) would be required to deposit certified copies of board resolutions or power of attorney in original, as the case may be, authorising the individuals named therein, to attend and vote at the meeting on its behalf. These documents must be deposited at the Corporate office of Company at least 48 hours before the time of holding the Meeting.
- 7) This is only optional, please put 'X' in the appropriate column against the resolution indicated in the box. If you leave the 'For' or 'Against' column blank against the resolution, your proxy will be entitled to vote in the manner as he / she thinks appropriate.

ATTENDANCE SLIP

MEETING OF THE EQUITY SHAREHOLDER ON JANUARY 3, 2025 AT 8:00 AM(IST).

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Name of Equity Shareholder	
Address	
Name of the Proxy holders / Authorised Representative*	

* To be filled in by the Proxy in case he / she attends instead of the Equity Shareholder.

I / We hereby record my / our presence at the Meeting of the Equity Shareholder of the Demerged Company, convened on Friday, January 3, 2025 at 8:00 AM (IST) at 7th Floor, Tower - A, SLK Green Park, 19/P, 20/1, 20/2, Amin Properties LLP SEZ., Pujanahalli, Bangalore Rural – 562 110, India.

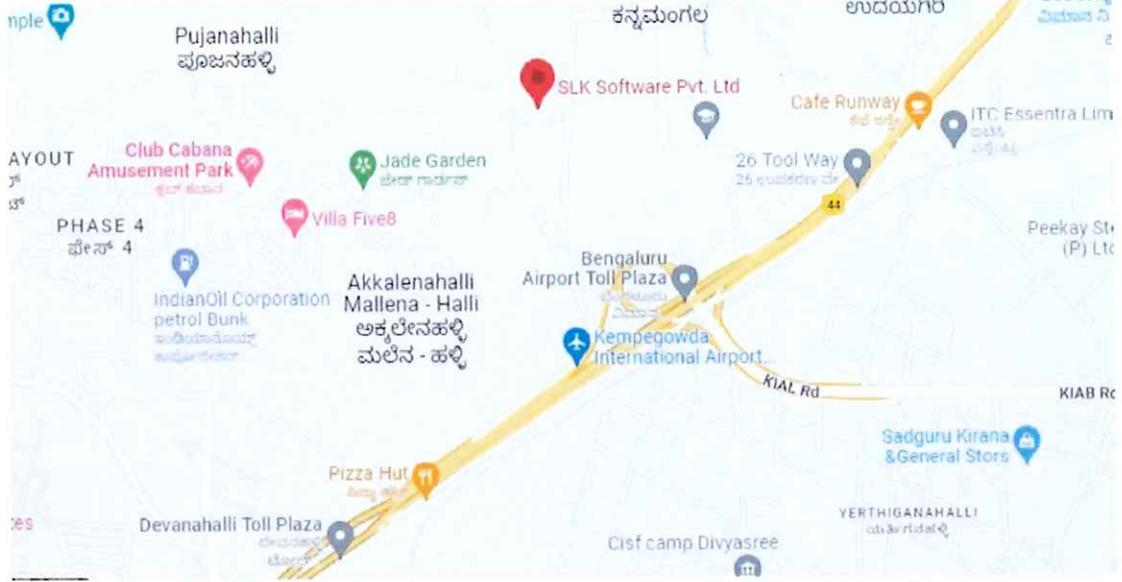
Equity Shareholders / Proxy / Authorised Representative

NOTE:

1. Equity Shareholders attending the meeting in person or by proxy or through authorised representative are requested to complete and bring the attendance slip with them and hand it over at the entrance of the meeting hall.
2. Equity Shareholders / proxy holder who desire to attend the meeting should bring his / her copy of the Notice for reference at the Meeting.
3. Equity Shareholders are informed that no duplicate slips will be issued at the venue of the Meeting and they are requested to bring this slip for the Meeting.

Map to the Meeting venue

Route map to the venue of the meeting of shareholders of SLK SOFTWARE PRIVATE LIMITED will be held on Friday, January 3, 2025 at 8:00 AM at 7th Floor, Tower - A, SLK Green Park, 19/P, 20/1P, 20/2 Amin Properties LLP SEZ, Pujanahalli, Bangalore – 562 100, India



If undelivered, return to:
SLK SOFTWARE PRIVATE LIMITED
40/A, KHB Industrial Area,
Yelahanka, Bangalore – 560 064,
Karnataka, India
Telephone: +9180 41805721
E-mail: contact@slkgroup.com
Website: <https://slksoftware.com>

SCHEME OF ARRANGEMENT
BETWEEN
SLK SOFTWARE PRIVATE LIMITED
AND
SLK DIGITAL PRIVATE LIMITED
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

UNDER SECTION 233 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013

(A) DESCRIPTION OF COMPANIES

1. **SLK Software Private Limited (“Demerged Company”)**, is a company incorporated under the provisions of the Companies Act, 1956. The Demerged Company is, inter alia, engaged in the business of export of software services and development, software automation product, treasury and real estate business.
2. **SLK Digital Private Limited (“Resulting Company”)** is a company incorporated under the provisions of the Act (*as defined hereinafter*). The Resulting Company is incorporated to carry on software business. The Resulting Company is a wholly owned subsidiary of the Demerged Company.

(B) OVERVIEW OF THE SCHEME

1. This Scheme (*as defined hereinafter*) is presented under Section 233 and other applicable provisions of the Act and provides for the following:
 - (i) demerger, transfer and vesting of the Demerged Undertaking (*as defined hereinafter*) from the Demerged Company into the Resulting Company on a *going concern* basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income-tax Act (*as defined hereinafter*); and
 - (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company held by the Demerged Company.
2. This Scheme also provides for various other matters consequent and incidental thereto.

(C) RATIONALE OF THE SCHEME

1. The Demerged Company and the Resulting Company are a part of the same group. As part of an overall strategy for the optimum running, growth and development of the respective businesses of the Demerged Company, it is considered desirable and expedient to reorganise and reconstruct by demerging the Demerged Undertaking from the Demerged Company into the Resulting Company in the manner as provided in this Scheme.
2. The proposed Scheme is expected, *inter alia*, to result in following benefits:
 - (i) offer opportunities to the management of the Demerged Company and Resulting Company to specialise and vigorously pursue growth and expansion opportunities for each business separately;
 - (ii) enable the Demerged Company and Resulting Company to explore new opportunities and to further concentrate its resources towards development and management of the respective businesses;
 - (iii) effectively utilising cash flows of each business and limiting restrictions arising out of different terms of various lenders for each business;



- (iv) creating greater visibility on performance of each of the businesses;
- (v) enhancing operational efficiency;
- (vi) value unlocking of respective businesses with ability to achieve valuation based on respective-risk return profile and cash flows;
- (vii) attracting specific investors and strategic partners and providing better flexibility in accessing capital, focused strategy and specialisation for sustained growth and thereby enable de-leveraging of the respective divisions in the longer-term; and
- (viii) focused management approach for pursuing the growth in the respective business' verticals and de-risk the businesses from each other.

The Scheme is in the interest of all stakeholders of the Demerged Company and the Resulting Company.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **PART - I** deals with the definitions, share capital of the Parties (*as defined hereinafter*), date of taking effect and implementation of this Scheme.
2. **PART - II** deals with: (i) demerger, transfer and vesting of the Demerged Undertaking from the Demerged Company into the Resulting Company on a *going concern* basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof; and (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company.
3. **PART - III** deals with the general terms and conditions applicable to this Scheme.

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PART – I
DEFINITIONS, SHARE CAPITAL OF THE PARTIES AND DATE OF TAKING EFFECT AND
IMPLEMENTATION OF THIS SCHEME

1. DEFINITIONS

1.1 In this Scheme: (a) capitalised terms defined by inclusion in quotations and/or parenthesis shall have the meanings so ascribed; and (b) the following expressions shall have the meanings ascribed hereunder:

“**Act**” means the Companies Act, 2013;

“**Applicable Law**” or “**Law**” means any applicable national, foreign, provincial, local or other law including applicable provisions of all (a) constitutions, decrees, treaties, statutes, laws (including the common law), and including any statutory modification or re-enactment thereof for the time being in force, codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority (*as defined hereinafter*), statutory authority, court, tribunal; (b) Permits (*as defined hereinafter*); and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

“**Appointed Date**” means opening business hours of 1 October, 2024 or such other date as may be mutually agreed by the Board of the Parties;

“**Appropriate Authority**” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof including, but not limited to Regional Director, RoC (*as defined hereinafter*), National Company Law Tribunal and Special Economic Zone Authority; and
- (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax (*as defined hereinafter*), importing, exporting or other governmental or quasi-governmental authority including without limitation.

“**Board**” in relation to the Parties, means the Board of directors of such Party, and shall include a committee of directors or such committee of directors duly constituted and authorised for the matters pertaining to this Scheme or any other matter relating hereto;

“**Central Government**” means the jurisdictional Regional Director, as notified *vide* notification dated 19 December 2016 (F.No. 2/31/CAA/2013-CL-V) for the purpose of Section 233 or any other applicable provisions of the Act;

“**Demerged Company**” means SLK Software Private Limited, a company incorporated under Companies Act, 1956 having its corporate identity number U72200KA2000PTC027503 and registered office at 40/A, KHB Industrial Area, Yelahanka, Bangalore – 560 064, Karnataka, India;

“**Demerged Undertaking**” means the entire activities, business, operations and undertakings of the Demerged Company pertaining to the Software Business as of the Appointed Date, on a *going concern* basis and shall include (without limitation):

- (a) all movable and immovable properties of the Demerged Company in relation to the Software Business, whether freehold or leasehold or licensed, including tenancy rights, hire purchase and lease arrangements, real or personal, corporeal or incorporeal or otherwise, present, future, contingent, tangible or intangible, and associated capital costs, security deposits, capital work in progress, easementary rights, rights of way, computers, furniture, fixtures, office equipment, appliances, accessories, vehicles, stocks, sundry debtors, investments in subsidiaries and joint ventures, deposits, provisions, advances, recoverables, receivables, title, interest, cash and bank balances, bills of exchange, covenants



all earnest monies, or other entitlements, funds, right to use and avail of telephones, telex, facsimile, email, internet, leased lines and other communication facilities, connections, installations and equipment, utilities, electricity and electronic and all other services of every kind, nature and description whatsoever and all the rights, title, interests, goodwill, benefits, fiscal incentives, entitlement and advantages, contingent rights or benefits belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Demerged Company pertaining to the Software Business;

- (b) all liabilities present and future, corporate guarantees issued and the contingent liabilities pertaining or relatable to the Software Business, namely:
- i. the debts of the Demerged Company which arises out of the activities or operations of the Software Business;
 - ii. specific loans and borrowings raised, incurred and utilised by the Demerged Company for the activities or operations of or pertaining to the Software Business; and
 - iii. general or multipurpose borrowings, if any, of the Demerged Company will be apportioned basis the proportion of the value of the assets transferred as part of the Software Business to the total value of the assets of the Demerged Company immediately prior to the Appointed Date.
- (c) contracts, agreements, schemes, arrangements, know your customer (KYC) details and any other instruments pertaining to the Software Business;
- (d) all other rights including sales tax deferrals and exemptions and other benefits, the input credit balances (including, State Goods & Service Tax ("SGST"), Integrated Goods and Services Tax ("IGST") and Central Goods and Service Tax ("CGST") credits) under the goods and service tax laws, CENVAT/ MODVAT credit balances under Central Excise Act, 1944, sales tax law, duty drawback claims, rebate receivables, refund and advance, all customs duty benefits and exemptions, export and import incentives and benefits (including but not limited to Software Technology Parks of India or Special Economic Zone ("SEZ") benefits) or any other benefits/ incentives/ exemptions given under any policy announcements issued or promulgated by the government of India or state government or any other government body or authority or any other like benefits under any statute) receivables, and liabilities related thereto, licenses, powers and facilities of every kind, nature and description whatsoever provisions and benefits of all agreements, contracts and arrangements and all other interests in connection with or relating to the Software Business, whether or not so recorded in the books of the Demerged Company;
- (e) all Tax credits, refunds, reimbursements, claims, concessions, exemptions, benefits under Tax Laws including minimum alternate tax paid under section 115JA/ 115JB of the Income-tax Act, advance taxes, tax deducted at source, right to carry forward and set-off accumulated losses and unabsorbed depreciation, if any, deferred tax assets, minimum alternate tax credit, goods and service tax credit, deductions and benefits under the Income-tax Act or any other Taxation statute enjoyed by the Demerged Company pertaining to the Software Business;
- (f) all Permits, quotas, incentives, powers, authorities, allotments, rights, benefits, advantages, pertaining to the Software Business;
- (g) all intellectual property and intellectual property rights, brands, logos, designs, labels, tradenames and trademarks of the Demerged Company in relation to the Software Business (including any applications for the same) of any nature whatsoever (more particularly set out in **Schedule 1** hereto), including trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein, works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author performer and



neighbouring rights, and all registrations applications for registration and renewals of such copyrights, designs and other intellectual property rights of any nature whatsoever, books, records, files, papers, software and firmware including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerised databases and other related specifications and documentation, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programmes, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information, and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Software Business;

- (h) all books, records, files, papers, governance templates and process information, records of standard operating procedures, computer programmes along with their software licenses, manuals and backup copies, advertising materials, and other data and records whether in physical or electronic form, directly or indirectly in connection with or relating to the Software Business;
- (i) all contracts, deeds, bonds, agreements, schemes, arrangements, distributor agreements, sub advisory arrangements and other instruments, permits, rights, entitlements, leases/ licenses, operation and maintenance contracts, memorandum of understanding, memorandum of agreements, memorandum of agreed points, letters of intent, hire and purchase agreements, tenancy rights, equipment purchase agreement, client registration forms/ KYC (know your customer) details/ POA (power of attorney) and other agreement and/or arrangement, as amended and restated from time to time, whether executed with customers, suppliers, contractors, lessors, licensors, consultants, advisors or otherwise, which pertains to the Software Business;
- (j) any and all memberships and registrations, earnest monies and/or security deposits, or other entitlements in connection with or relating to the Software Business;
- (k) entire experience, credentials, past record and market share of the Demerged Company pertaining to the Software Business; and
- (l) all employees of the Demerged Company that are determined by the Board of the Demerged Company to be substantially engaged in, or in relation to, the Software Business.

Any question that may arise as to whether a specified asset (tangible or intangible) or liability or employee pertains or does not pertain to the Demerged Undertaking or whether it arises out of the activities or operations of the Demerged Undertaking of the Demerged Company shall be decided by mutual agreement between the Board of Directors of the Demerged Company and the Resulting Company.

“Effective Date” means the opening business hours of the date on which last of the conditions specified in Clause 20 (Conditions Precedent) of this Scheme are complied with.

Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

“Encumbrance” means (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;

“Income-tax Act” means the Income-tax Act, 1961;



“**INR**” or “**Rupee(s)**” means Indian Rupee, the lawful currency of the Republic of India;

“**Person**” means any natural person, firm, company, body corporate (whether incorporated in India or not), governmental authority, joint venture, partnership, association, works council, employee representatives body or other entity (whether or not having separate legal identity);

“**Parties**” means collectively the Demerged Company and the Resulting Company and “**Party**” shall mean each of them, individually;

“**Permits**” means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

“**Person**” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a hindu undivided family, a joint venture, an unincorporated organisation or an Appropriate Authority;

“**Remaining Business of the Demerged Company**” means all other businesses, units, divisions, undertakings, and assets and liabilities of the Demerged Company including in particular software automation product, real estate and treasury businesses, other than the Demerged Undertaking;

“**Resulting Company**” means SLK Digital Private Limited, a company incorporated on 5 August 2024 under the provisions of the Act having corporate identity number U62099KA2024PTC191669 and having its registered office at SLK1 40/A KHB Industrial Area, Yelahanka, Bangalore-560064;

“**Resulting Company New Equity Shares**” means fully paid-up equity share(s) having face value of INR 1 (Indian Rupee One) each issued by the Resulting Company as consideration in terms of Clause 8.1 of this Scheme;

“**RoC**” means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;

“**Scheme**” means this scheme of arrangement, as may be modified;

“**Software Business**” means the business division of the Demerged Company engaged in the business of information technology and related services, software development;

“**Tax Laws**” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax/ value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature; and

“**Taxation**” or “**Tax**” or “**Taxes**” means all forms of direct and indirect taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of Tax, whether by way of deduction at source, collection at source, dividend distribution tax, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Parties or any other Person and all penalties, charges, costs and interest relating thereto.

1.2 In this Scheme, unless the context otherwise requires:

- (i) words denoting the singular shall include the plural and vice versa;
- (ii) headings, subheadings, titles, subtitles to clauses and sub-clauses are for convenience only and shall be ignored in construing the Scheme;
- (iii) reference to any law or legislation or regulation shall include amendment(s), circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations



thereunder; and

(iv) all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income-tax Act, or any other Applicable Laws, rules, regulations, bye laws, as the case may be.

2. SHARE CAPITAL

2.1 The share capital structure of the Demerged Company as on the date of the Board approving the Scheme is as under:

Particulars	Amount (in INR)
Authorised capital	
5,00,00,000 equity shares of INR 1 each	5,00,00,000
2,00,000 preference shares of INR 100 each	2,00,00,000
TOTAL	7,00,00,000
Issued, subscribed and paid-up capital	
2,95,97,804 equity shares of INR 1 each, fully paid up	2,95,97,804
TOTAL	2,95,97,804

2.2 The share capital structure of the Resulting Company as on the date of the Board approving the Scheme is as under:

Particulars	Amount (in INR)
Authorised capital	
1,00,000 equity shares of INR 1 each	1,00,000
TOTAL	1,00,000
Issued, subscribed and paid-up capital	
1,00,000 equity shares of INR 1 each, fully paid up	1,00,000
TOTAL	1,00,000

As on date, the Demerged Company along with its nominee(s) hold the entire issued, subscribed and paid-up equity capital of the Resulting Company. Therefore, Resulting Company is a wholly owned subsidiary of the Demerged Company.

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made pursuant to the provisions of this Scheme, shall become operative from the Effective Date and effective from the Appointed Date.



PART II
DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

4. DEMERGER AND VESTING OF THE DEMERGED UNDERTAKING

4.1 With effect from the Appointed Date and in accordance with the provisions of this Scheme and upon the Scheme becoming effective, and pursuant to Section 233 and other applicable provisions of the Act and Section 2(19AA) of the Income-tax Act, the Demerged Undertaking along with all its assets, Permits, contracts, liabilities, loan, duties and obligations of the Demerged Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Resulting Company on a *going concern* basis, so as to become as and from the Appointed Date, the Demerged Undertaking of the Resulting Company by virtue of operation of law, and in the manner provided in this Scheme.

This Scheme complies with the definition of “**demerger**” as per Section 2(19AA) of the Income-tax Act. If any terms of this Scheme are found to be or interpreted to be inconsistent with provisions of the Income-tax Act, then this Scheme shall stand modified to be in accordance with aforesaid provisions of the Income-tax Act.

4.2 Without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities forming part of the Demerged Undertaking under this Scheme, is as follows:

4.2.1 In respect of such of the assets and properties forming part of the Demerged Undertaking which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Demerged Undertaking, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Resulting Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;

4.2.2 Subject to Clause 4.2.3 below, with respect to the assets forming part of the Demerged Undertaking other than those referred to in Clause 4.2.1 above, including all rights including lease rental rights, title and interests in the agreements (including agreements for lease or license or leave and license of the properties), investments in shares of subsidiaries and joint ventures, if any, sundry debtors, claims from customers or otherwise, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with any Appropriate Authority, customers and other Persons, whether or not the same is held in the name of the Demerged Company, the same shall, without any further act, instrument or deed, be transferred to and vested in and/or be deemed to be transferred to and vested in the Resulting Company, with effect from the Appointed Date by operation of law as transmission in favour of Resulting Company. With regard to the licenses of the properties, the Resulting Company will enter into novation agreements, if it is so required;

4.2.3 In respect of such of the assets and properties forming part of the Demerged Undertaking which are immovable in nature, whether or not included in the books of the Demerged Company, including land, buildings, offices, sites, tenancy rights related thereto, rights, and all accretions, appurtenances, interests and easements in relation thereto, the same shall stand transferred to the Resulting Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Demerged Company and/or the Resulting Company, and only for the purposes of the payment of stamp duty, registration fees or other similar taxes or fees (if required under applicable law), shall be deemed to be conveyed at the applicable circle



rates/guideline values applicable to the respective immovable properties as determined by the relevant authorities at the time;

- 4.2.4 Upon effectiveness of the Scheme, all debts, liabilities, loans, obligations and duties of the Demerged Company as on the Appointed Date and relating to the Demerged Undertaking shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to the Resulting Company, in compliance with the requirements of Section 2(19AA) of the Income-tax Act, to the extent that they are outstanding as on the Appointed Date and the Resulting Company shall meet, discharge and satisfy the same;
- 4.2.5 The Demerged Company may, at its sole discretion but without being obliged to, give notice in such form as it may deem fit and proper, to such Persons, as the case may be, that any debt, receivable, bill, credit, loan, advance, debenture or deposit, contracts or policies relating to the Demerged Undertaking stands transferred to and vested in the Resulting Company and that appropriate modification should be made in their respective books/ records to reflect the aforesaid changes;
- 4.2.6 Unless otherwise agreed to between the Demerged Company and the Resulting Company, the vesting of all the assets of the Demerged Company forming part of the Demerged Undertaking, as aforesaid, shall be subject to the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets forming part of the Demerged Undertaking of the Demerged Company or part thereof on or over which they are subsisting on and vesting of such assets in the Resulting Company and no such Encumbrances shall extend over or apply to any other asset(s) of Resulting Company. Any reference in any security documents or arrangements (to which Demerged Company is a party) related to any assets of Demerged Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of Resulting Company. Similarly, Resulting Company shall not be required to create any additional security over assets vested under this Scheme for any loans, debentures, deposits or other financial assistance already availed of/ to be availed of by it, and the Encumbrances in respect of such indebtedness of the Demerged Company shall not extend or be deemed to extend or apply to the assets so vested.
- 4.2.7 In so far as any Encumbrance in respect of liabilities of the Demerged Undertaking is concerned, such Encumbrance shall without any further act, instrument or deed being required to be modified and, if so agreed, shall be extended to and shall operate over the assets of the Resulting Company. For the avoidance of doubt, it is hereby clarified that in so far as the assets comprising the Remaining Business of the Demerged Company are concerned, the Encumbrance, if any, over such assets relating to the liabilities of the Demerged Undertaking, without any further act, instrument or deed being required, be released and discharged from the obligations and Encumbrances relating to the same. Further, in so far as the assets comprised in the Demerged Undertaking are concerned, the Encumbrance over such assets relating to any loans, borrowings or other debts which are not transferred to the Resulting Company pursuant to this Scheme and which shall continue with the Demerged Company, shall without any further act or deed be released from such Encumbrance and shall no longer be available as security in relation to such liabilities.
- 4.2.8 Taxes, if any, paid or payable by the Demerged Company after the Appointed Date and specifically pertaining to Demerged Undertaking shall be treated as paid or payable by the Resulting Company and the Resulting Company shall be entitled to claim the credit, refund or adjustment for the same as may be applicable.
- 4.2.9 If the Demerged Company is entitled to any unutilised credits (including unutilised credits and unabsorbed depreciation, minimum alternate tax credit), balances or advances, benefits under the incentive schemes and policies including tax holiday or concessions relating to the Demerged Undertaking under any Tax Laws or Applicable Laws, the Resulting Company shall be entitled as an integral part of the



Scheme to claim such benefit or incentives or unutilised credits, as the case may be, without any specific approval or permission.

- 4.2.10 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Demerged Company and the Resulting Company are expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/ collected at source returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign taxes paid/ withheld, etc. if any, as may be required for the purposes of implementation of the Scheme. It is further clarified that the Resulting Company shall be entitled to claim deduction under Section 43B of the Income-tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company.
- 4.2.11 Subject to Clause 4 and any other provisions of the Scheme, in respect of any refund, benefit, incentive, grant or subsidy, in relation to or in connection with the Demerged Undertaking, the Demerged Company shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper, stating that pursuant to the Central Government having sanctioned this Scheme, the relevant refund, benefit, incentive, grant or subsidy be paid or made good to or held on account of the Resulting Company, as the Person entitled thereto, and that the right of the Demerged Company to recover or realise the same stands transferred to the Resulting Company, if any, and that appropriate entries should be passed in their respective books to record the aforesaid changes;
- 4.2.12 On and from the Effective Date and till such time that the name of the bank accounts of the Demerged Company, in relation to or in connection with the Demerged Undertaking, have been replaced with that of the Resulting Company, the Resulting Company shall be entitled to maintain and operate such bank accounts of the Demerged Company, in the name of the Demerged Company for such time as may be determined to be necessary by the Resulting Company. On and from the Effective Date, all cheques and other negotiable instruments and payment orders received or presented for encashment which are in the name of the Demerged Company and are in relation to or in connection with the Demerged Undertaking, shall be accepted by the bankers of the Resulting Company and credited to the account of Resulting Company, if presented by Resulting Company;
- 4.2.13 All outstanding and receivables of the Demerged Company pertaining to the Demerged Undertaking shall on and from the Appointed Date stand transferred to and vested in the Resulting Company without any approval, notice or other intimation to the debtors (although the Demerged Company and/or the Resulting Company may, if it so deems appropriate, give notice to the debtors that the debts do stand transferred to and vested in the Resulting Company), and the debtors shall be obliged to make payments to the Resulting Company;
- 4.2.14 Permits, including the benefits attached thereto of the Demerged Company, in relation to the Demerged Undertaking, shall be transferred to the Resulting Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of Resulting Company as if the same were originally given by, issued to or executed in favour of Resulting Company and the Resulting Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Demerged Company



to carry on the operations of the Demerged Undertaking without any hindrance, whatsoever; and

4.2.15 Contracts in relation to the Demerged Undertaking, where the Demerged Company is a party, shall stand transferred to and vested in the Resulting Company pursuant to the Scheme becoming effective. The absence of any formal amendment/ consent which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Demerged Company and Resulting Company shall, wherever necessary, enter into and/or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this Clause.

4.3 Without prejudice to the provisions of the foregoing sub-clauses of this Clause, the Demerged Company and the Resulting Company may execute any and all instruments or documents and do all the acts, deeds and things as may be required, including executing necessary confirmatory deeds for filing with the trademark registry and Appropriate Authorities, filing of necessary particulars and/or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Demerged Company or upon the Scheme becoming effective, shall be fulfilled by the Resulting Company as if it were the duly constituted attorney of the Demerged Company. The Resulting Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts forming part of the Demerged Undertaking transferred and/or registered in its name.

5. EMPLOYEES

5.1 With effect from the Effective Date, the Resulting Company undertakes to engage, without any interruption in service, all employees of the Demerged Company, engaged in or in relation to the Demerged Undertaking, on the terms and conditions not less favourable than those on which they are engaged by the Demerged Company. The Resulting Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Demerged Company with any of the aforesaid employees or union representing them. The Resulting Company agrees that the services of all such employees with the Demerged Company prior to the demerger shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity, leave encashments and other retiral/ terminal benefits. The decision on whether or not an employee is part of the Demerged Undertaking, shall be decided by the Demerged Company, and shall be final and binding on all concerned.

5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, as the case may be, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Resulting Company and/or such new provident fund, gratuity fund and superannuation fund to be established in accordance with the Applicable Laws and caused to be recognised by the Appropriate Authorities, by the Resulting Company. Pending the transfer as aforesaid, the provident fund, gratuity fund and superannuation fund dues of the said employees would be



continued to be deposited in the existing provident fund, gratuity fund and superannuation fund respectively of the Demerged Company.

5.3 Employee stock options:

5.3.1 Upon coming into effect of the Scheme:

- (a) The Resulting Company shall adopt/ formulate new employee incentive plan/(s) ("**Resulting Company Incentive Schemes**") by adopting the SLK Performance Linked Unit Scheme, 2020 and the SLK Vision Plus Scheme 2022, issued by the Demerged Company ("**Existing Incentive Schemes**") of the Demerged Company, as may be required to be modified at the discretion of the Board of the Resulting Company, as per Applicable Law;
- (b) The rights granted (whether vested or not) ("**Rights**") by the Demerged Company pursuant to the Existing Incentive Schemes to its employees, forming part of the Demerged Undertaking, will be governed by the provisions of the Resulting Company Incentive Schemes in a manner that such employees will be entitled to the same benefit as they would have received on exercise of the Rights prior to the demerger;
- (c) The Rights granted (whether vested or not) by the Demerged Company pursuant to the Existing Incentive Schemes to its employees, forming part of the Remaining Business of the Demerged Company, will continue to be governed by the provisions of the Existing Incentive Schemes, in a manner considered appropriate by the Board of the Demerged Company and in accordance with the Applicable Law; and
- (d) While granting Rights, the Resulting Company shall take into account the period during which the employees held Rights granted by the Demerged Company prior to the issuance of the Rights by the Resulting Company, for determining of minimum vesting period required for the Rights granted by the Resulting Company, subject to Applicable Law.

5.3.2 Approval granted to the Scheme by the shareholders of the Demerged Company and the Resulting Company shall also be deemed to be approval granted to any modifications made to the Existing Incentive Schemes of the Demerged Company and approval granted to the Resulting Company Incentive Schemes to be adopted by the Resulting Company, respectively.

6. LEGAL PROCEEDINGS

- 6.1 With effect from the Effective Date, all suits, actions, administrative proceedings, tribunals proceedings, show cause notices, demands and legal proceedings of whatsoever nature by or against the Demerged Company pending and/or arising on or before the Appointed Date or which may be instituted any time thereafter and in each case relating to the Demerged Undertaking shall not abate or be discontinued or be in any way prejudicially affected by reason of this Scheme or by anything contained in this Scheme but shall be continued and be enforced by or against the Resulting Company with effect from the Appointed Date in the same manner and to the same extent as would or might have been continued and enforced by or against the Demerged Company. Except as otherwise provided herein, the Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings that stand transferred to the Resulting Company. The Resulting Company shall be substituted in place of the Demerged Company or added as party to such proceedings and shall prosecute or defend such proceedings at its own cost, in cooperation with the Demerged Company and the liability of the Demerged Company shall consequently stand nullified. The Demerged Company shall in no event be responsible or liable in relation to any such legal or other proceedings in relation to the Demerged Undertaking.

6.2

The Resulting Company undertakes to have all legal and other proceedings initiated by or against the Demerged Company referred to in Clause 6.1 above transferred to its name as soon as is reasonably practicable after the Effective Date and to have the same



continued, prosecuted and enforced by or against the Resulting Company to the exclusion of the Demerged Company on priority. Both the Demerged Company and/ or the Resulting Company shall make relevant applications and take all steps as may be required in this regard. It is clarified that all income tax proceedings in relation to the Demerged Undertaking for a period prior to the Appointed Date shall be enforced against the Demerged Company and pertaining to the period after the Appointed Date shall be enforced against the Resulting Company.

- 6.3 Notwithstanding anything contained hereinabove, so far as the claims arising on the Demerged Company on account of on-going income tax disputes or on account of demands that may arise on the Demerged Company under the Income-tax Act, for the period prior to the Effective Date, the Resulting Company undertakes and agrees with Demerged Company that the Resulting Company shall take all such steps that may be required to defend such proceedings and/or claims including making payments towards the demands in the proceedings before the Appropriate Authority. However, if the Resulting Company does not and/or is unable to defend the said proceedings or claims, for whatsoever reasons, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.
- 6.4 Further, without prejudice to the aforesaid, if at any time after the Effective Date, the Demerged Company is in receipt of any demand, claim, notice and/ or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Demerged Undertaking, the Demerged Company shall, in view of the transfer and vesting of the Demerged Undertaking pursuant to this Scheme, take all such steps in the proceedings before the Appropriate Authority to replace the Demerged Company with the Resulting Company. However, if the Demerged Company is unable to get the Resulting Company replaced in such proceedings, the Demerged Company shall defend the same or deal with such demand in accordance with the advice of the Resulting Company and at the cost of the Resulting Company and the latter shall reimburse to the Demerged Company all liabilities and obligations incurred by the Demerged Company in respect thereof.

7. CONSEQUENTIAL MATTERS RELATING TO TAX

- 7.1 The Scheme has been drawn up to comply with the conditions relating to “Demerger” as specified under Section 2(19AA) of the Income-tax Act. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said section at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section shall prevail and the Scheme shall stand modified to the extent necessary to comply with Section 2 (19AA) of the Income-tax Act. Such modification will however not affect other parts of the Scheme.
- 7.2 with effect from the Appointed Date, the accumulated tax losses and unabsorbed tax depreciation of the Demerged Undertaking, if any, which accrue prior to the Appointed Date, and which shall be adjusted in accordance with any assessments/ reassessments/ rectifications by the tax authorities subsequent to the date hereof, would be transferred in accordance with the provisions of Income-tax Act.
- 7.3 Upon the Scheme coming into effect, all Goods and Service Tax (“GST”) and other indirect taxes of a similar nature, paid by the Demerged Company pertaining to the Demerged Undertaking from the Appointed Date, regardless of the period to which they relate, shall be deemed to have been paid for and on behalf of and to the credit of the Resulting Company and the Resulting Company shall be entitled to take credit for such taxes notwithstanding that certificates/ challans for the said taxes are in the name of the Demerged Company and not in the name of the Resulting Company.
- 7.4 Likewise all taxes (including income tax, Tax Deduction at Source (“TDS”), Tax Collection at Source (“TCS”), advance tax, GST, etc) payable by the Demerged Company in respect of the operations and/or the profits of the Demerged Undertaking on and from the Appointed Date, shall be on account of the Resulting Company and, in so far as it relates to the tax payment (including without limitation income tax, GST, etcetera), whether by way of TDS, advance tax or otherwise howsoever, the same shall be deemed to be the



corresponding item paid by the Resulting Company, and, shall, in all proceedings, be dealt with accordingly.

- 7.5 Upon the Scheme becoming effective, the Resulting Company shall expressly be permitted to claim refunds/ credits on account of GST in accordance with the rules made thereunder, pertaining to the Demerged Undertaking.
- 7.6 In accordance with the rules framed under the Cenvat Credit Rules, 2004 or GST laws or any statutory modification or re-enactment thereof, as are prevalent on the Effective Date, the unutilised excise duty/ service tax credits/ GST input tax credits, if any, relating to the excise duty/ service tax/ GST paid on input goods/ services pertaining to the Demerged Undertaking shall be transferred to the credit of the Resulting Company, as if all such unutilised credits were lying to the account of the Resulting Company. The Resulting Company shall accordingly be entitled to set off all such unutilised credits against the service tax/ GST payable by it, without limitation.
- 7.7 Without prejudice to generality of the aforesaid, any concession or statutory forms under the tax laws or local levies issued or received by the Demerged Company pertaining to the Demerged Undertaking, in respect of period commencing from the Appointed Date, shall be deemed to be issued or received in the name of the Resulting Company and the benefit of such forms shall be allowable to the Resulting Company in the same manner and to the same extent as would have been available to the Demerged Company.
- 7.8 Upon the Scheme becoming effective, the Demerged Company and the Resulting Company shall have the right to revise their respective financial statements and tax returns along with prescribed forms, filings and annexures under the tax laws and to claim refunds and/or credit for taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. It is further clarified that the Resulting Company shall be entitled to claim deductions under Income-tax Act in respect of unpaid liabilities transferred to it as part of the Demerged Undertaking to the extent not claimed by the Demerged Company, as and when the same are paid subsequent to Appointed Date.
- 7.9 It is hereby clarified that in case of any credits, refunds, benefits, incentives, grants, subsidies, etc., the Demerged Company, shall, if so required by the Resulting Company, issue notices in such form as the Resulting Company may deem fit and proper stating that pursuant to the Appropriate Authority having sanctioned this Scheme, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Resulting Company, as the Person entitled thereto, to the end and intent that the right of the Demerged Company, to recover or realise the same, stands transferred to the Resulting Company.
- 7.10 All the expenses incurred by the Demerged Company and the Resulting Company, *as the case may be*, in relation to the Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Demerged Company and the Resulting Company in accordance with the Section 35DD of the Income-tax Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective.
- 7.11 All benefits, incentives, losses (including but not limited to book losses, tax losses), book unabsorbed depreciation, tax unabsorbed depreciation), accumulated losses, Tax credits (including, without limitation income tax, minimum alternate tax paid under Section 115JA/ 115JB of the Income-tax Act, tax deducted at source, tax collected at source, wealth tax, goods and services tax, service tax, excise duty, central sales tax, applicable state value added tax, customs duty drawback, etc.) to which the Demerged Company (in relation to the Demerged Undertaking) is entitled to, in accordance with the provisions of Section 72A(4) of the Income-tax Act, shall be available to and vest in the Resulting Company, upon this Scheme coming into effect.

8. CONSIDERATION AND ISSUE OF SHARES

- 8.1 Upon effectiveness of this Scheme and in consideration of and subject to the provisions of this Scheme, the Resulting Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each



shareholder of the Demerged Company whose name is recorded in the register of members as on the Effective Date, as under:

"1 (One) fully paid equity share of INR 1 (Indian Rupee One) each of the Resulting Company, credited as fully paid up, for every 1 (One) equity share fully paid up of INR 1 (Indian Rupee One) each of the Demerged Company held by such shareholder"

The equity shares of the Resulting Company to be issued pursuant to this Clause 8.1 shall be referred to as "**Resulting Company New Equity Shares**".

- 8.2 The Resulting Company New Equity Shares shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, as the case may be, and shall rank *pari passu* in all respects with any existing shares of Resulting Company, as the case may be, after the Effective Date including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the shares of the Resulting Company.
- 8.3 The issue and allotment of Resulting Company New Equity Shares is an integral part hereof and shall be deemed to have been carried out under the orders of the Appropriate Authority without requiring any further act on the part of the Resulting Company or the Demerged Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Laws as may be applicable were duly complied with. It is clarified that the approval of the shareholders of the Resulting Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of Resulting Company New Equity Shares.
- 8.4 Subject to Applicable Laws, the Resulting Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in dematerialised form. The register of members maintained by the Resulting Company and/or, other relevant records, whether in physical or electronic form, maintained by the Resulting Company, the relevant depository and registrar and transfer agent in terms of Applicable Laws shall (as deemed necessary by the Board of the Resulting Company) be updated to reflect the issue of Resulting Company New Equity Shares in terms of this Scheme. In the event, the Demerged Company and/or the Resulting Company restructure their equity share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share entitlement ratio, per Clause 8.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions.
- 8.5 The Resulting Company shall, to the extent required, increase its authorised share capital in order to issue Resulting Company New Equity Shares, as per with the applicable provisions of the Act, prior to allotment of Resulting Company New Equity Shares.

9. REDUCTION AND CANCELLATION OF EQUITY SHARES OF THE RESULTING COMPANY

- 9.1 Upon allotment of the Resulting Company New Equity Shares, all the equity shares held by the Demerged Company of the Resulting Company ("**Resulting Company's Cancelled Shares**") shall stand cancelled, extinguished and annulled, without any further act or deed as an integral part of this Scheme.
- 9.2 The reduction of the share capital of the Resulting Company under Section 233 of the Act as specified in Clause 9.1 above, shall be effected as an integral part of this Scheme itself.
- 9.3 The Resulting Company shall debit its share capital account in its books of account with the aggregate face value of the Resulting Company's Cancelled Shares.
- 9.4 Notwithstanding the reduction in the equity share capital of the Resulting Company as a result of such cancellation, the Resulting Company shall not be required to add 'And Reduced' as suffix to its name.
- 9.5 The reduction and cancellation of the Resulting Company Cancelled Shares does not involve any diminution of liability of in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.



10. ACCOUNTING TREATMENT

10.1 The Demerged Company and the Resulting Company shall account for the demerger of the Demerged Undertaking in accordance with applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

10.2 In the books of the Demerged Company:

With effect from the Appointed Date, the Demerged Company shall account for the demerger of the Demerged Undertaking in its books of accounts as under –

10.2.1 All the assets and the liabilities of the Demerged Undertaking as appearing in the books of accounts of the Demerged Company transferred to and vested in the Resulting Company pursuant to the Scheme shall be reduced from the respective book value of assets and liabilities of the Demerged Company;

10.2.2 The difference, if any, between the book value of the assets of the Demerged Undertakings of the Demerged Company transferred to the Resulting Company less the book value of the liabilities of the Demerged Undertakings of the Demerged Company transferred to the Resulting Company shall be recognised in Retained Earnings;

10.2.3 For accounting purpose, the Scheme will be given effect from the Effective Date and such entries will be recorded on later of Effective Date or the date when all substantial conditions for the transfer of Demerged Undertaking are completed; and

10.2.4 Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the Indian accounting standards and generally accepted accounting principles applicable to the Demerged Company.

10.3 In the books of the Resulting Company:

The Resulting Company shall account for the transfer and vesting of the Demerged Undertaking (which qualifies as 'Business' as per the definition mentioned in Ind AS 103) as per the 'Pooling of interest method' in its books of accounts in accordance with Appendix C 'Business combinations of entities under common control' of the Ind AS 103 'Business Combinations' prescribed under Section 133 of the Act as enumerated below:

10.3.1 All identifiable assets and the liabilities acquired, related to the Demerged Undertaking, shall be recorded at their respective carrying values as appearing in the books of accounts of the Resulting Company;

10.3.2 The consideration issued by the Resulting Company to the shareholders of the Demerged Company shall be recognised at nominal/ face value and credited to the Equity Share Capital of the Resulting Company;

10.3.3 The balance, if any, after giving effect to Clauses 10.3.1 to 10.3.2 above shall be adjusted to the Capital Reserve Account.

10.4 Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the Indian accounting standards and generally accepted accounting principles applicable to the Resulting Company.

10.5 It is hereby clarified that all transactions during the period between the Appointed Date and Effective Date relating to the Demerged Undertaking would be duly reflected in the financial statements of the Resulting Company at their respective transaction value upon this Scheme coming into effect, as may be decided by the Board of Directors of the Resulting Company.

11. INCREASE IN AUTHORISED SHARE CAPITAL OF THE RESULTING COMPANY

11.1 With effect from Effective Date, the authorised share capital of the Resulting Company will automatically stand increased to INR 3,00,00,000 (Indian Rupees Three Crore Only) by simply filing the requisite forms with the Appropriate Authority and no separate procedure or instrument or deed shall be required to be followed under the Act. The



Resulting Company will pay necessary stamp duty and registration fees, as may be applicable, for increase in authorised share capital in terms of the Act.

- 11.2 Consequently, the memorandum of association and articles of association of the Resulting Company shall without any act, instrument or deed be and stand altered, modified and amended pursuant to Sections 13, 61 and other applicable provisions of the Act, and be replaced by the following clause:

"The Authorised Share Capital of the Company is INR 3,00,00,000 (Indian Rupees Three Crore Only) divided into 3,00,00,000 (Three Crore) equity shares of INR 1 (Indian Rupee One) each with power to increase and reduce the capital of the Company or to divide the shares in the capital for the time being into several classes and to attach thereto respectively any preferential, deferred, qualified or special rights, privileges or condition as may be determined by or in accordance with the Articles of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may be for the time being provided by the Articles of the Company and the legislative provisions for the time being in force."

- 11.3 It is clarified that the approval of the members of the Resulting Company to this Scheme shall be deemed to be their consent/ approval also to the memorandum of association and articles of association of the Resulting Company and the Resulting Company shall not be required to seek separate consent/ approval of its shareholders for such alteration of the memorandum of association and articles of association as required under Sections 13, 61 and 64 and other applicable provisions of the Act.

12. CHANGE OF NAME OF DEMERGED COMPANY

- 12.1 Upon the Scheme becoming effective, the name of the Demerged Company shall stand changed to "SLK Holdings Private Limited" or "Amin Holdings Private Limited" (as may be decided by the Board of the Demerged Company) or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.
- 12.2 Consequently, subject to Clause 12.1 above, clause I of the memorandum of association of the Demerged Company shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and other applicable provisions of the Act.
- 12.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clause 12.1 and 12.2, the consent of the shareholders of the Demerged Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional fees (including fees and charges to the relevant RoC) or stamp duty, shall be payable by the Demerged Company.

13. CHANGE OF NAME OF RESULTING COMPANY

- 13.1 Upon change of name of the Demerged Company as mentioned in Clause 12 above, the name of the Resulting Company shall stand changed to "SLK Software Private Limited" or such other name which is available and approved by the RoC, by simply filing the requisite forms with the Appropriate Authority and no separate act, procedure, instrument, or deed and registration fees shall be required to be followed under the Act.
- 13.2 Consequently, subject to Clause 13.1 above, clause I of the memorandum of association of the Demerged Company shall without any act, procedure, instrument or deed be and stand altered, modified and amended pursuant to Sections 13 and other applicable provisions of the Act.
- 13.3 It is hereby clarified that, for the purposes of acts and events as mentioned in Clauses 13.1 and 13.2, the consent of the shareholders of the Resulting Company to this Scheme shall be deemed to be sufficient for the purposes of effecting the aforementioned amendment and that no further resolution under Section 13, Section 14 or any other applicable provisions of the Act, would be required to be separately passed, nor any additional fees



(including fees and charges to the relevant RoC) or stamp duty, shall be payable by the Resulting Company.

14. CONDUCT OF THE BUSINESS TILL THE EFFECTIVE DATE

- 1.2 With effect from the date of approval of this Scheme by the respective Boards of the Parties and up to and including the Effective Date:
- 1.3 The Demerged Company shall carry on the business of the Demerged Undertaking with reasonable diligence and business prudence and in the same manner as it had been doing hitherto; and
- 1.4 The Resulting Company shall be entitled, pending the sanction of this Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Resulting Company may require to carry on the relevant business that is being transferred and vested in terms of this Scheme.
- 1.5 With effect from the Appointed Date and up to and including the Effective Date:
 - (i) The Demerged Company shall be deemed to have been carrying on and shall carry on its business and activities of the Demerged Undertaking and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets of the Demerged Undertaking for and on account of, and in trust for the Resulting Company;
 - (ii) All profits or income arising or accruing to the Demerged Company with respect to the Demerged Undertaking and all Taxes paid thereon (including but not limited to advance tax, tax deducted or collected at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/ paid in a foreign country, etc.) or losses arising or incurred by the Demerged Company with respect to the Demerged Undertaking shall, for all purposes, be treated as and deemed to be the profits or income, Taxes or losses, as the case may be, of the Resulting Company;
 - (iii) All loans raised and all liabilities and obligations incurred by the Demerged Company with respect to the Demerged Undertaking, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Resulting Company and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Resulting Company; and
 - (iv) The Demerged Company (with respect to the Demerged Undertaking) shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authorities concerned as necessary under Applicable Law for such consents, approvals and sanctions which the Resulting Company may require to carry on the Identified Business of the Demerged Company and to give effect to the Scheme.
- 1.6 For the purpose of giving effect to the order passed under Section 233 and other applicable provisions of the Act in respect of this Scheme by the Central Government, the Resulting Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right (s) upon demerger of the Demerged Undertaking in accordance with the provisions of Section 233 of the Act. The Resulting Company shall always be deemed to have been authorised to execute any pleadings, applications, forms, etc., as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme. For the purpose of giving effect to the vesting order passed in respect of this Scheme, the Resulting Company shall be entitled to exercise all rights and privileges, and be liable to pay all taxes and charges and fulfil all its obligations, in relation to or applicable to all immovable properties, including mutation and/or substitution of the ownership or the title to, or interest in the immovable properties which shall be made and duly recorded by the Appropriate Authority(ies) in favour of the Resulting Company pursuant to the sanction of the Scheme by the Central Government and upon the effectiveness of this Scheme in accordance with the terms hereof, without any further act or deed to be done or executed by the Resulting Company. It is clarified that the Resulting Company shall be entitled to engage in such correspondence and make



such representations, as may be necessary, for the purposes of the aforesaid mutation and/or substitution.

15. SAVING OF CONCLUDED TRANSACTIONS OR PROCEEDINGS

The demerger, transfer and vesting of the Demerged Undertaking under the Scheme and the continuance of suits, appeals, or other proceedings by or against the Demerged Company shall not affect any transaction or proceedings concluded by the Demerged Company, with or without the prior written consent of the Resulting Company, during the period between the date of approval of this Scheme by the Boards of the Demerged Company and the Resulting Company and till the Effective Date, and the Resulting Company hereby accepts and adopts all acts, deeds and things done and executed by the Demerged Company as done and executed on behalf of itself.

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**PART III
GENERAL TERMS & CONDITIONS**

16. REMAINING BUSINESSES

- 16.1 The Remaining Business of the Demerged Company shall continue to belong to and be owned and managed by the Demerged Company. The Demerged Company shall continue to be liable to perform and discharge all its liabilities and obligations in relation to the Remaining Business of the Demerged Company and the Resulting Company shall not have any liability or obligation in relation to the Remaining Business of the Demerged Company.
- 16.2 All legal, Tax and/or other proceedings by or against the Demerged Company under any statute, whether pending on the Effective Date or which may be instituted at any time thereafter, and relating to the Remaining Business of the Demerged Company (including those relating to any property, right, power, liability, obligation or duties of the Demerged Company in respect of the Remaining Business of the Demerged Company) shall be continued and enforced against the Demerged Company. The Resulting Company shall in no event be responsible or liable in relation to any such legal, Tax or other proceedings in relation to the Remaining Business of the Demerged Company.
- 16.3 If the Resulting Company is in receipt of any demand, claim, notice and/or is impleaded as a party in any proceedings before any Appropriate Authority, in each case in relation to the Remaining Business of the Demerged Company, the Resulting Company shall take all such steps in the proceedings before the Appropriate Authority to substitute the Resulting Company with the Demerged Company. However, if the Resulting Company is unable to get the Demerged Company so substituted in such proceedings, it shall defend the same or deal with such demand in accordance with the advice of the Demerged Company and at the cost of the Demerged Company and the latter shall reimburse the Resulting Company, against all liabilities and obligations incurred by or against Resulting Company, in respect thereof.
- 16.4 The Demerged Company shall carry on all business and activities pertaining or relating to the Remaining Business in their own name and on their own account.

17. FACILITATION PROVISIONS

- 17.1 Immediately upon the Scheme being effective, the concerned Parties shall enter into agreements as may be necessary, *inter alia* in relation to use by the Parties of office space, infrastructure facilities, information technology services, security personnel, trademarks and other intellectual property rights, legal, administrative and other services, etc. on such terms and conditions that may be mutually agreed between them.
- 17.2 It is clarified that approval of the Scheme by the shareholders of Demerged Company and Resulting Company under the Scheme shall be deemed to have their approval under Section 188 and other applicable provisions of the Act and that no separate approval of the of the Board or shareholders shall be required to be sought by the Parties.
- 17.3 It is clarified that all guarantees provided by the Demerged Company in respect of the Demerged Undertaking, if any, shall be valid and subsisting till adequate arrangements/ guarantees have been provided in respect of the same by the Resulting Company.

18. APPLICATION TO THE CENTRAL GOVERNMENT

The Demerged Company and the Resulting Company, shall, with all reasonable dispatch, make applications/ petitions to the Central Government or any other Appropriate Authority, under whose jurisdiction the registered offices of each company is situated, for sanctioning this Scheme of Arrangement under Sections 233 of the Companies Act, 2013 and other applicable provisions of the Act and for such other orders as the Central Government may deem fit for carrying this Scheme into effect.

19. MODIFICATION OR AMENDMENTS TO THE SCHEME

- 19.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any



conditions or limitations that the Central Government or any other Appropriate Authority may impose.

- 19.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any doubts, question or difficulty that may arise and to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect or agree to any terms and/or conditions or limitations that Central Government or any other authorities under law may deem fit to approve of, to direct and/or impose. The aforesaid powers of the Parties to give effect to the modification/ amendments to the Scheme may be exercised by their respective Board of Directors or any person authorised in that behalf by the concerned Board of Directors subject to approval of Central Government or any other authorities under the Applicable Laws and such directions shall be binding on all Parties as if the same were specifically incorporated in this Scheme.

20. CONDITIONS PRECEDENT

- 20.1 Subject to the directions of the Central Government, this Scheme is and shall be conditional upon the following:
- 20.1.1 approval of the Scheme by the requisite majority of each class of shareholders and such other classes of Persons of the Parties, if any, as applicable or as may be required under the Act and as may be directed by the Central Government;
 - 20.1.2 Obtaining sanction and orders under the provisions of Section 233 of the Act and other applicable provisions of the Act by the Parties to the Scheme from the Central Government or such other competent authority;
 - 20.1.3 Filing the authenticated/ certified copy of the order of the Central Government sanctioning the Scheme with the jurisdictional Registrar of Companies, by the Parties; and
 - 20.1.4 The requisite consent, approval or permission of Appropriate Authority or any other Person which by Applicable Law or contract, agreement may be necessary for the implementation of this Scheme.
- 20.2 Without prejudice to Clause 20.1 and subject to the satisfaction or waiver of the conditions mentioned in Clause 20.1 above, the entire Scheme shall be made effective simultaneously.
- 20.3 It is hereby clarified that submission of this Scheme to the Central Government and to the Appropriate Authorities for their respective approvals is without prejudice to all rights, interests, title, or defences that Parties may have under or pursuant to all Applicable Laws.
- 20.4 On the approval of this Scheme by the shareholders of the Parties and such other classes of Persons of the Parties, if any, pursuant to Clause 20.1, such shareholders and classes of Persons shall also be deemed to have resolved and accorded all relevant consents under the Act or otherwise to the same extent applicable in relation to the Scheme.

21. WITHDRAWAL OF THIS SCHEME, NON-RECEIPT OF APPROVALS AND SEVERABILITY

- 21.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the Scheme is effective.
- 21.2 In the event of withdrawal of the Scheme under Clause 21.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.
- 21.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed to by the Parties, this Scheme or relevant part(s) of this Scheme shall become null and void and each Party shall bear and pay its respective costs, charges and expenses for and/or in connection with this Scheme.
- 21.4 In the event of revocation/ withdrawal of the Scheme under Clause 21.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their



respective shareholders or creditors or employees or any other Person, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or in accordance with Applicable Law and in such case, each Party shall bear its own costs, unless otherwise mutually agreed.

21.5 Further, it is the intention of the Parties that each part shall be severable from the remainder of this Scheme and the Scheme shall not be affected if any part of this Scheme is found to be unworkable for any reason whatsoever unless the deletion of such part shall cause this Scheme to become materially adverse to any Party, in which case the Parties shall attempt to bring about a modification in this Scheme or cause such part to be null and void, including but not limited to such part.

22. COSTS, CHARGES AND EXPENSES

All costs, charges and expenses payable in relation to or in connection with this Scheme and incidental to the completion of the transfer and vesting of the Demerged Undertaking in the Resulting Company, in pursuance of this Scheme including stamp duty on the order(s) of the Appropriate Authority, if any, to the extent applicable and payable shall be borne and paid by the Resulting Company.

23. DECLARATION OF SOLVENCY

23.1 The Board of Directors of Demerged Company declare that the Companies are capable of meeting its total liabilities and the total value of the assets is not less than the value of its liabilities.

23.2 The Board of Directors of Resulting Company declare that the Company is capable of meeting its total liabilities and will be able to pay all its debts which fall due during the period of twelve (12) months from the Effective Date, and the total value of the assets is not less than the value of its liabilities.

24. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, until any property, asset, license, approval, permission, contract, agreement and rights and benefits arising therefrom and relating to the Demerged Undertaking are transferred, vested, recorded, effected and/or perfected, in the records of the governmental authority (ies), regulatory bodies or otherwise, in favour of the Resulting Company, the Resulting Company is deemed to be authorised to enjoy the property, asset or the rights and benefits arising from the license, approval, permission, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, approval, permission, contract or agreement. It is clarified that till entry is made in the records of the governmental authority (ies) and till such time as may be mutually agreed by the Demerged Company and the Resulting Company, the Demerged Company will continue to hold the property and/or the asset, license, permission, approval as the case may be, in each case, relating to the Demerged Undertaking, in trust on behalf of the Resulting Company.



SCHEDULE 1 | LIST OF TRADEMARKS

- a) List of intellectual properties and trademarks of the Demerged Company pertaining to the Demerged Undertaking proposed to be transferred to the Resulting Company, as on the date of the meeting of the Board of the Demerged Company approving the Scheme, includes (but not limited to) the following:

a. **Proprietary IPs without Registered TMs**

IP Name	Ownership
DataArtistry	Resulting Company
Chat2Cloud	Resulting Company
CloudPacific	Resulting Company

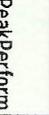
b. **Proprietary IPs with Registered TMs – As per attached list.**

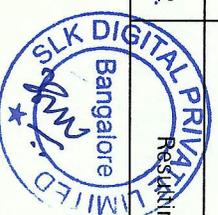
- b) Any intellectual property right and trademark acquired/ created by the Demerged Company, in relation to the Demerged Undertaking, post date of the meeting of the Board of the Demerged Company approving the Scheme till the Effective Date.



Graphic Representation of the TM	TradeMark Name	Jurisdiction	TM App No.	Applicant Name	TM Registration No.	Class	Filing date	Status	Valid upto (w.e.f Filing Date)	TM Owner
	SLK Logo (NEW) - Curvy Bow	India	2944021	SLK Software Services Pvt Ltd	Same as TM App No.	45	17-Apr-2015	Registered	17-Apr-2025	Resulting Company
	SLK Logo (NEW) - Curvy Bow	India	2944022	SLK Software Services Pvt Ltd	Same as TM App No.	42	17-Apr-2015	Registered	17-Apr-2025	Resulting Company
	SLK Logo (NEW) - Curvy Bow	India	2944023	SLK Software Services Pvt Ltd	Same as TM App No.	35	17-Apr-2015	Registered	17-Apr-2025	Resulting Company
	SLK Logo (NEW) - Curvy Bow	India	2944024	SLK Software Services Pvt Ltd	Same as TM App No.	9	17-Apr-2015	Registered	17-Apr-2025	Resulting Company
	SLK Logo (NEW) - Curvy Bow	UK	009139768	SLK Software Services Pvt Ltd	UK00913976832	9, 35, 36, 42	23-Apr-2015	Registered	23-Apr-2025	Resulting Company
	SLK Logo - Curvy Bow	EU	13976832	SLK Software Services Pvt Ltd	Same as TM App No.	9, 35, 36, 42	23-Apr-2015	Registered	23-Apr-2025	Resulting Company
	SLK New Logo (BLACK text)	India	5392039	SLK Software Private Limited	Same as TM App No.	9	31-Mar-2022	Accepted and Advertised		Resulting Company
	SLK New Logo (BLACK text)	India	5392040	SLK Software Private Limited	Same as TM App No.	42	31-Mar-2022	Registered	31-Mar-2032	Resulting Company
	SLK New Logo (BLACK text)	US	97317044	SLK Software Private Limited	7250406	9, 42	17-Mar-2022	Registered	17-Mar-2032	Resulting Company
	SLK New Logo (BLACK text)	UK	UK00003767123	SLK Software Private Limited	UK00003767123	9, 42	18-Mar-2022	Registered	18-Mar-2032	Resulting Company
	SLK New Logo (BLACK text)	AUS	2257237	SLK Software Private Limited	2257237	9, 42	18-Mar-2022	Registered	18-Mar-2032	Resulting Company
	SLK New Logo (BLACK text)	SNG	0202206461	SLK Software Private Limited	402022064671	9, 42	23-Mar-2022	Registered	23-Mar-2032	Resulting Company



	SLK New Logo (BLACK text)	EU	18674139	SLK Software Private Limited	Same as TM App No.	9, 42	18-Mar-2022	Registered	29-Apr-2032	Resulting Company
	SLK New Logo (WHITE text)	India	5392041	SLK Software Private Limited	Same as TM App No.	9	31-Mar-2022	Opposition has been filed by One Company vide notice dated 31/July/2024 - SLK to respond to the Opposition before 29/Sept/2024.		Resulting Company
	SLK New Logo (WHITE text)	India	5392042	SLK Software Private Limited	Same as TM App No.	42	31-Mar-2022	Registered	31-Mar-2032	Resulting Company
	SLK New Logo (WHITE text)	US	97317072	SLK Software Private Limited	7250407	9, 42	17-Mar-2022	Registered	17-Mar-2032	Resulting Company
	SLK New Logo (WHITE text)	UK	UK00003767126	SLK Software Private Limited	UK00003767126	9, 42	18-Mar-2022	Registered	18-Mar-2032	Resulting Company
	SLK New Logo (WHITE text)	AUS	2257244	SLK Software Private Limited	2257244	9, 42	18-Mar-2022	Registered	18-Mar-2032	Resulting Company
	SLK New Logo (WHITE text)	SNG	20220646	SLK Software Private Limited	40202206466S	9, 42	23-Mar-2022	Registered	23-Mar-2032	Resulting Company
	SLK New Logo (WHITE text)	EU	18674137	SLK Software Private Limited	Same as TM App No.	9, 42	18-Mar-2022	Registered	29-Apr-2032	Resulting Company
PeakPerform	PeakPerform	EU	018779872	SLK Software Private Limited	018779872	9, 42	24-Oct-2022	Registered	24-Oct-2032	Resulting Company
PeakPerform	PeakPerform	UK	000038446	SLK Software Private Limited	UK00003844604	9, 42	1-Nov-2022	Registered	1-Nov-2032	Resulting Company
PeakPerform	PeakPerform	US	97661674	SLK Software Private Limited		9, 42	3-Nov-2022	Statement of Use, with Specimens has been filed. Awaiting acceptance from USPTO		Resulting Company
PeakPerform	PeakPerform	SNG	202259651	SLK Software Private Limited	40202259651S	9, 42	27-Oct-2022	Registered	27-Oct-2032	Resulting Company



PeakPerform	PeakPerform	India	5666674	SLK Software Private Limited	Same as TM App No.	42	2-Nov-2022	Registered	2-Nov-2032	Resulting Company
INSURAI	INSURAI	AUS	2301103	SLK Software Private Limited	2301103	9, 35, 36, 42	15-Sep-2022	Registered	15-Sep-2032	Resulting Company
INSURAI	INSURAI	EU	018762037	SLK Software Pvt Ltd	018762037	9, 35, 36, 42	15-Sep-2022	Registered	15-Sep-2032	Resulting Company
INSURAI	INSURAI	UK	000038297	SLK Software Pvt Ltd	UK00003829793	9, 35, 36, 42	15-Sep-2022	Registered	15-Sep-2032	Resulting Company
PeakPerform	PeakPerform	AUS		SLK Software Pvt Ltd				AUS TM office has issued an exam report for TM- Peak Perform - SLK is collating answers to the questions		Resulting Company



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SLK SOFTWARE PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of **SLK Software Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows, Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the standalone 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 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

4. We did not audit the financial statements and other financial information of as regards Company's share in profit of limited liability partnership investment (post-tax) amounting to Rs. 176.73 million for the year ended 31 March 2024. The financial statements and other financial information has been audited by other auditor, whose report has been furnished to us, and the

Company's share in profits of limited liability partnership investment has been included in these financial statements based solely on the report of such auditor.

Our opinion is not modified with respect to the above matter.

Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the Board's Report 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.
6. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. 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 the Board Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions as per the applicable laws and regulations.

Responsibility of Management for the Standalone Financial Statements

8. 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, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 these standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

11. 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 auditors' 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.
12. 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) To 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.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d) 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 auditors' 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.
13. 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.

14. 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.

Report on Other Legal and Regulatory Requirements

15. 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 Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 of the Order.

16. As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 16(k)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c) The Company does not have a branch office and therefore, reporting under Section 143(3)(c) of the Companies Act, 2013 is not applicable.
- d) The standalone financial statements dealt with by this Report are in agreement with the books of account.
- e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- f) There are no observations or comments made by us on the financial transactions or matters which have any adverse effect on the functioning of the Company.
- g) On the basis of the written representations received from the Directors as on 31 March 2024 taken on record by the Board of Directors, none of the Directors are disqualified as on 31 March 2024 from being appointed as a Director in terms of Section 164 (2) of the Act.
- h) There are no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith except for the matters stated in the paragraph 16(k)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- i) 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".
- j) The Company is a private limited company and Section 197 read with Schedule V of the Act is not applicable.

- k) 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 the standalone 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.
 - iv.
 - a. The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - c. Based on such audit procedures performed by us that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v. The dividend declared/ paid during the year by the Company is in compliance with Section 123 of the Companies Act, 2013.
 - vi. Based on our examination and representations received from the Management, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the same has been made operational from March 2024 for all relevant transactions recorded in the software. Further, during the course of our examination, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating.

The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023. However, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

For Singhvi Dev & Unni LLP
Chartered Accountants
FRN: 003867S/S200358 / LLPIN: AAP-3305

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Date: 2024.08.23 16:08:51
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Manoj Nair
Partner
UDIN: 24049426BKCERQ9102
Membership No: 049426
Bengaluru
23 August 2024

Annexure A to the Auditors' Report

(As referred to in paragraph 15 of the Independent Auditors' report of even date)

- (i)
 - a)
 - A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
 - B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) According to the information and explanations provided to us, the Company has a phased program for physical verification of the property, plant & equipment (PPE) to cover all PPE over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of the assets. Accordingly, physical verification was conducted by the management during the financial year 2023-24 and no material discrepancies were noted on such verification.
 - c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favour of the lessor) disclosed in the standalone financial statements are held in the name of the Company.
 - d) The Company has not revalued its property, plant & equipment (including Right of Use Assets), and intangible assets during the year end.
 - e) According to the explanation and information provided to us, the Company does not have any proceedings pending against it under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii)
 - (a) The Company is engaged in the business of providing services to its customers. Hence, the Company does not hold any inventory.
 - (b) The Company has not raised working capital finance at any point of time during the year from banks and/or financial institutions on the basis of security of current assets. Hence, reporting on quarterly returns or statement filed by the Company with such banks and/or financial institutions is not applicable.
- (iii)
 - (a) The Company has provided loans or advances/deposits in the nature of loans during the year and details of which are given below:

(Amount in INR millions)

Name of the party	Type of investment	Whether secured or unsecured?	Relationship with the entity (Indicate whether – Subsidiary, Joint Venture, Associate or Other parties (delete the line))	Amount granted during the year	Balance outstanding (including interest)
Hero Electric Vehicles Private Limited	Loan	Unsecured	Others	200.00	437.44

- (b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) In respect of loans and advances in the nature of loan, the schedule repayment of principal and payment of interest has been stipulated. However, there has been a default in repayment of principal and interest amounting to INR 437.44 millions during the year by Hero Electric Vehicles Private Limited.
- (d) The Company has initiated discussion with the party for restructuring/ recovery of the principal and interest for the defaulted amount.
- (e) The Company has not renewed or extended or granted fresh loans to settle the overdues of the existing loans to the same parties during the year.
- (f) The Company has not granted any loans or advances in the nature of loans which is either repayable in demand or without specifying any terms or period of repayment.
- (iv) The Company has complied with the provisions of Section 185 and Section 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities granted.
- (v) The Company has not accepted deposits to report under this clause.
- (vi) The Company is not required to maintain cost records in terms of Section 148(1) of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014.
- (vii)
- a) As per the information and explanations provided to us, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, employees' state insurance, income tax, sales tax, service tax, duty of excise, value added tax, duty of customs, cess and any other statutory dues with the appropriate authorities. However, there were delays

observed in deposit of provident funds. Further, arrears of outstanding statutory dues, as at the last day of the financial year concerned for a period of more than six months from the date they became payable exist, details of which are as follows:

(Amount in INR millions)

Name of Statute	Nature of dues	Financial Year	Amount of undisputed outstanding statutory dues for more than six months from their due date
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employer and Employee Contribution to Provident Fund	2023-24	6.39

Note: The delay was on account of non-linking of Universal Account Number with Aadhar number for certain employees. The Company along with its employee is in the process of initiating corrective action for the same.

- b) As per the information and explanations provided to us, there are no statutory dues as mentioned in sub-clause (a) which have not been deposited on account of any dispute, except for the following dues which have not been deposited:

(Amount in INR millions)

Name of Statute	Nature of dues	Financial Year	Demand as per order	Amount paid/ adjusted under protest	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2011-12	15.45	23.54	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2013-14	NIL	8.53	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2014-15	0.28	4.44	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	2016-17	16.83	4.00	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2017-18	27.63	NIL	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2019-20	6.09	1.22	Commissioner of Income Tax (Appeals)

Income Tax Act, 1961	Income Tax	2021-22	55.01	NIL	Commissioner of Income Tax (Appeals)
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Note: For cases where demand is NIL, the Company is in the process of receiving order giving effect from the income tax authorities.

(viii) There are no transactions that have been surrendered or disclosed as income during the year (which were previously unrecorded) in the tax assessments under the Income Tax Act, 1961, during the year.

(ix)

- a) The Company has not taken any loans or other borrowings from any lender during the year.
- b) The Company is not declared a wilful defaulter by any bank or financial institution or other lender.
- c) The Company has not taken any term loans during the year and there are no unutilized term loans at the beginning of the year. However, the Company has been sanctioned a working capital limit, which is unutilized at the end of the year.
- d) The Company has not taken any loans or other borrowings from any lender during the year.
- e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x)

- a) The Company has is a private limited company and is prohibited under the Act to raise money from public through public offer.
- b) The Company has not made preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi)

- (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of the audit. Therefore, the report under Section 143(12) of the Companies Act, 2013 in form ADT-4 is not required to filed with the Central Government.
- (c) According to the information and explanations given to us, no whistle-blower complaints have been received by the Company.

- (xii) The Company is not a Nidhi Company.
- (xiii) According to the explanation and information provided to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, and the relevant accounting standard, where applicable and the details of which has been disclosed in Note 28 of the standalone financial statements annexed to this Independent Auditor's report.
- (xiv)
 - (a) The Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have received the internal audit report for the period under audit. However, we have designed our audit procedures independent of this internal audit report.
- (xv) In our opinion and according to the information and explanations provided to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of Section 192 of the Act are not applicable.
- (xvi)
 - (a) The Company is not required to be register under the Section 45-IA of the Reserve Bank of India, Act, 1934.
 - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
 - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
 - (d) As per information and explanation provided to us, the Group does not have a CIC.
- (xvii) The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) In our opinion and according to the information and explanation provided to us and on evaluation of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial information; we believe that there is no material uncertainty as on the date of the audit report that the Company is capable of meeting its financial liabilities at the date of Balance Sheet as and when they fall due within one year from the date of Balance Sheet.

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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section on 135(5) of the said Act.

For Singhvi Dev & Unni LLP
Chartered Accountants
FRN: 003867S/S200358 / LLPIN: AAP-3305

MANOJ NAIR

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Manoj Nair
Partner
UDIN: 24049426BKCERQ9102
Membership No: 049426
Bengaluru
23 August 2024

**Annexure - B to the Independent Auditors' Report
(As referred to in paragraph 16(i) of the Independent Auditors' report of 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")

1. We have audited the internal financial controls over financial reporting of **SLK Software Private Limited** ("the Company") as at 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Management 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. 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 on Audit of Internal Financial Controls over Financial Reporting (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.
4. 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 auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting of the Company.

Meaning of Internal Financial Controls over Financial Reporting

6. 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:
 - a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
 - b. 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
 - c. 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.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. 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.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, 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.

For Singhvi Dev & Unni LLP
Chartered Accountants
FRN: 003867S/S200358 / LLPIN: AAP-3305

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Date: 2024.08.23 16:10:00 +05'30'

Manoj Nair
Partner
UDIN: 24049426BKCERQ9102
Membership No: 049426
Bengaluru
23 August 2024

Particulars	Note No.	Rs. In Millions	
		As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current assets			
a) Property, plant and equipment	3a	1097.58	1053.04
b) Right of use assets	26	680.44	883.62
c) Intangible assets		50.97	30.02
d) Intangibles assets under development	3b	7.35	-
e) Financial assets			
(i) Investments			
a) Investment in subsidiaries	4a	4,741.03	1,816.88
b) Investment in joint venture	4b	-	299.88
c) Other investments	5a	3,649.99	2,207.59
(ii) Other financial assets	6a	445.67	490.52
f) Other non-current assets	8a	157.15	157.43
Total non - current assets		10,830.18	6,938.98
Current assets			
a) Financial assets			
(i) Investments			
a) Other investments	5b	634.22	51.65
(ii) Trade receivables	9	1,879.85	1,557.17
(iii) Cash and cash equivalents	10a	1,032.22	1,074.62
(iv) Bank balances other than (iii) above	10b	37.26	69.04
(v) Other financial assets	6b	1,682.68	1,229.85
b) Other current assets	8b	290.70	144.41
Total current assets		5,556.93	4,126.74
Total assets		16,387.11	11,065.72
EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	11	28.86	29.22
b) Other equity	12	13,413.60	8,427.16
Total equity		13,442.46	8,456.38
Liabilities			
Non-current liabilities			
a) Financial liabilities			
(i) Lease liabilities	26	521.80	692.86
b) Provisions	13a	197.76	151.70
c) Deferred tax liabilities (net)	7	21.15	41.30
Total non - current liabilities		740.71	885.86
Current liabilities			
a) Financial liabilities			
(i) Trade payables	15		
- Total outstanding dues to micro enterprises and small enterprises		12.20	7.92
- Total outstanding dues to creditors other than micro enterprises and small enterprises		846.60	582.39
(ii) Lease liabilities	26	171.06	151.79
(iii) Other financial liabilities	14b	791.21	722.41
b) Provisions	13b	133.38	123.71
c) Current tax liabilities (net)	16	-	-
d) Other current liabilities	17	249.49	135.26
Total current liabilities		2,203.94	1,723.48
Total liabilities		2,944.65	2,609.34
Total equity and liabilities		16,387.11	11,065.72

See accompanying notes forming part of the standalone financial statements

1-42

In terms of our report attached.

For Singhvi Dev & Unni LLP

Chartered Accountants

FRN: 003867S/ S200358/ LLPIN : AAP-3305

MANOJ NAIR

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Date: 2024.08.23 15:45:12
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Manoj Nair

Partner

Membership Number: 049426

Place : Bengaluru

Date : August 23, 2024

**For and on behalf of Board of Directors
of SLK Software Private Limited**

**Parth Dinubhai
Amin**

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Parth Dinubhai Amin
Date: 2024.08.23
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Parth D Amin

Managing Director

DIN: 00152263

Place : Bengaluru

Date : August 23, 2024

**S Girish
Kumar**

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by S Girish Kumar
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Girishkumar S

Director

DIN: 08454591

Place : Bengaluru

Date : August 23, 2024

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
1 Revenue from Operations	18	7,758.46	6,668.56
2 Other Income	19	2,568.56	1,302.18
3 Total Income (1 +2)		10,327.02	7,970.74
4 Expenses			
Employee benefits expense	20 & 29	4,703.15	3,768.31
Other direct expenses	21	455.57	226.96
Finance costs	22	67.30	41.26
Depreciation and amortisation expense	3a,3b & 26	375.39	368.94
Other expenses	23	1,637.74	1,202.01
Total expenses		7,239.15	5,607.48
Profit before exceptional item and tax (3 - 4)		3,087.87	2,363.26
Exceptional item	41	4,029.12	-
5 Profit before tax		7,116.99	2,363.26
6 Tax expense			
a) Current tax	24	1,556.49	434.43
b) Previous year tax	24	6.77	-
c) Deferred tax	7 & 24	(19.17)	95.02
		1,544.09	529.45
7 Profit for the year (5- 6)		5,572.90	1,833.81
8 Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement gains/(losses) of defined benefit plan		(3.84)	11.92
(ii) Income tax relating to items that will not be reclassified to profit or loss	7 & 24	0.97	(3.00)
Total other comprehensive income		(2.87)	8.92
9 Total comprehensive income for the year (7 + 8)		5,570.03	1,842.73
Earnings per equity share:			
Basic and diluted (in Rs.)	25	190.72	63.06
See accompanying notes forming part of the standalone financial statements	1-42		

In terms of our report attached.

For Singhvi Dev & Unni LLP

Chartered Accountants

FRN: 003867S/ S200358/ LLPIN : AAP-3305

MANOJ NAIR

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Date: 2024.08.23
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Manoj Nair

Partner

Membership Number: 049426

Place : Bengaluru

Date : August 23, 2024

For and on behalf of Board of Directors
of SLK Software Private Limited

**Parth
Dinubhai
Amin**

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Parth Dinubhai Amin
Date: 2024.08.23
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Parth D Amin
Managing Director

DIN: 00152263

Place : Bengaluru

Date : August 23, 2024

**S Girish
Kumar**

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Girish Kumar
Date: 2024.08.23
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Girishkumar S

Director

DIN: 08454591

Place : Bengaluru

Date : August 23, 2024

SLK Software Private Limited
Corporate Identity Number (CIN): U72200KA2000PTC027503
Statement of cash flows for the year ended March 31, 2024

Particulars	Note No.	Rs. In Millions	
		For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flows from operating activities			
Profit for the year		5,572.90	1,833.81
<u>Adjustments for:</u>			
Income tax expense recognised in statement of profit and loss	24	1,544.09	529.45
Depreciation and amortisation of non-current assets	3a,3b & 26	375.39	368.94
Loss/ (Gain) on disposal of property, plant and equipment	23	(2.99)	(3.83)
Finance cost recognised in statement of profit and loss	22	67.30	41.26
Interest income recognised in statement of profit and loss	19	(193.95)	(96.52)
Net interest income on financial assets measured at amortised cost		(16.52)	(18.44)
Net gain arising on financial assets measured at fair value through profit and loss	19	(22.11)	(496.24)
Profit on sale of investments	19	(338.23)	(4.26)
Net gain on derecognition of financial liabilities measured at amortised cost	19	(60.25)	(0.82)
Provision for losses/ (gains) of subsidiaries	19	(176.74)	(110.27)
Dividend income recognised in statement of profit and loss	19	(649.15)	(202.41)
Gain on termination of lease	19	-	(7.31)
Net foreign exchange gain		-	7.71
		526.84	7.26
Movements in working capital:			
(Increase)/decrease in trade receivables		(322.68)	(250.12)
(Increase)/decrease in current financial assets		(452.55)	(335.20)
(Increase)/decrease non-current financial assets		61.37	8.42
(Increase)/decrease other non-current assets		(27.99)	(2.33)
(Increase)/decrease other current assets		(146.29)	(64.22)
Increase/(decrease) in trade payables		328.74	41.73
Increase/(decrease) in non-current financial liabilities		(0.54)	(11.31)
Increase/(decrease) in current financial liabilities		107.70	62.09
Increase/(decrease) in current liabilities		114.23	29.93
Increase/(decrease) short-term provisions		2.00	3.72
Increase/(decrease) long-term provisions		42.22	35.28
Cash flow from extraordinary items		(4,029.12)	-
Cash generated from operations		1,776.83	1,359.06
Income taxes paid		(1,527.32)	(386.63)
Net cash generated by operating activities (A)		249.51	972.43
B. Cash flows from investing activities			
Payments for property, plant and equipment		(255.48)	(109.68)
Payments for intangible assets		(28.30)	(4.96)
Proceeds from disposal of property, plant and equipment		2.80	4.57
Net cash outflow for investment in others		(1,096.32)	(382.57)
Net cash inflow from in joint venture		4,329.00	-
Net cash inflow from investments		(2,747.41)	-
Proceeds on sale of financial assets		(536.53)	271.34
Dividend received	19	649.15	202.41
Interest received		193.67	96.64
Net cash (used)/generated in investing activities (B)		510.58	77.75
C. Cash flows from financing activities			
Buy back of equity shares (including taxes)		(177.36)	-
Repayment of lease liabilities	26	(218.55)	(208.22)
Dividend paid on equity shares		(406.59)	(207.59)
Net cash used in financing activities (C)		(802.50)	(415.81)
Net (decrease) in cash and cash equivalents (A+B+C)		(42.40)	634.37
Cash and cash equivalents at the beginning of the year	10a	1,074.62	440.25
Cash and cash equivalents at the end of the year	10a	1,032.22	1,074.62
Reconciliation of Cash and cash equivalents with the Balance Sheet (refer note 10a):			
Cash on hand		0.08	0.06
Balances with banks:			
- In current accounts		20.87	19.52
- In EEFC accounts		819.06	725.71
- In deposits account		192.21	329.33
		1,032.22	1,074.62
See accompanying notes forming part of the standalone financial statements	1-42		

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Reconciliation of liabilities from financing activities for the year ended March 31, 2024						Rs. In Millions
Particulars	As at March 31, 2023	Additions during the year	Proceeds/ impact of Ind AS 116	Repayments	Fair value changes	As at March 31, 2024
Lease liabilities	844.65	-	-	(218.55)	66.76	692.86
Total liabilities from financing activities	844.65	-	-	(218.55)	66.76	692.86

Reconciliation of liabilities from financing activities for the year ended March 31, 2023						Rs. In Millions
Particulars	As at March 31, 2022	Additions during the year	Proceeds/ impact of Ind AS 116	Repayments	Fair value changes	As at March 31, 2023
Lease liabilities	168.52	872.10	-	(236.17)	40.20	844.65
Total liabilities from financing activities	168.52	872.10	-	(236.17)	40.20	844.65

See accompanying notes to the standalone financial statements

In terms of our report attached
For Singhvi Dev & Unni LLP
 Chartered Accountants
 FRN: 003867S/ S200358/ LLPIN : AAP-3305

**For and on behalf of Board of Directors
 of SLK Software Private Limited**

MANOJ NAIR
 Digitally signed by
 MANOJ NAIR
 Date: 2024.08.23
 15:49:30 +05'30'

Manoj Nair
 Partner
 Membership Number: 049426
 Place : Bengaluru
 Date : August 23, 2024

Parth Dinubhai Amin
 Digitally signed by
 Parth Dinubhai Amin
 Date: 2024.08.23
 12:42:29 +05'30'

Parth D Amin
 Managing Director
 DIN: 00152263
 Place : Bengaluru
 Date : August 23, 2024

S Girish Kumar
 Digitally signed by S
 Girish Kumar
 Date: 2024.08.23
 12:43:06 +05'30'

Girishkumar S
 Director
 DIN: 08454591
 Place : Bengaluru
 Date : August 23, 2024

a. Equity share capital

Particulars	Rs. In Millions
	Amount
Balance at March 31, 2022	29.22
Changes in equity share capital during the year (Refer note 11)	-
Balance at March 31, 2023	29.22
Changes in equity share capital during the year (Refer note 11)	(0.36)
Balance at March 31, 2024	28.86

b. Other equity

Particulars	Reserves and surplus				Rs. In Millions
	General reserves	Securities premium	Capital redemption reserve	Statement of Profit and Loss	Total Other Equity
As at March 31, 2022	393.29	0.34	-	6,398.39	6,792.02
Profit for the year	-	-	-	1,833.81	1,833.81
Dividend @ Rs. 7 per share	-	-	-	(207.59)	(207.59)
Remeasurement of defined benefits plan (net of deferred tax)	-	-	-	8.92	8.92
As at March 31, 2023	393.29	0.34	-	8,033.53	8,427.16
Profit for the year	-	-	-	5,572.90	5,572.90
Dividend	-	-	-	(406.59)	(406.59)
Buy back of shares	-	(0.06)	-	(141.27)	(141.33)
Tax paid on buy back of shares	-	-	-	(35.67)	(35.67)
Remeasurement of defined benefits plan (net of deferred tax)	-	-	-	(2.87)	(2.87)
Amount transferred to capital redemption reserve upon buyback	-	-	0.39	(0.39)	-
As at March 31, 2024	393.29	0.28	0.39	13,019.64	13,413.60

See accompanying notes forming part of the standalone financial statements

1-42

In terms of our report attached.

For Singhvi Dev & Unni LLP

Chartered Accountants

FRN: 003867S/ S200358/ LLPIN : AAP-3305

**MANOJ
NAIR**

Digitally signed by
MANOJ NAIR
Date: 2024.08.23
15:50:05 +05'30'

Manoj Nair

Partner

Membership Number: 049426

Place : Bengaluru

Date : August 23, 2024

For and on behalf of Board of Directors

of SLK Software Private Limited

Parth Dinubhai Amin
Digitally signed by
Parth Dinubhai Amin
Date: 2024.08.23
12:43:48 +05'30'

Parth D Amin

Managing Director

DIN: 00152263

Place : Bengaluru

Date : August 23, 2024

S Girish
Kumar

Digitally signed by S Girish
Kumar
Date: 2024.08.23 12:44:11
+05'30'

Girishkumar S

Director

DIN: 08454591

Place : Bengaluru

Date : August 23, 2024

1 CORPORATE INFORMATION

SLK SOFTWARE PRIVATE LIMITED specializes in a wide range of high value solutions and delivers end to end services to its clients enabling them to transform their business through information technology. The principal activity of the Company consists of export of software services & development. The Company changed its name from SLK Software Services Private Limited to SLK Software Private Limited effective December 7, 2020.

2 SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter, which includes Standards notified under the section 133 of the Companies Act, 2013 and the relevant provisions of Companies Act, 2013 ("the Act"), as applicable.

2.2 Basis of preparation and presentation

The standalone financial statements have been prepared on the historical cost on a going concern and accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair valued, such as value in use quantification as per Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Previous figures have been regrouped/ reclassified to conform with current year classification/ presentation

2.3 Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.4 Use of estimates

The preparation of the standalone financial statements in conformity with the recognition and measurement principals of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities and disclosure relating to contingent liabilities as at the date of standalone financial statements and the reported amounts of income and expenditure during the reported year. The Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Revenue recognition

The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. As the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognized revenue and profit are subject to revisions as the contract progresses to completion.

Contracts with customers often include promises to transfer multiple services to a customer. Determining whether the services are considered distinct performance obligations that should be accounted for separately or together requires significant judgment based on nature of the contract, transfer of control over the service, ability of the service to benefit the customer on its own or together with other readily available resources and the ability of the service to be separately identifiable from other promises in the contract.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Provision for income tax and valuation of deferred tax assets

The Company's major tax jurisdiction is in India. Significant judgement is involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Taxation note.

Other estimates

The preparation of financial statements involves estimates and assumptions that effects the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analysing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

2.5 Revenue recognition

Rendering of services:

The Company derives revenue primarily from software development and related services. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a service to a customer. The method for recognizing revenues and costs depends on the nature of the services rendered:

- a) *Time and material contracts*
Revenues and costs relating to time and materials contracts are recognized as the related services are rendered and the completion of activity is accepted by the customer, in accordance with the terms of the agreement.
- b) *Fixed price contracts*
Revenues from fixed-price contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity.
If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is recognized only to the extent of contract cost incurred for which recoverability is probable.

Onerous contracts

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

In arrangements for software development and related services, the Company has applied the guidance in Ind AS 115, 'Revenue from Contracts with Customers', by applying the revenue recognition criteria for each of the distinct performance obligation. The arrangements generally meet the criteria for considering software development and related services as distinct performance obligation. For allocating the consideration, the Company has measured the revenue in respect of distinct performance obligation at its standalone selling price, in accordance with principles given in Ind AS 115.

The Company accounts for volume discounts and pricing incentives to customers by reducing the amount of revenue recognized at the time of sale.

Revenues are shown net of sales tax, goods and services tax and applicable discounts and allowances.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. 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.

'Unearned revenues' represent billing in excess of revenue recognized. Advance payments received from customers for which no services are rendered are presented as 'Advance from customers'.

Dividend and Interest Income:

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on time basis, with reference to the principal outstanding and at the effective interest rate applicable.

2.6 Property, plant and equipment

Tangible assets are carried at cost less accumulated depreciation/ amortisation and impairment losses, if any. The cost of tangible assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

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

When the company partially leases out property, it is not treated as investment property.

2.7 Intangible assets

Acquired intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with respect to any changes in estimate. The effect of change in estimate is accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Internally generated intangible asset arising from development is recognised if, and only if, all of the following have been demonstrated:

- a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- b) the intention to complete the intangible asset and use or sell it;
- c) the ability to use or sell the intangible asset;
- d) how the intangible asset will generate probable future economic benefits;
- e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

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

2.8 Depreciation/ amortisation

Depreciable amount for tangible assets is the cost of asset less its estimated residual value. Depreciation on tangible assets have been provided on the straight line method as per useful life provided in Schedule II of the Companies Act 2013. The useful life of assets given below:

Building	60 Years
Plant and Machinery	5 to 15 Years
Computers	3 to 6 Years
Furniture and Fixtures	10 Years
Vehicles	8 to 10 Years

Leasehold improvements are amortized over a period of five years or period of lease whichever is less.

Freehold land is not depreciated.

Intangible assets (acquired) is amortised over a period of three years. Internally generated assets are assessed individually for their useful lives.

2.9 Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. Financial assets (except investments in subsidiaries) 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 are recognised immediately in statement of profit and loss.

A) Financial assets:

Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial Assets at fair value through other comprehensive Income("FVTOCI")

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss ("FVTPL")

Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Impairment and derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of the ownership of the asset to another party. On derecognition of a financial asset in its entirety, the difference between the asset carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

The Company applies expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables, other contractual rights to receive cash or other financial asset. The Company is identifying the specific amounts of financial assets which has become bad during the year and providing the credit loss.

B) Financial liabilities and equity:

Financial liabilities at amortised cost

Financial liabilities represented by borrowings, trade payables and other payables are initially recognized at fair value, and subsequently are measured at amortised cost using effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Equity Instrument:

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognised by the Company are recognised at the proceeds received net off direct issue cost.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

C) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks, including foreign exchange forward contracts. Further details of derivative financial instruments are disclosed in note 27E.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the profit or loss.

2.10 Foreign Currency transactions and translations

The functional currency of the Company is the currency in which primary economic environment of the entity operates i.e., Indian Rupee. The standalone financial statements of the Company are presented in Indian Rupee.

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated. Income and expense items in foreign currency are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used.

2.11 Employee benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund, compensated absences.

Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

For defined benefit retirement benefit plans, 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. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- 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
- remeasurement.

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 cost. Remeasurement impact is accounted in other comprehensive income (OCI).

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; or
- in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long service awards are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date.

Employee units scheme (Performance Linked Growth Unit Plan) - Share based payment transactions

Employees of the Company and its subsidiaries receive remuneration in the form of share-based payments in form of payments made in cash, whereby employees render services as consideration for these share based payments of the Company. The Company has an obligation to settle this transaction by payment of cash and hence these share based payment arrangements are recognised as cash-settled transactions.

The cost is either recognised in employee benefits expense or investment in subsidiaries for the employees of the Company or subsidiary respectively over the period in which the performance and/or service conditions are fulfilled. The cumulative expense/ investment recognised for cash-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense/ investment for a period represents the movement in cumulative expense/ investment recognised as at the beginning and end of that period and is recognised in employee benefits expense/ investment in subsidiaries.

Units based payments to employees are measured at the book value of the equity instruments of the Company at the grant date. The book value changes determined at the grant date and year end of the units based payments is charged to profit and loss.

No expense is recognised for awards that do not ultimately vest because nonmarket performance and/or service conditions have not been met.

2.12 Leases

The Company as lessee:

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.13 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) 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 (including the post tax effect of extraordinary items, if any) 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.

2.14 Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income-tax Act, 1961. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone 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 of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. 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. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income (OCI) or directly in equity, in which case, the current and deferred tax are also recognised in OCI or directly in equity respectively.

2.15 Provisions & contingencies

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 (excluding retirement benefits and compensated absences) are not discounted to their present value and are determined based on a best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses it in the financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

2.16 Non current assets held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

The criteria for held for sale classification is regarded met only when the assets (or disposal group) is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal group), its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset (or disposal group) to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

2.17 Impairment

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

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

2.18 Statement of cash flows

Cash flows are reported using indirect method, whereby profit before extraordinary items is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.19 Related party disclosure

Disclosure of transactions with related parties, as required by Ind AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under Ind AS 24 have been identified on the basis of information available with the Company.

2.20 Segment Reporting

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Unallocated items:

Unallocated items include general corporate asset, liability, income and expense items which are not allocated to any business segment.

Segment accounting policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

2.21 Measurement of fair values

The Company measures financial instruments, such as, derivatives at fair value at each Balance Sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3 Property, plant and equipment and Intangible assets (owned unless otherwise stated)

Particulars	Rs. In Millions												
	a) Property, plant & equipment					b) Intangible Assets					Total		
	Land (Freehold)	Building	Computers	Leaschold improvements	Furniture and fixtures	Plant and equipment	Vehicles	Total of Tangible Assets	Acquired	Computer software Internally generated		Intangible Asset under development	Total of Intangible Assets
Gross Block													
As at March 31, 2022	167.81	605.53	532.20	332.16	156.04	409.68	45.30	2,248.72	292.92	31.87	-	324.79	2,573.51
Additions	-	-	102.67	-	0.78	14.58	14.12	132.15	21.64	-	-	21.64	153.79
Disposals/Write off	-	-	(14.58)	-	-	-	-	(14.58)	-	-	-	-	(14.58)
As at March 31, 2023	167.81	605.53	620.29	332.16	156.82	424.26	59.42	2,366.29	314.56	31.87	-	346.43	2,712.72
Additions	-	-	100.33	6.55	1.24	44.15	46.43	198.70	18.14	21.38	7.35	46.87	245.57
Disposals/Write off	-	-	(34.35)	-	-	(4.08)	(1.86)	(40.29)	-	-	-	-	(40.29)
As at March 31, 2024	167.81	605.53	686.27	338.71	158.06	464.33	103.99	2,524.70	332.70	53.25	7.35	393.30	2,918.00
Accumulated Depreciation/ Amortisation													
As at March 31, 2022	-	50.00	389.08	282.64	77.37	307.03	36.52	1,142.65	288.30	22.18	-	310.48	1,453.13
Charge for the Year	-	10.10	69.58	46.20	14.62	41.11	3.52	185.13	3.38	2.55	-	5.93	191.06
Disposals/Write off	-	-	(14.53)	-	-	-	-	(14.53)	-	-	-	-	(14.53)
As at March 31, 2023	-	60.10	444.13	328.84	91.99	348.14	40.04	1,313.25	291.68	24.73	-	316.41	1,629.66
Charge for the Year	-	10.10	92.61	4.13	14.66	26.26	3.88	153.64	14.24	4.33	-	18.57	172.21
Disposals/Write off	-	-	(34.23)	-	-	(4.07)	(1.47)	(39.77)	-	-	-	-	(39.77)
As at March 31, 2024	-	70.20	502.51	332.97	106.65	370.33	44.45	1,427.12	305.92	29.06	-	334.98	1,762.10
Carrying amount													
As at March 31, 2023	167.81	545.43	176.16	3.32	64.83	76.12	19.38	1,053.04	22.88	7.14	-	30.02	1,083.06
As at March 31, 2024	167.81	535.33	183.76	5.74	51.41	94.00	59.54	1,097.58	26.78	24.19	7.35	58.32	1,155.90

As on March 31, 2024				
Intangible Assets Under development Particulars	Amt of Intangible Assets Under development for a period			
	<1 year	1-2 years	2-3 years	>3 years
Projects in progress	7.35	-	-	-
Projects temporary suspended	-	-	-	-
Total	7.35	-	-	-

As on March 31, 2023				
Intangible Assets Under development Particulars	Amt of Intangible Assets Under development for a period			
	<1 year	1-2 years	2-3 years	>3 years
Projects in progress	-	-	-	-
Projects temporary suspended	-	-	-	-
Total	-	-	-	-

Note: In the Management's view there is no impairment to assets as per Ind AS 36 - Impairment of assets.

4a. Investments in subsidiaries

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Non-current		
Investments (At cost):		
Investment in equity instruments (Unquoted)		
Wholly owned subsidiaries		
SLK America Inc. : 3,680,000 equity shares @ USD \$1 each fully paid up (March 31, 2023: 3,680,000 equity shares @ USD \$1 each fully paid up)	185.46	185.46
SLK Technologies Inc. : 1,100,000 equity shares @ USD \$1 each fully paid up (March 31, 2023: 1,100,000 equity shares @ USD \$1 each fully paid up) *	50.37	50.37
SLK Software Netherland B.V. : Euro 18,000 stocks fully paid up @ Euro 1 each (March 31, 2023: 18,000 stocks @ Euro 1 each fully paid up)	1.16	1.16
SLK Software Singapore Pte. Ltd. : 500,000 equity shares @ SGD 1 each fully paid up (March 31, 2023: 500,000 equity shares @ SGD 1 each fully paid up)	24.48	24.48
SLK UK Private Limited. :100,000 equity shares @ GBP 1 each fully paid up (March 31, 2023: 100,000 equity shares @ GBP 1 each fully paid up)	9.75	9.75
SLK Software France : 100,000 equity shares @ EUR 1 each fully paid up (March 31, 2023: 100,000 equity shares @ EUR 1 each fully paid up)	7.42	7.42
SLK Software Germany GmbH : 100,000 equity shares @ EUR 1 each fully paid up (March 31, 2023: 100,000 equity shares @ EUR 1 each fully paid up)	7.11	7.11
Other subsidiaries		
Vijna Labs Private Limited : 7,328,921 equity shares @ Rs. 10 each fully paid up (March 31, 2023: 4,408,921 equity shares @ Rs.10 each fully paid up)	211.24	156.42
Maldivian Mermaid Private Limited: 15,000 equity shares @ MVR 4,112 each fully paid up (March 31, 2023: Nil)	332.24	-
Investment in Limited Liability Partnership (Unquoted)		
Amin Properties LLP [Refer Note (b) below]	3,962.17	1,425.08
	4,791.40	1,867.25
Less: Provision for diminution in value of investments	(50.37)	(50.37)
	4,741.03	1,816.88
Aggregate amount of unquoted investments	4,741.03	1,816.88

4b. Investment in joint venture

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Investment in Joint venture (Unquoted)		
VFI SLK Global Services Private Limited : Rs. Nil (March 31, 2023: 29,988,000 equity shares @ Rs. 10 each fully paid up)	-	299.88
	-	299.88

(b) The details of all partners, capital and profit sharing ratio in Amin Properties LLP where the Company is a partner as at March 31, 2024 are as under :

Partner name	Current account balances	Total capital	Profit sharing ratio
Parth Dinubhai Amin	0.01	0.22	0.01%
SLK Software Private Limited	390.38	2,170.88	99.99%
Total	390.39	2,171.10	100.00%

(b) The details of all partners, capital and profit sharing ratio in Amin Properties LLP where the Company is a partner as at March 31, 2023 are as under :

Partner name	Current account balances	Total capital	Profit sharing ratio
Parth Dinubhai Amin	108.52	875.50	40.33%
SLK Software Private Limited	373.08	1,052.00	48.44%
Roshen Amin	6.56	52.50	2.42%
Gopal Dinubhai Amin	18.12	145.00	6.68%
Priya Amin	0.94	7.50	0.35%
Amin Partners LLP	4.83	38.60	1.78%
Total	512.05	2,171.10	100.00%

5. Other investments		Rs. In Millions	
Particulars	As at March 31, 2024	As at March 31, 2023	
a) Non-current Investments			
Investments carried at fair value through profit or loss			
Equity instruments - Quoted	1,531.94	396.50	
Equity and Debt instruments - Unquoted	2,118.05	1,811.09	
	3,649.99	2,207.59	
Aggregate amount of quoted investments	1,531.94	396.50	
Aggregate amount of unquoted investments	2,118.05	1,811.09	
b) Current Investments			
Quoted			
Investments carried at fair value through profit or loss			
Mutual funds	634.22	51.65	
	634.22	51.65	
Aggregate amount of quoted investments	634.22	51.65	
6. Other financial assets		Rs. In Millions	
Particulars	As at March 31, 2024	As at March 31, 2023	
a) Non-current			
Security deposits	305.50	292.25	
Inter-corporate loan			
Related parties (Refer Note 28)			
Vijna Labs	-	72.98	
Loans and advances to employees (Refer Note below)	78.27	98.66	
Deposits with banks having maturity period more than 12 months (*)	61.90	26.63	
	445.67	490.52	
b) Current			
Security deposits	0.30	0.30	
Related parties (Refer Note 28)			
Vijna Labs	72.98	-	
Derivative contracts			
- Foreign currency forward contracts	9.18	-	
Loans and advances to employees	11.48	7.53	
Inter Corporate Deposit	437.44	200.00	
Unbilled revenue**	902.04	798.06	
Receivable on sale of asset	0.18	-	
Contractually reimbursable expenses			
(I) Non-related parties			
Voya Global Services Private Limited(formerly known as VFI SLK Global Services Private Limited)	82.71	-	
(II) Related parties (Refer Note 28)			
i) SLK America Inc.	144.94	200.43	
ii) SLK Software Netherlands B.V.	-	0.11	
iii) SLK UK Private Limited	0.80	0.56	
iv) Voya Global Services Private Limited(formerly known as VFI SLK Global Services Private Limited)	-	19.79	
v) Vijna Labs Private Limited	3.56	1.95	
vi) Maldivian Mermaid Private Limited	15.67	-	
Accrued Interest on deposits	1.40	1.12	
	1,682.68	1,229.85	

Note: The Company has provided interest free long term loans to select group of employees. The term of the loan ranges between 3 to 5 years.

(**) Denotes Not due

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities	180.29	154.00
Deferred tax assets	(201.44)	(195.30)
Net deferred tax (liabilities)/ assets	(21.15)	(41.30)

Significant components of deferred tax (liability) / asset for the year ended March 31, 2024 are as follows :

Particulars	Rs. In Millions			
	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
i) Difference between written down value of property plant and equipment as per books of accounts and Income Tax Act,1961.	35.08	(14.04)	-	21.04
ii) Re-measurement of employee benefit liabilities	67.81	73.13	0.97	141.90
iii) Fair Value changes in the forward contracts and investments allowed	(154.00)	(26.29)	-	(180.29)
iv) Ind AS 116 - Leases	9.81	(12.93)	-	(3.13)
Total	(41.30)	19.86	0.97	(20.48)

Significant components of deferred tax (liability) / asset for the year ended March 31, 2023 are as follows :

Particulars	Rs. In Millions			
	Opening Balance	Recognised in profit or loss	Recognised in other comprehensive income	Closing Balance
i) Difference between written down value of property plant and equipment as per books of accounts and Income Tax Act,1961.	37.59	(2.51)	-	35.08
ii) Re-measurement of employee benefit liabilities	43.14	27.67	(3.00)	67.81
iii) Fair Value changes in the forward contracts and investments allowed	(41.61)	(112.39)	-	(154.00)
iv) Ind AS 116 - Leases	7.40	2.41	-	9.81
v) Others	9.53	(9.53)	-	-
Total	56.05	(94.35)	(3.00)	(41.30)

8. Other assets		Rs. In Millions	
Particulars	As at		
	March 31, 2024	March 31, 2023	
a) Non-current			
Advance Tax (net of provision for taxation Rs. 2,448.75 million; March 31, 2023: Rs. 1,478.43 million)	54.50	82.77	
Balance with Government authorities	25.23	15.56	
Land purchased for employee incentives	77.42	59.10	
	157.15	157.43	
b) Current			
Prepaid expenses	99.56	74.66	
Balance with others	121.07	48.79	
Advance to suppliers	70.07	20.96	
	290.70	144.41	

9. Trade receivables		Rs. In Millions	
Particulars	As at		
	March 31, 2024	March 31, 2023	
Current			
Trade receivables			
a) Unsecured, considered good			
Dues from related parties (Refer note 28)	441.78	428.11	
- SLK America Inc.	1,420.94	1,107.71	
- SLK UK Private Limited.	8.82	8.52	
- Vijna Labs Private Limited	8.26	-	
- Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	-	0.62	
- Amin Properties LLP	0.05	-	
- SLK Software France	-	12.21	
	1,879.85	1,557.17	

Trade receivables and contract asset aging schedule
As at March 31, 2024

	Rs. In Millions					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	1,877.91	1.34	0.60	-	-	1,879.85
ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivable – 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	-	-	-	-	-	-
Total	1,877.91	1.34	0.60	-	-	1,879.85

As at March 31, 2023

	Rs. In Millions					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
i) Undisputed Trade receivables – considered good	1,557.17	-	-	-	-	1,557.17
ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivable – 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	-	-	-	-	-	-
Total	1,557.17	-	-	-	-	1,557.17

10a Cash and cash equivalents

Particulars		Rs. In Millions	
	As at		
	March 31, 2024	March 31, 2023	
Cash on hand	0.08	0.06	
Balances with banks:			
- In current accounts	20.87	19.52	
- In EEFC accounts	819.06	725.71	
- In deposits account	192.21	329.33	
	1,032.22	1,074.62	

10b Bank balances other than cash and cash equivalents

Particulars		Rs. In Millions	
	As at		
	March 31, 2024	March 31, 2023	
Margin Money Deposits*	7.26	6.90	
Balances with banks:			
- In deposits account**	30.00	62.14	
	37.26	69.04	

(*) Includes deposits aggregating to Rs.7.26 million on lien with banks/ financial institutions.

(**) Includes deposits aggregating to Rs. 30.00 million on lien with banks/ financial institutions.

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
11 Equity share capital		
Authorised Share capital :		
50,000,000 Equity Shares of Re. 1 each (March 31, 2023: 5,000,000 Equity Shares of Re.1 each)	50.00	50.00
200,000 Preference Shares of Rs.100 each (March 31, 2023: 200,000 Preference Shares of Rs.100 each)	20.00	20.00
Issued and subscribed capital comprises:		
29,597,804 Equity Shares of Re.1 each (March 31, 2023: 29,983,504 Equity Shares of Re. 1 each)	29.60	29.98
Less: Shares issued to stock plan trust 733,390 equity shares of Re. 1 each (March 31, 2023: 763,390 equity shares of Re. 1 each)	0.73	0.76
Adjusted issued, subscribed and fully paid-up share capital	28.86	29.22

i) Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the reporting year:

Particulars	Number of shares	Number of shares
Number of shares outstanding as at March 31, 2022	2,92,20,114	2,92,20,114
Add: Additional shares issued during the year	-	-
Number of shares outstanding as at March 31, 2023	2,92,20,114	2,92,20,114
Add: Additional shares issued during the year	-	-
Less: Buyback of Shares during the year (refer Note below)	(3,55,700)	-
Number of shares outstanding as at March 31, 2024	2,88,64,414	2,92,20,114

Note: The Company, based on a resolution of its Board of Directors at their meeting held on August 28, 2023, which was ratified and approved by its members vide their resolution at the annual general meeting held on the same date made an offer to its shareholders of equity shares to buy back 5,309,794 equity shares of Re. 1 each at buyback price of Rs. 398.17 per equity share. Based on the acceptances received, the Company bought back 355,700 equity shares (excluding 30,000 shares bought back from stock trust) of Re. 1 each by paying a total consideration of Rs. 141.63 million (excluding Rs. 11.95 million paid as consideration to stock trust) excluding gross taxes of Rs. 35.67 million.

ii) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of Re.1 per share (March 31, 2023: Re.1). Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Number of shares held by each shareholder holding more than 5% shares in the Company are as follows:

Class of shares / Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Parth Amin	1,17,66,288	40.76%	1,20,66,288	41.29%
Danyo LLC	1,03,77,170	35.95%	1,03,77,170	35.51%
Roshen Amin	46,40,193	16.08%	46,40,193	15.88%

iv) Shares held by promoters at the end of the year

Promoter Name	No. of Shares				
	As at March 31, 2024	As at March 31, 2023	% of total shares as on March 31, 2024	% of total shares as on March 31, 2023	% change during the year
Parth Amin	1,17,66,288	1,20,66,288	40.76%	41.29%	-0.53%
Roshen Amin	46,40,193	46,40,193	16.08%	15.88%	0.20%
Parth & Amin Family Trust	10,65,725	10,65,725	3.69%	3.65%	0.04%
Vidur Parth Amin	1,70,000	20,000	0.59%	0.07%	0.52%
	1,76,42,206	1,77,92,206	61.12%	60.89%	0.23%

12. Other equity Particulars	Rs. In Millions	
	As at	As at
	March 31, 2024	March 31, 2023
General reserve*	393.29	393.29
Securities premium account**	0.28	0.34
Retained earnings***	13,019.64	8,033.53
Capital redemption reserve****	0.39	-
	13,413.60	8,427.16

* General reserve represents appropriation of profits.

** Amounts received on issue of shares in excess of the par value, net of utilisation.

*** Retained earnings comprises of prior and current year's undistributed earnings.

**** Capital redemption reserve created on account of buy back of shares.

The Board of Directors at its meeting held on February 5, 2024 declared an interim dividend of ₹ 7 per equity share of par value of ₹ 1 each for the financial year ended March 31, 2024 and the same was paid during the year ended March 31, 2024.

The Board of Directors at its meeting held on April 20, 2023 declared an interim dividend of ₹ 7 per equity share of par value of ₹ 1 each for the financial year ended March 31, 2024 and the same was paid during the year ended March 31, 2024.

The Board of Directors at its meeting held on June 7, 2022 declared an interim dividend of ₹ 7 per equity share of par value of ₹ 1 each for the financial year ended March 31, 2023 and the same was paid during the year ended March 31, 2023.

13. Provisions Particulars	Rs. In Millions	
	As at	As at
	March 31, 2024	March 31, 2023
a) Non-current		
Gratuity (net)	92.10	62.02
Employee compensated absences	105.66	89.68
	197.76	151.70
b) Current		
Employee compensated absences	25.58	23.58
Provision for Income Tax (Net of advance tax Rs. 2,892.81 million; March 31, 2023: Rs. 2,052.00 million)	107.80	100.13
	133.38	123.71

14. Other financial liabilities Particulars	Rs. In Millions	
	As at	As at
	March 31, 2024	March 31, 2023
a) Current		
Security deposit	7.26	17.75
Payable on purchase of Fixed assets	2.70	41.61
Payables to employees	781.25	612.26
Derivative contracts		
- Foreign currency forward contracts	-	50.79
	791.21	722.41

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Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Trade payables		
Total outstanding dues of Micro enterprises and small enterprises	12.20	7.92
Total outstanding dues of creditors other than Micro enterprises and small enterprises	303.91	300.30
Dues to related parties (Refer note 28)		
- SLK America Inc.	428.99	258.69
- SLK Software Singapore Pte. Limited.	1.61	2.90
- SLK UK Private Limited	60.31	18.42
- SLK Software France	0.01	0.01
- Amin Properties LLP	1.74	-
- Vijna Labs Private Limited	49.40	-
- VFI SLK Global Services Private Limited	-	0.07
- SLK Software Germany GmbH	0.63	2.00
	858.80	590.31

Trade payables aging schedule

Particulars	Rs. In Millions					
	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	7.51	4.46	0.23	-	-	12.20
(ii) Others	71.86	773.88	0.15	0.04	0.64	846.59
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	79.38	778.34	0.38	0.04	0.64	858.80

Particulars	Rs. In Millions					
	Outstanding for following periods from due date of payment					
	Unbilled dues	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	-	7.92	-	-	-	7.92
(ii) Others	582.13	-	0.26	-	-	582.39
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	582.13	7.92	0.26	-	-	590.31

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Current		
Unearned revenue	91.13	14.58
Advances from customers	0.43	-
Gratuity payable	25.00	25.00
Statutory remittances	132.93	95.68
	249.49	135.26

18. Revenue from operations		Rs. In Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Revenue from software related services (refer Note 32)	7,741.70	6,652.61	
Revenue from sale of products	16.76	15.95	
	7,758.46	6,668.56	

19. Other income		Rs. In Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
a) Interest income			
Interest Income earned on financial assets that are not designated as at fair value through profit or loss			
- On bank deposits (at amortised cost)	12.85	9.20	
- On other investments	181.10	87.32	
- Other financial assets carried at amortised cost	17.81	23.38	
b) Dividend income			
- Dividend income from non - current investments	649.15	202.41	
c) Support income			
- Cross charge of support services	345.92	267.72	
- Transition support fees	661.68	-	
d) Other non-operating income			
- Share of profit from limited liability partnership (subsidiary)	176.74	110.27	
- Lease rentals & associated income	23.57	47.96	
- Gain on termination of lease	-	7.31	
- Miscellaneous Income	3.00	8.52	
e) Other gains or losses			
- Gain on disposal of property, plant and equipment (net)	2.99	3.83	
- Net foreign exchange gains (net)	73.16	32.94	
- Net gain on financial assets measured at fair value through profit and loss	360.34	500.50	
- Net gain on derecognition of financial liabilities measured at amortised cost	60.25	0.82	
	2,568.56	1,302.18	

20. Employee benefits expense		Rs. In Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Salaries and wages	4,327.30	3,469.59	
Contributions to provident and other funds	235.71	198.75	
Staff welfare expenses	140.14	99.97	
	4,703.15	3,768.31	

21. Other direct expenses		Rs. In Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Sub contracting charges	455.57	226.96	
	455.57	226.96	

22. Finance costs		Rs. In Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Interest on			
- Lease liability (refer note 26)	66.76	40.20	
- Others	0.54	1.06	
	<u>67.30</u>	<u>41.26</u>	

23. Other expenses		Rs. In Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Electricity & water charges	42.99	40.89	
Rent including lease rentals (refer note 26)	15.53	11.18	
Repairs and maintenance			
- Buildings	94.86	91.75	
- Machinery	8.99	9.38	
- Computer, vehicle and other maintenance	215.16	167.65	
Insurance	20.00	18.80	
Rates and taxes	1.86	3.05	
Communication	23.80	26.88	
Travelling and conveyance	344.64	337.12	
Printing and stationery	2.58	3.11	
Freight and forwarding	1.30	3.33	
Business promotion	591.54	280.14	
Donations and contributions	1.38	0.76	
Corporate social responsibility (Refer note 34)	26.21	26.93	
Legal and professional	160.96	89.58	
Staff Recruitment	38.57	46.71	
Membership & subscription	23.41	21.75	
Security charges	16.50	14.52	
Payments to auditors (Refer Note below)	2.50	2.25	
Bank charges	2.96	2.72	
Miscellaneous expenses	0.66	3.51	
	<u>1,637.74</u>	<u>1,202.01</u>	

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Payments to the auditors comprises* (net of levies)			
As auditors			
Statutory audit	2.25	2.00	
Tax audit	0.25	0.25	
For taxation matters	-	-	
For other services	-	-	
Reimbursement of expenses	0.10	-	
	<u>2.60</u>	<u>2.25</u>	

* Includes payments made to affiliates of the auditor

24. Current tax and Deferred tax

Income Tax expense in the statement of profit or loss consist of:

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax:		
In respect of current year	1,556.49	434.43
Deferred tax:		
In respect of current year	(19.17)	95.02
Income tax expense recognised in the statement of profit and loss	1,537.32	529.45
Income tax recognised in other comprehensive income		
- Deferred tax arising on income and expense recognised in other comprehensive income		
Net loss/ (gain) on remeasurement of defined benefit plan	0.97	(3.00)
Total	0.97	(3.00)

Reconciliation of income tax expense and the accounting profit multiplied by Company's domestic tax rate:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before tax	7,113.15	2,375.18
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	1,790.24	597.79
Effect of:		
Effect of income that is exempt from taxation	(61.07)	(154.53)
Differential tax rates	(128.73)	(0.61)
Effect of expenses that is non-deductible in determining taxable profit	15.11	12.04
Changes in recognised deductible temporary differences	22.81	133.16
Adjustment of tax previous year	18.04	(0.93)
Effect of tax incentives and concessions	(112.31)	(57.47)
Income tax expense recognised in statement of profit and loss	1,544.09	529.45

The tax rate used for the March 31, 2024 and March 31, 2023 reconciliations above is the corporate tax rate of 25.17% payable by corporate entities in India on taxable profits under Indian Income Tax Act 1961.

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25. Earnings per equity share (Basic and diluted)

Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share is set out below:

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Total comprehensive income	5,570.03	1,842.73
Weighted average number of equity shares (refer note 11)	2,92,04,811	2,92,20,114
Par value per share (Rs.)	1	1
Earnings per share (Rs.)	190.72	63.06

26. Leases

The weighted average incremental borrowing rate applied to lease liabilities is 8.59% & Discounting rate for deposits is 5.38%

The changes in the carrying value of ROU assets for the year ended March 31, 2024 & March 31, 2023 are as follows :

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	883.62	139.09
Additions	-	945.33
Deletion	-	(22.92)
Depreciation	(203.18)	(177.88)
Closing balance	680.44	883.62

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

The break-up of current and non-current lease liabilities as at March 31, 2024 & March 31, 2023 are as follows:

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	171.06	151.79
Non-current lease liabilities	521.80	692.86
Total	692.86	844.65

The movement in lease liabilities during the year ended March 31, 2024 & March 31, 2023 is as follows :

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening balance	844.65	168.52
Additions	-	872.10
Finance cost accrued during the year	66.76	40.20
Deletions	-	(27.95)
Payment of lease liabilities	(218.55)	(208.22)
Closing balance	692.86	844.65

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27 Financial instruments

A) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Particulars	Rs. In Millions	
	As at	
	March 31, 2024	March 31, 2023
Total equity attributable to the equity shareholders of the Company	13,442.46	8,456.38
As a percentage of total capital	100%	100%
Total borrowings	-	-
As a percentage of total capital	0%	0%
Total Capital	13,442.46	8,456.38

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has always been a net cash Company with cash and bank balances along with investment which is predominantly investment in liquid and mutual funds.

B) Categories of financial instruments

The fair value of financial instruments by categories as at March 31, 2024 and March 31, 2023 is as follows:

Particulars	Rs. In Millions			
	Carrying Value		Fair Value	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial assets				
Measured at cost				
a) Investment in subsidiaries	4,741.03	1,816.88	4,741.03	1,816.88
b) Investment in joint venture	-	299.88	-	299.88
Measured at fair value through profit or loss				
a) Current investments	634.22	51.65	634.22	51.65
b) Foreign currency forward contracts	9.18	-	9.18	-
c) Other investments	3,649.99	2,207.59	3,649.99	2,207.59
Measured at amortised cost				
a) Trade receivables	1,879.85	1,557.17	1,879.85	1,557.17
b) Cash and cash equivalents	1,032.22	1,074.62	1,032.22	1,074.62
c) Other bank balances	37.26	69.04	37.26	69.04
d) Security deposits	305.50	292.25	305.50	292.25
e) Loans & advances	89.75	106.19	89.75	106.19
f) Inter-corporate loan	-	72.98	-	72.98
g) Other financial assets	1,723.92	1,248.95	1,723.92	1,248.95
Total	14,102.92	8,797.20	14,102.92	8,797.20
Financial Liabilities				
Measured at amortised cost				
a) Lease liabilities	692.86	844.65	692.86	844.65
b) Trade payables	858.80	590.31	858.80	590.31
c) Other financial liabilities	791.21	722.41	791.21	722.41
Total	2,342.87	2,157.37	2,342.87	2,157.37

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

At the end of the reporting period, there are no significant concentration of credit risk for the financial assets designated as FVTPL. The carrying amount reflected above represents the company's maximum exposure to credit risk for such Financial Assets.

C) Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company seeks to minimize the effects of these risks by using derivative financial instruments to hedge risk exposure. The use of Financial derivatives is governed by the Risk Management Policy approved by Board of directors, which provides written principles on foreign exchange risks, interest rate risks, credit risks, the use of financial derivatives and non-derivatives instruments, and the investment of excess liquidity. The Company does not enter into or trade financial instruments, including derivatives financial instruments, for speculative purpose.

The Company's financial risk management is supported by the finance department

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

i) Management of credit risk

Credit risk is the risk of financial loss to the Company arising from counter party failure to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, investments, unbilled and cash and bank balances. The carrying value of the financial assets represents the maximum credit exposure. Bank balances include an amount of Rs. 950.00 million (as on 31 March 2023: Rs. 933.36 million) held with Citi bank having high credit-rating for the year ended March 31, 2024. Majority of the investments are in highly liquid debt mutual funds made in companies which are quoted and having high credit rating for the year ended March 31, 2024. Other financial assets mainly consists of unbilled revenue and inter company receivables.

Trade receivables

The Company assess the customers credit quality by taking into account their financial position, past experience and other factors. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Particulars	Rs. In Millions	
	As at	
	March 31, 2024	March 31, 2023
Revenue from top 5 customers	6,142.88	5,190.14
Revenue from top customer	3,723.10	3,274.63
Receivable from top 5 customers	1,698.26	1,288.78
Receivable from top customer	1,420.94	1,103.70

One customer accounted for more than 10% of the revenue for the year ended March 31, 2024 and March 31, 2023.

One customer accounted for more than 10% of the receivables for the year ended March 31, 2024 and March 31, 2023.

Geographic concentration of credit risk

The Company has geographic concentration of trade receivables, net of allowances as given below:

Country	Rs. In Millions	
	As at	
	March 31, 2024	March 31, 2022
USA	1,849.00	1,465.78
Others	30.85	91.39

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ii) Management of 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 that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in the cash flow could undermine the Company's credit rating and impair investor confidence. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows:

Rs. In Millions				
As at March 31, 2024	Less than 1 year	1-3 Years	3-5 Years	Total
Lease liabilities	171.06	521.80	-	692.86
Trade payables	858.80	-	-	858.80
Other financial liabilities	791.21	-	-	791.21

Rs. In Millions				
As at March 31, 2023	Less than 1 year	1-3 Years	3-5 Years	Total
Lease liabilities	151.79	354.61	338.25	844.65
Trade payables	590.31	-	-	590.31
Other financial liabilities	722.41	-	-	722.41

iii) Management of market risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

- interest rate risk
- currency risk
- equity price risk

The above risks may affect the Company's income and expenses or the value of its financial instruments. The objective of the Company's management of market risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of, these risks is explained below:

MANAGEMENT POLICY	POTENTIAL IMPACT OF RISK	SENSITIVITY TO RISK
-------------------	--------------------------	---------------------

i) Interest rate risk

Interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to borrowings taken from banks which are short term in nature and primarily does not expose to significant interest risk. The Company is not significantly exposed to interest risk since it does not have external borrowings.

ii) Currency risk

The Company's exchange risk arises from its foreign operations, foreign currency revenues which the Company operates, its operations are subject to monitors and reduces the risk due to exchange fluctuation. For the year ended March 31, 2024 every 1% increase/decrease in respective foreign currencies, while a significant portion of its revenue are in the foreign countries. The risks primarily relate to fluctuations in US currencies, compared to functional currency of the Company, would impact operating margins before tax by 2.25%. The Company has risk management team and treasury team which considers the countries and economic environment in which the Company operates, its operations are subject to monitors and reduces the risk due to exchange fluctuation. For the year ended March 31, 2024 every 1% increase/decrease in respective foreign currencies, while a significant portion of its revenue are in the foreign countries. The risks primarily relate to fluctuations in US currencies, compared to functional currency of the Company, would impact operating margins before tax by 2.25%. The Company's exchange risk arises from its foreign operations, foreign currency revenues which the Company operates, its operations are subject to monitors and reduces the risk due to exchange fluctuation. For the year ended March 31, 2024 every 1% increase/decrease in respective foreign currencies, while a significant portion of its revenue are in the foreign countries. The risks primarily relate to fluctuations in US currencies, compared to functional currency of the Company, would impact operating margins before tax by 2.25%.

the Company. As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's profits measured in rupees may increase. The exchange rate between the Indian rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future.

iii) Equity price risk

Company is exposed to equity price risk on account of investment in mutual funds and underlying is highly liquid debt. The increase or decrease respective prices of mutual funds & other investments in net asset value (NAV) of the investments will effect the margins before tax would increase/ decrease by Rs. 42.84 million. The company has invested in mutual funds where the For the year ended March 31, 2024 for every 1% increase/decrease in other investments the operating profit or loss.

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The following table sets forth information relating to foreign currency exposures as at March 31, 2024 and March 31, 2023:

Particulars	Amount in Millions			
	USD	EUR	Others	Total
March 31, 2024				
Total Financial assets				
- Trade receivables	22.28	-	0.15	22.43
- Unbilled revenue	10.57	0.10	0.09	10.76
- Cash & cash equivalents	9.82	-	-	9.82
- Other assets	1.74	-	0.01	1.75
Total Financial liabilities				
- Trade payables	12.25	0.04	0.60	12.90
- Unearned Income	0.10	-	-	0.10

Particulars	Amount in Millions			
	USD	EUR	Others	Total
March 31, 2023				
Total Financial assets				
- Trade receivables	19.31	0.14	0.19	19.63
- Unbilled revenue	9.61	0.03	0.05	9.69
- Cash & cash equivalents	8.56	-	-	8.56
- Other assets	5.32	-	-	5.32
Total Financial liabilities				
- Trade payables	7.82	1.89	0.52	10.22
- Unearned Income	0.17	-	-	0.17

D) Fair value hierarchy

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

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Particulars	Rs. In Millions					
	As at March 31, 2024			As at March 31, 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets designated at FVTPL:						
Investments in mutual funds (quoted)	634.22	-	-	51.65	-	-
Investments in others (unquoted)	-	-	2,118.05	-	-	1,811.09
Investments in others (quoted)	1,531.94	-	-	396.50	-	-
Foreign currency forward contracts	-	9.18	-	-	-	-
Total	2,166.16	9.18	2,118.05	448.15	-	1,811.09

There have been no transfers among Level 1, Level 2 and Level 3 during the years.

E Derivative financial instruments

The Company is exposed to foreign currency fluctuations on foreign currency assets/liabilities and forecasts cash flows denominated in foreign currency. The Company follows established risk management policies, including the use of derivatives to hedge foreign currency assets/liabilities and foreign currency forecasted cash flows. The counter party in these derivative instruments is bank and the company considers the risk of non-performance by counter party as non-material.

The following table presents the aggregate contracted principal amounts of the Company derivative contracts outstanding at the end of the reporting period:

Particulars	In USD Millions	
	As at March 31, 2024	As at March 31, 2023
Non- designated derivative instruments (Sell):	30.10	39.90

The foreign exchange forward contracts mature between 0-2 years. The table below analyses the derivative financial instruments into relevant maturity groupings based on the remaining period as at the reporting date:

Particulars	In USD Millions	
	As at March 31, 2024	As at March 31, 2023
Non- designated derivative instruments (Sell):		
Not later than 6 months	18.00	18.00
Later than 6 months but not later than 1 year	10.60	18.00
Later than 1 year	1.50	3.90

28. Related party disclosures

Details of related party transactions during the year ended March 31, 2024 and balances outstanding as at March 31, 2024:

A) Related parties with relationships

Name of the related party	Description of relationship
SLK America Inc.	Subsidiary
SLK UK Private Limited	Subsidiary
SLK Software Singapore Pte Limited	Subsidiary
SLK Software Netherland B V.	Subsidiary
SLK Software France	Subsidiary
SLK Software Germany GmbH	Subsidiary
Amin Properties LLP	Subsidiary
SLK Technologies Inc.	Subsidiary
Vijna Labs Private Limited	Subsidiary
Maldivian Mermaid Private Limited	Subsidiary
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	Joint venture entity (upto July 31, 2023)
Mr. Parth Amin	Key Management Personnel (KMP)
Mr. Girishkumar S	Key Management Personnel (KMP)
Vidur Amin	Relatives of Key Managerial personnel (KMP)
Shantanu Amin	Relatives of Key Managerial personnel (KMP)
Mrs. Roshen Amin	Relatives of Key Managerial personnel (KMP)
Danyo LLC	Entities with significant influence
Amin Digital Technologies LLP	Entities in which KMP can exercise significant influence (from January 18, 2022)
Parth and Roshen Amin Family Trust	Entities in which KMP can exercise significant influence
V-Labs Technologies Inc.	Entities in which KMP can exercise significant influence (from September 22, 2022)
Vtech Investors LLC	Entities in which KMP can exercise significant influence (from September 22, 2022)

Notes:

- The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.
- There are no amounts written-off/written back or provided for during the year in respect of debts due from/to related parties.
- There are no amounts disclosed for Voya Global Services Private Limited since it is no longer a related party.

B) Related party transactions and balances outstanding

Related party transactions during the year ended March 31, 2024 and balances outstanding as at March 31, 2024

Nature of transactions	Subsidiary, Step-down subsidiary & Joint venture	Entities with significant influence	KMP and Relatives of KMP	Rs. In Millions
				Entities in which KMP can exercise significant influence
Revenue from operations				
SLK America Inc	3,884.65	-	-	-
	(3,274.63)	(-)	(-)	(-)
SLK UK Private Limited	31.27	-	-	-
	(72.07)	(-)	(-)	(-)
SLK Software France	36.31	-	-	-
	(34.28)	(-)	(-)	(-)
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	-	-	-	-
	(16.06)	(-)	(-)	(-)
Cross charge of support services				
SLK America Inc	219.39	-	-	-
	(158.51)	(-)	(-)	(-)
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	-	-	-	-
	(111.43)	(-)	(-)	(-)

Note: Figures in bracket relate to the previous year

B) Related party transactions and balances outstanding (continued)

Related party transactions during the year ended March 31, 2024 and balances outstanding as at March 31, 2024

Nature of transactions	Subsidiary, Step-down subsidiary & Joint venture	Entities with significant influence	KMP and Relatives of KMP	Rs. In Millions
				Entities in which KMP can exercise significant influence
Receiving of services				
SLK America Inc	735.74	-	-	-
	(393.03)	(-)	(-)	(-)
SLK UK Private Limited	59.85	-	-	-
	(15.41)	(-)	(-)	(-)
SLK Software Singapore Pte Limited	1.49	-	-	-
	(1.58)	(-)	(-)	(-)
SLK Software Germany GmbH	0.63	-	-	-
	(1.85)	(-)	(-)	(-)
Amin Properties LLP	27.30	-	-	-
	(78.85)	(-)	(-)	(-)
Vijna Labs Private Limited	235.51	-	-	-
	(56.23)	(-)	(-)	(-)
Amin Digital Technologies LLP	-	-	-	2.81
	(-)	(-)	(-)	(0.77)
Recovery of expenses paid				
SLK America Inc	81.02	-	-	-
	(84.42)	(-)	(-)	(-)
SLK UK Private Limited	7.40	-	-	-
	(0.49)	(-)	(-)	(-)
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited) (Received before cessation of related party relationship in the current year)	40.14	-	-	-
	(2.69)	(-)	(-)	(-)
Vijna Labs Private Limited	4.51	-	-	-
	(1.28)	(-)	(-)	(-)
Amin Digital Technologies LLP	-	-	-	-
	(-)	(-)	(-)	(0.01)

Note: Figures in bracket relate to the previous year

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B) Related party transactions and balances outstanding (continued)

Related party transactions during the year ended March 31, 2024 and balances outstanding as at March 31, 2024

Nature of transactions	Subsidiary, Step-down subsidiary & Joint venture	Entities with significant influence	KMP and Relatives of KMP	Rs. In Millions
				Entities in which KMP can exercise significant influence
Reimbursement of expenses				
Amin Properties LLP	15.14	-	-	-
	(1.05)	(-)	(-)	(-)
Managerial remuneration				
Parth Amin	-	-	310.00	-
	(-)	(-)	(310.00)	(-)
Shantanu Amin	-	-	3.80	-
	(-)	(-)	(1.75)	(-)
Roshen Amin	-	-	20.70	-
	(-)	(-)	(6.46)	(-)
Girishkumar S	-	-	67.88	-
	(-)	(-)	(39.43)	(-)
Dividend paid				
Parth Amin	-	-	166.83	-
	(-)	(-)	(75.96)	(-)
Vidur Amin	-	-	1.33	-
	(-)	(-)	(0.13)	(-)
Roshen Amin	-	-	64.96	-
	(-)	(-)	(29.23)	(-)
Danyo LLC	-	145.28	-	-
	(-)	(55.26)	(-)	(-)
Parth and Roshen Amin Family Trust	-	-	-	14.92
	(-)	(-)	(-)	(6.71)
Girish Kumar S	-	-	0.52	-
	(-)	(-)	(0.23)	(-)
Shantanu Amin	-	-	1.05	-
	(-)	(-)	(-)	(-)
Dividend received				
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited) (Received before cessation of related party relationship in the current year)	632.36 (198.52)	- (-)	- (-)	- (-)
Advance given				
Maldivian Mermaid Private Limited	- (1.42)	- (-)	- (-)	- (-)

Note: Figures in bracket relate to the previous year

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B) Related party transactions and balances outstanding (continued)

Related party transactions during the year ended March 31, 2024 and balances outstanding as at March 31, 2024

Nature of transactions	Rs. In Millions			
	Subsidiary, Step-down subsidiary & Joint venture	Entities with significant influence	KMP and Relatives of KMP	Entities in which KMP can exercise significant influence
Rent expense				
Amin Properties LLP	254.73 (200.85)	- (-)	- (-)	- (-)
Parth Amin	- (-)	- (-)	1.80 (0.90)	- (-)
Roshen Amin	- (-)	- (-)	3.00 (-)	- (-)
Rent income				
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited) (Received before cessation of related party relationship in the current year)	5.46 (17.51)	- (-)	- (-)	- (-)
Vijna Labs Private Limited	3.63 (2.04)	- (-)	- (-)	- (-)
Interest earned on loans				
Vijna Labs Private Limited	1.29 (4.94)	- (-)	- (-)	- (-)
Capital withdrawal				
Amin Properties LLP	160.00 (-)	- (-)	- (-)	- (-)
Investment in equity				
Vijna Labs Private Limited	54.92 (-)	- (-)	- (-)	- (-)
Sale of equity in Vijna Labs Private Limited				
Parth Amin	- (-)	- (-)	0.02 (-)	- (-)
Security deposit for lease premises				
Amin Properties LLP	- (62.26)	- (-)	- (-)	- (-)
Share of profit/ (loss)				
Amin Properties LLP	176.74 (110.27)	- (-)	- (-)	- (-)
<u>Balances Outstanding</u>				
Trade receivables				
SLK America Inc	1,420.94 (1,107.71)	- (-)	- (-)	- (-)
SLK UK Private Limited	8.82 (8.52)	- (-)	- (-)	- (-)
SLK Software France	- (12.21)	- (-)	- (-)	- (-)
Vijna Labs Private Limited	8.26 (-)	- (-)	- (-)	- (-)
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	- (0.62)	- (-)	- (-)	- (-)
Amin Properties LLP	0.05 (-)	- (-)	- (-)	- (-)

Note: Figures in bracket relate to the previous year

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B) Related party transactions and balances outstanding (continued)

Related party transactions during the year ended March 31, 2024 and balances outstanding as at March 31, 2024

Nature of transactions	Rs. In Millions			
	Subsidiary, Step-down subsidiary & Joint venture	Entities with significant influence	KMP and Relatives of KMP	Entities in which KMP can exercise significant influence
Other financial assets - contractually reimbursable expenses				
SLK America Inc	144.94	-	-	-
	(640.97)	(-)	(-)	(-)
SLK Software Netherlands B.V	-	-	-	-
	(0.11)	(-)	(-)	(-)
SLK UK Private Limited	0.80	-	-	-
	(5.35)	(-)	(-)	(-)
SLK Software France	-	-	-	-
	(-)	(-)	(-)	(-)
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	(19.79)	(-)	(-)	(-)
Vijna Labs Private Limited	3.56	-	-	-
	(1.95)	(-)	(-)	(-)
Amin Digital Technologies LLP	-	-	-	-
	(-)	(-)	(-)	(0.01)
Maldivian Mermaid Private Limited	15.67	-	-	-
	(-)	(-)	(-)	(-)
Unbilled revenue				
SLK Software France	8.83	-	-	-
	(3.01)	(-)	(-)	(-)
SLK America Inc	591.89	-	-	-
	(438.22)	(-)	(-)	(-)
SLK UK Private Limited	2.89	-	-	-
	(4.87)	(-)	(-)	(-)
Other financial assets - security deposits				
Vijna Labs Private Limited	72.98	-	-	-
	(72.98)	(-)	(-)	(-)
Trade payables				
SLK America Inc	428.99	-	-	-
	(260.81)	(-)	(-)	(-)
SLK Software Singapore Pte. Limited	1.61	-	-	-
	(2.90)	(-)	(-)	(-)
SLK UK Private Limited	60.31	-	-	-
	(18.14)	(-)	(-)	(-)
SLK Software France	0.01	-	-	-
	(2.97)	(-)	(-)	(-)
Amin Properties LLP	1.74	-	-	-
	(3.19)	(-)	(-)	(-)
SLK Software Germany GmbH	0.63	-	-	-
	(2.00)	(-)	(-)	(-)
Vijna Labs Private Limited	49.40	-	-	-
	(11.10)	(-)	(-)	(-)
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	-	-	-	-
	(0.07)	(-)	(-)	(-)
Roshen Amin	-	-	0.15	-
	(-)	(-)	(-)	(-)
Parth Amin	-	-	0.14	-
	(-)	(-)	(-)	(-)
Security deposit payable				
Voya Global Services Private Limited (formerly known as VFI SLK Global Services Private Limited)	-	-	-	-
	(7.58)	(-)	(-)	(-)
Deposits				
Amin Properties LLP	294.51	-	-	-
	(294.51)	(-)	(-)	(-)
Remuneration payable				
Parth Amin	-	-	250.00	-
	-	(-)	(250.00)	(-)

Note: Figures in bracket relate to the previous year

29 Employee benefits

a) Defined contribution plan

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 136.09 million (Previous Year : Rs. 113.45 million) for Provident Fund contributions and Rs. 41.95 million (Previous Year : Rs. 35.43 million) for Contribution to Employee's Pension Scheme, 1995 in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

b) Defined benefit plans:

Gratuity

The Gratuity scheme is a final salary defined benefit plan, that provides for a lump sum payment at the time of separation; based on scheme rules the benefits are calculated on the basis of last drawn salary and the period of service at the time of separation and paid as lump sum. There is a vesting period of 5 years.

i) These plans typically expose the company to actuarial risks such as:

1 Investment risk: The fund is managed by insurance company. So, the details of composition of plan assets managed by the fund manager is not available with the company. However, the fall in plan assets will increase the defined benefit obligation.

2 Interest rates risk: the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

3 Salary inflation risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, increase in salary will increase the defined benefit obligation.

4 Demographic risks: 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. As the increase in life expectancy of the plan participants will increase the plan's liability.

ii) In respect of the plan, the most recent actuarial valuation of plan assets and the present value of the defined benefit obligation were carried as at March 31, 2024 and March 31, 2023. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Particulars	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
iii) Amount recognised in statement of profit and loss		
Amounts recognised in comprehensive income in respect of these defined benefit plans are as follows:		
Service cost		
Current service cost	46.20	42.22
Past service cost	-	-
Net interest expense	5.48	4.47
Immediate recognition of (gain)/ losses- other long term benefits	-	-
	51.68	46.69
Amounts recognised in other comprehensive income in respect of these defined benefit plans are as follows:		
Return on plan assets (excluding amount included in net interest expense)	0.89	0.92
Actuarial gains and loss arising from changes in financial assumptions in DBO	2.70	(6.69)
Actuarial gains and loss arising from experience adjustments in DBO	0.24	(6.15)
Actuarial gains and loss arising from changes in demographic assumptions in DBO	-	-
Amortisation actuarial loss/(gain)	-	-
	3.83	(11.92)
Total	55.51	34.77

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
iv) Amount recognised in the Balance Sheet		
Present value of defined benefit obligation	235.86	191.15
Fair value of plan assets	118.75	104.12
	117.11	87.03
Current portion of the above	25.00	25.00
Non current portion of the above	92.11	62.03

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
v) Movement in present value of defined benefit obligation are as follows:		
Opening defined obligation	191.15	175.36
Expenses recognised in statement of profit and loss account		
- Current service cost	46.20	42.22
- Past service cost	-	-
- Interest expense (income)	13.14	11.26
Recognised in other comprehensive income		
Remeasurement gains / (losses)		
- Actuarial gain (loss) arising from:		
i) Demographic assumptions	-	-
ii) Financial assumptions	2.70	(6.69)
iii) Experience adjustments	0.24	(6.15)
Benefit payments	(17.58)	(24.84)
Closing defined obligation	235.86	191.15

vi) Movement in fair value of the plan assets is as follows:

Particulars	Rs. In Millions	
	As at March 31, 2024	As at March 31, 2023
Opening fair value of plan assets	104.12	98.10
Expenses recognised in statement of profit and loss account	-	-
- Expected return on plan assets	7.66	6.79
Recognised in other comprehensive income	-	-
Remeasurement gains / (losses)	-	-
- Actual return on plan assets in excess of the expected return	(0.89)	(0.92)
Contributions by employer (including benefit payments recoverable)	25.44	24.99
Benefit payments	(17.58)	(24.84)
Closing fair value of plan assets	<u>118.75</u>	<u>104.12</u>

vii) The Major categories of plan assets

Particulars	As at	
	March 31, 2024	March 31, 2023
Assets under insurance schemes	97%	96%
Others	3%	4%

viii) Key Actuarial assumptions

Particulars	As at	
	March 31, 2024	March 31, 2023
1 Discount rate	7.20%	7.35%
2 Salary escalation	7%	7%
3 Attrition rate	2% to 21%	2% to 21%
4 Retirement age	58	58
5 Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

ix) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined obligation are discount rate and salary escalation. The sensitivity analysis below 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.

- If the discount rate increases (decreases) by 0.5%, the defined benefit obligation would be decreased by Rs. 8.81 million (increased by Rs. 9.41 million) as at March 31, 2024 (as at March 31, 2023: decrease by Rs. 6.98 million and increase by Rs. 7.46 million).
- If the expected salary escalation increases (decrease) by 0.5%, the defined benefit obligation would be increases by Rs. 7.56 million (decreases by Rs. 7.37 million) as at March 31, 2024 (as at March 31, 2023: increase by Rs. 6 million and decrease by Rs. 5.84 million).

The sensitivity analysis presented above may not be representative of the actual change in the defined 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 defined benefit obligation has been calculated using the projected unit credit method under which If an employee's service in later years will lead to a materially higher level of benefit than in earlier years, these benefits are attributed on a straight-line basis.

x) There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years, except that base rates have changed.

xi) There has been no change in the process used by the Company to manage its risks from prior periods.

xii) Expected future Cash outflows towards the plan are as follows

Particulars	Rs. In Millions
	Amount
Financial Year	
Expected benefits for year 1	25.39
Expected benefits for year 2	26.28
Expected benefits for year 3	26.81
Expected benefits for year 4	24.82
Expected benefits for year 5	23.99
Expected benefits for year 6	20.06
Expected benefits for year 7	18.84
Expected benefits for year 8	20.20
Expected benefits for year 9	17.54
Expected benefits for year 10 & Above	<u>264.32</u>
Total	<u>468.25</u>

Employee share based payments - Employee share option purchase plan

The Company had allotted 763,390 equity shares of Re. 1 each to the SLK Software Stock Plan Trust setup by the Company. The trust held these shares for the benefit of the employees and issued units to the eligible employees as per the recommendation of the Trustees from time to time based on the advise of the Board. Effective August 19, 2020, the Company has discontinued the above policy and there are no units issued or outstanding with the employees.

The Company was to use the Trust as a vehicle for distributing shares to employees under the employee remuneration schemes. The Company allotted shares to ESOP Trust. The Company treats the ESOP trust as its extension and shares held by ESOP Trust are treated as treasury shares. Share options exercised during the reporting period are satisfied with treasury shares. During the current year, the Company has bought back 30,000 equity shares allotted to the Trust. The consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/ from retained earnings. Share appreciation rights Share appreciation rights granted are considered to be towards equity settled share based transactions and as per IND AS 102, cost of such options are measured at fair value as at the grant date. Company's share appreciation rights are recognised as employee benefit expense over the relevant service period.

Employee share based payments - Employee units scheme (Performance Linked Growth Unit Plan)
SLK Performance Linked Unit Scheme 2020

The Company has authorised to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the SLK Performance Linked Unit Scheme 2020. These Plans shall be administered by the Committee whose members shall be decided by the Board of Directors of the Company. The units granted under these plans shall vest in accordance with the terms of the ESOP scheme.

The Vesting shall be as per the following schedule:

Vesting	Vesting Date	% of Vested Rights	Cumulative % of Vested Rights
1st	First year from the Grant Date	50%	50%
2 nd	Second year from the Grant Date	25%	75%
3rd	Third year from the Grant Date	25%	100%

On Vesting of the Units, the Participant shall have an option to redeem the Units by Exercising the Units within the Exercise Period of not more than two year from the Vesting Date and/or upon the happening of the Exercise Event and will receive the Exercise Event Value by way of consideration in cash. Any Unit not exercised during the Exercise Period will lapse.

SLK Vision Performance Linked Unit Scheme 2022

The Company has authorised to introduce, offer, issue and provide share-based incentives to eligible employees of the Company and its subsidiaries under the SLK Vision Performance Linked Unit Scheme 2022. These Plans shall be administered by the Committee whose members shall be decided by the Board of Directors of the Company. The units granted under these plans shall vest in accordance with the terms of the ESOP scheme.

The Vesting shall be as per the following schedule for grants made in 2022:

Vesting	Vesting Date	% of Vested Rights
1st	First year from the Grant Date	25% multiplied by vesting factor of recently completed financial year
2 nd	Second year from the Grant Date	25% multiplied by vesting factor of recently completed financial year
3rd	Third year from the Grant Date	25% multiplied by vesting factor of recently completed financial year
4th	Fourth year from the Grant Date	25% multiplied by vesting factor of recently completed financial year

The Vesting shall be as per the following schedule for grants made in 2024:

Vesting	Vesting Date	% of Vested Rights
1st	First year from the Grant Date	33% multiplied by vesting factor of recently completed financial year
2 nd	Second year from the Grant Date	33% multiplied by vesting factor of recently completed financial year
3rd	Third year from the Grant Date	34% multiplied by vesting factor of recently completed financial year

Vesting factor for recently completed financial year = Revenue factor (applying Operating Margin (OM) Gating criteria)

Revenue factor is calculated as below:

Recognised revenue achievement of Company as compared to Target	Revenue factor
<80%	0 (Below threshold)
>=80% to <90%	0.8
>=90% to <100%	Linear (revenue recognised divided by target revenue)
>=100%	1 (capped at 1 for 100% achievement)

The following table provides additional information for SLK Plus and SLK Vision Plus:

Sl. No.	Particulars	SLK PLUS	SLK VISION PLUS
		Number as at March 31, 2024	Number as at March 31, 2024
1	Number of units outstanding at the beginning of the period	2,08,703	1,75,020
2	Number of units granted during the period	1,76,175	2,79,000
3	Number of units forfeited during the period	1,024	7,798
4	Number of units exercised during the period	38,976	4,353
5	Number of units outstanding at the end of the period	3,44,878	4,41,869
6	Number of units exercisable at the end of the period	1,11,258	1,42,910
7	Weighted average exercise price during the period (in Rs.)	398	398
8	Fair value of shares outstanding at the end of the period	472.57	472.57

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30 Contingent liabilities and commitments		Rs in Millions	
Particulars	As at March 31, 2024	As at March 31, 2023	
Contingent liabilities			
a) Claims against the Company not acknowledged as debt			
(i) Disputed income tax	79.31	82.54	
The above amounts are based on the notice of demand or the assessment orders by relevant authorities and the Company is contesting these claims with respective authorities.			
b) Other monies for which Company is contingently liable			
(i) Bonus payable as per Payment of Bonus Act, 1965 for FY 2014-15 (Refer Note below)	10.11	10.11	
Note: Bonus payable as per amendment to the Payment of Bonus (Amendment) Act of 2015 for the financial year 2014-2015 has not been provided on account of stay received from various high courts.			
(ii) Electricity tariff payable to BESCOM	7.26	7.26	
(iii) Property tax demand	4.70	4.70	
Commitments			
Tangible assets	2.67	33.19	
Intangible assets	-	-	

Guarantees excluding financial guarantees

The Company has given guarantee to Registrar City Civil Court, Bangalore amounting to Rs. 32,001,903.

Note: During the previous year, the Company received a settlement order in an arbitration with its customer viz. Universal Test Solutions LLP ("UTS"). According to this order, the Company is required to pay a sum of USD 1,363,070 (including interest) (~Rs. 100 million).

In the earlier years, the Company had deposited an amount of Rs. 48.00 Million with the court pending arbitration, along with a Bank Guarantee amounting to Rs. 32.00 million in respect of the above referred matter in arbitration. The Company had also provided an amount of Rs. 33.70 million in the earlier years against this dispute and the balance amount of Rs. 66.30 million has been provided for during the year. UTS has further appealed against this order contesting that settlement amount should be based on different grounds. The Company has filed its objections against these grounds and the Management, based on a legal opinion, is of the firm belief that no further outflow is expected from the outcome of this case which is pending for hearing till date.

31 Segment disclosure

The Managing director of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, operating segments. The CODM evaluates the Company's performance and allocate the resources based on the analysis of various performance indicators. The Company is engaged in providing software related services which constitutes a single business segment. Substantially all revenues for the Company are generated out of the United States of America.

Geographical information		Rs in Millions	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023	
Revenue (by location of customer)			
- USA	7,556.62	6,614.38	
- Others	201.84	54.18	

Note:

- (i) All long-lived assets are located in India and are not allocable to different geographic region.

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32 Revenue from operations

The nature of contract impacts the method of revenue recognition and the contracts are classified as time and materials contracts and fixed-price contracts.

Revenue by contract type

Revenues	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Time and material contracts	82%	82%
Fixed - price contracts	18%	18%
Total	100.00%	100.00%

Transaction price allocated to the remaining performance obligations

Revenues	Rs. In Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Within 1 year	138.82	282.94
1 - 3 years	6.33	70.82

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. The above revenue is subject to change in transaction price.

33 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Details relating to dues to micro and small enterprises as per Micro, Small and Medium Enterprises Development Act, 2006 (MSME Act), are on the basis of such parties having been identified by the Management. According to the Management, the Company has not paid/ provided for interest where the payment has not been made within the time stipulated under MSME Act and impact of additional interest, if any, that may be payable as per the provisions of the Act is not expected to be material. The following table provides the details:

Particulars	As at	As at
	March 31, 2024	March 31, 2023
a. the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	12.20	7.92
b. the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c. the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d. the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e. the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

34 Details of CSR expenditure:

Particulars	Rs in Millions	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the Company during the year	26.29	24.41
b) Amount spent during the year		
Construction/acquisition of any asset	-	0.54
On purposes other than above	26.21	26.39
c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.08	-
d) Amount (excess)/ short spent during the year (a-b-c)	-	(2.52)
e) Amount (excess)/ short that can be carried forward	(2.44)	(2.52)
f) Details related to spent/ unspent obligations:		
i) Contribution to Public Trust	-	-
ii) Contribution to Charitable Trust and other activities	26.21	26.93
iii) Unspent amount in relation to:		
- Ongoing projects	-	-
- Other than ongoing projects	-	-
	26.21	26.93

Note: Contributions have been made to Charitable Trusts which are focussed on promoting education, sports and eradicating hunger, poverty.

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35 Ratio analysis and its elements

Ratio	UOM#	March 31, 2024	March 31, 2023	% Change	Explanation for variance more than 25%
i) Current ratio:					
Current assets (a)	Rs. million	5,556.93	4,126.74		
Current liabilities (b)	Rs. million	2,203.94	1,723.48		
Current ratio (a/b)	Times	2.52	2.39	5%	
Numerator - Total current assets					
Denominator - Total current liabilities					
ii) Debt-equity ratio:					
Debt (a)	Rs. million	-	-		No borrowing as on balance sheet date, hence not applicable
Equity (b)	Rs. million	13,442.46	8,456.38		
Debt - equity ratio (a/b)	%	-	-		- for the current year as well as previous year
Numerator - Total borrowings					
Denominator - Total equity					
iii) Debt service coverage ratio:					
Earnings available for debt services (a)	Rs. million	-	-		No borrowing as on balance sheet date, hence not applicable
Interest on bank borrowings (b)	Rs. million	-	-		
Debt service coverage ratio (a/b)	Times	-	-		- for the current year as well as previous year
Numerator - Profit after taxes + Depreciation and amortisation expenses + Finance costs					
Denominator - Interest on bank borrowings					
iv) Return on equity ratio					
Profit/ (loss) after taxes (a)	Rs. million	5,572.90	1,833.81		The variation in ratio is due to increase in profit.
Equity (b)	Rs. million	10,949.42	7,638.81		
Return on equity ratio (a/b)	%	51.00%	24.00%	113%	
Numerator - Profit/ (loss) after taxes					
Denominator - Average total equity					
v) Inventory turnover ratio:					
Sale of traded goods (a)	Rs. million	-	-		No inventory during current year and previous year
Average inventory (b)	Rs. million	-	-		
Inventory turnover ratio (a/b)	Times	-	-		
Numerator - Sale of traded goods					
Denominator - (opening inventory + closing inventory)/2					
vi) Trade receivables turnover ratio:					
Annual net credit sales (a)	Rs. million	7,758.46	6,668.56		
Average trade receivable (b)	Rs. million	2,568.56	2,087.94		
Trade receivables turnover ratio (a/b)	Times	3.02	3.19	-5%	
Numerator - Revenue from contracts with customers					
Denominator - (opening trade receivable + closing trade receivable)/2 (including unbilled revenue)					
vii) Trade payables turnover ratio:					
Costs (a)	Rs. million	6,796.46	5,197.28		
Average trade payable (b)	Rs. million	724.56	597.49		
Trade payables turnover ratio (a/b)	Times	9.38	8.70	8%	
Numerator - Subcontracting charges + other expenses + staff welfare					
Denominator - Average trade payables and trade credits i.e. (Opening trade payables and trade credits + closing trade payables and trade credits)/2					

Ratio	UOM#	March 31, 2024	March 31, 2023	% Change	Explanation for variance more than 25%
viii) Net capital turnover ratio:					
Revenue (a)	Rs. million	7,758.46	6,668.56		
Working capital (b)	Rs. million	3,352.99	2,403.26		
Net capital turnover ratio (a/b)	Times	<u>2.31</u>	<u>2.77</u>	<u>-17%</u>	
Numerator - Revenue from contracts with customers Denominator - Working capital (current assets - current liabilities)					
ix) Net profit ratio:					
Profit/ (loss) after tax (a)	Rs. million	5,572.90	1,833.81		The Company's operations have significantly improved in the current year resulting in a higher net profit ratio.
Revenue (b)	Rs. million	7,758.46	6,668.56		
Net profit ratio (a/b)	%	<u>72.00%</u>	<u>27.00%</u>	<u>167%</u>	
Numerator - Profit/ (loss) after tax Denominator - Revenue from contracts with customers					
x) Return on capital employed (ROCE):					
Earnings before interest and taxes (a)	Rs. million	3,155.17	13,463.61		
Capital employed (b)	Rs. million	2,404.52	8,497.68		
Return on capital employed (a/b)	%	<u>131.00%</u>	<u>158.00%</u>	<u>-17%</u>	
Numerator - Earnings before Interest and Taxes Denominator - (Total equity + total borrowings + interest accrued but not due on borrowings + non-current liabilities)					
xi) Return on investment (ROI):					
Income generated from investments (a)	Rs. million	1,037.65	432.58		The Company's investments have increased during the year, resulting in increasing in income from investments.
Average Investments (b)	Rs. million	6,700.62	4,032.53		
Return on investment (a/b)	%	<u>15.00%</u>	<u>11.00%</u>	<u>36%</u>	
Numerator - Profit/ (loss) after tax Denominator - Total equity i.e. Equity share capital + Other equity					

Unit of measurement

36 Other statutory information

- (i) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder, as the Company has neither transacted nor holding any benami property during the financial year ended on March 31, 2024.
- (ii) The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the year ending March 31, 2024.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year March 31, 2024.
- (iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) 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
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- (a) 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
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (vii) The Company is not declared as wilful defaulter by any bank or financial institution or other lender during the financial year ending on March 31, 2024.

37 The Company is yet to file annual return under GST Law in Form GSTR -9 and reconciliation statement in Form GSTR-9C for the year ended March 31, 2024. In the opinion of the Management, adjustments arising out of the same (if any) will not materially affect the Company's financial position.

38 The Company is engaged in leasing services and is not covered under applicability of Companies (Cost Records and Audits) Rules, 2014 issued by Ministry of Corporate Affairs under sub-section (1) of section 148 of the Companies Act, 2013.

39 The Income-tax Act, 1961 contains detailed Transfer Pricing (TP) regulations to provide for computing the income from international transactions between associated enterprises on an arm's length basis. These regulations, inter-alia, require the maintenance of prescribed documents and information including furnishing a report from an Accountant within the due date of filing of the return of income. For the year ended March 31, 2024, the Company is in the process of complying with the TP regulations with regard to obtaining the TP study report and the prescribed certificate from the Accountant.

40 The Company does not have any outstanding borrowings from banks or financial institutions and hence, the secretarial audit as per Section 204 of the Companies Act, 2013 and Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

41 The Company has sold its holdings in joint venture during the year. The gains from such sale is recognised as an exceptional item in the current year.

42 Approval of Financial Statements

The financial statements were approved for issue by the board of directors on August 23, 2024.

In terms of our report attached.

For Singhvi Dev & Unni LLP

Chartered Accountants

FRN: 003867S/ S200358/ LLPIN : AAP-3305

MANOJ NAIR

Digitally signed by MANOJ NAIR
Date: 2024.08.23 15:48:20 +05'30'

Manoj Nair

Partner

Membership Number: 049426

Place : Bengaluru

Date : August 23, 2024

Signature to notes 1 - 42

**For and on behalf of Board of Directors
of SLK Software Private Limited**

**Parth
Dinubhai
Amin**

Digitally signed by
Parth Dinubhai Amin
Date: 2024.08.23
12:45:03 +05'30'

Parth D Amin

Managing Director

DIN: 00152263

Place : Bengaluru

Date : August 23, 2024

**S Girish
Kumar**

Digitally signed by
S Girish Kumar
Date: 2024.08.23
12:45:20 +05'30'

Girishkumar S

Director

DIN: 08454591

Place : Bengaluru

Date : August 23, 2024

Annexure to Form CAA 10 - Declaration of Solvency

Statement of assets and liabilities as at 31 August 2024

SLK Digital Private Limited			
Assets			
S.No	Particulars	Amounts in INR Million	
		Book value	Estimated realisable value
1	Balance at Bank	-	-
2	Cash in hand	-	-
3	Marketable securities	-	-
4	Bills receivables	-	-
5	Other receivables	-	-
6	Trade debtors	-	-
7	Loans & advances	-	-
8	Security deposits	-	-
9	Prepaid expenses	-	-
10	Current tax assets	-	-
11	Other assets	-	-
12	Unpaid calls	-	-
13	Stock-in-trade	-	-
14	Work in progress	-	-
15	Freehold property	-	-
16	Leasehold property	-	-
17	Plant and machinery	-	-
18	Furniture, fittings, utensils, IT Assets etc.	-	-
19	Patents, trademarks, softwares etc.	-	-
20	Investments other than marketable securities	-	-
21	Other property	-	-
	Total	-	-

Liabilities			
S.No	Particulars	Amounts in INR Million	
		Book value	Estimated realisable value
1	Debt securities - Secured on specific assets	-	-
2	Debt securities - Secured by floating charge(s)	-	-
3	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full	-	-
4	Debt securities(Unsecured)	-	-
5	Unsecured creditors(amounts estimated to rank for payment)	-	-
	(a) Trade accounts	-	-
	(b) Bills payable	-	-
	(c) Accrued expense	-	-
	(d) Other liabilities	-	-
	(e) Provisions	-	-
	(e) Contingent liabilities	-	-
	Total	-	-

The book values are treated as minimum realizable value for the statement of assets & liabilities.

Total estimated value of assets (in thousands) (A)	-
Total liabilities (in thousands) (B)	-
Estimated surplus after paying debts in full (in thousands) (A)-(B)-(C)	-

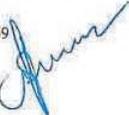
Note: The Company has allotted shares on 27 September 2024

As per our report of even date
For Singhvi Dev & Unni LLP
Chartered Accountants
FRN: 008867S/S200358/LLPIN : AAP-3305


Manoj Nair
Partner
Membership Number: 049426
Place : Bengaluru
Date: 26 November 2024

For and on behalf of Board of Directors of
SLK Digital Private Limited
CIN: U62099KA2024PTC191669


Vidur Amin
Director
DIN: 10728682
Place : Bengaluru
Date: 26 November 2024


Girish Kumar S
Director
DIN: 08454591
Place : Bengaluru
Date: 26 November 2024



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SLK SOFTWARE PRIVATE LIMITED AT ITS MEETING HELD ON THURSDAY, 19th SEPTEMBER 2024, EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF ARRANGEMENT BETWEEN SLK SOFTWARE PRIVATE LIMITED AND SLK DIGITAL PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS

1. Background

- 1.1. The Board of Directors of SLK Software Private Limited (“**Board**”) at its meeting held on Thursday, 19th September 2024, have approved the Scheme of Arrangement between SLK Software Private Limited (“**Demerged Company**” or “**Company**”) and SLK Digital Private Limited (“**Resulting Company**”) and their respective shareholders and creditors (“**Scheme**”) under Section 233 and other applicable provisions of the Companies Act, 2013 (“**Act**”).
- 1.2. Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel (“**KMPs**”), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. The Scheme is presented under Section 233 and other applicable provisions of the Act and provides for the following:
- (i) demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company on a *going concern* basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income-tax Act (*as defined in the Scheme*); and
 - (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company held by the Demerged Company.
- 1.5. The following documents were, *inter alia*, placed before the Board, duly initialled by the Director of the Company for the purpose of identification:
- (a) Draft Scheme;
 - (b) Share Entitlement Ratio Report dated 9th September 2024 issued by Mr. Avneep L Mehta, Registered Valuer (Registration No. IBBI No: IBBI/RV/02/2019/11509) (“**Share Entitlement Ratio Report**”), describing the methodology adopted by them in arriving at the share entitlement ratio; and



- (c) Certificate dated 9th September 2024, issued by M/s. Singhvi Dev & Unni LLP, Chartered Accountants (ICAI Firm Registration No. 003867S/ S200358), the Statutory Auditors of the Company, confirming the accounting treatment in the prescribed manner in the Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act and other generally accepted accounting principles.
- (d) Certificate dated 9th September 2024, issued by M/s. Singhvi Dev & Unni LLP, Chartered Accountants (ICAI Firm Registration No. 003867S/ S200358), the Statutory Auditors of the Company, confirming the list of creditors as on 31st August 2024.
- (e) Certificate dated 18th September 2024, issued by M/s. Singhvi Dev & Unni LLP, Chartered Accountants (ICAI Firm Registration No. 003867S/ S200358), the Statutory Auditors of the Company, confirming the list of shareholders as on 17th September 2024.

2. Share Entitlement Ratio Report | Share Entitlement Ratio

- 2.1. The share entitlement ratio for issue of consideration pursuant to Part II of the Scheme is as follows:

“1 (One) fully paid equity share of INR 1 (Indian Rupees One) each of the Resulting Company, credited as fully paid up, for every 1 (One) equity share fully paid up of INR 1 (Indian Rupee One) each of the Demerged Company held by such shareholder”.

The Share Entitlement Ratio Report has been duly considered by the Board, and the Board has come to the conclusion that the share entitlement ratio specified in the Scheme is fair and reasonable.

- 2.2. The Resulting Company New Equity Shares (*as defined in the Scheme*) shall be subject to the provisions of the memorandum of association and articles of association of Resulting Company, as the case may be, and shall rank pari passu in all respects with any existing equity shares of Resulting Company, as the case may be, after the Effective Date (*as defined in the Scheme*) including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Resulting Company.
- 2.3. Upon allotment of the Resulting Company New Equity Shares, the entire pre-scheme paid up share capital of the Resulting Company shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Resulting Company, pursuant to Section 233 of the Act as an integral part of the Scheme itself.
- 2.4. No special valuation difficulties were reported.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

- 3.1. The existing paid-up equity share capital of the Company and the shareholding of the shareholders of the Company shall not change, pursuant to the Scheme;



3.2. In consideration for the transfer and vesting of the Demerged Undertaking of the Company to the Resulting Company, all the equity shareholders (promoter and non-promoter) of the Company, as on the Effective Date (*as defined in the Scheme*) shall receive equity shares of the Resulting Company in the same proportion as their holding in the Company; and

3.3. As on the date of this Report, the Company has no other class of shareholders.

4. Effect of the Scheme on the KMPs of the Company

None of the KMPs of the Company have any interest in the Scheme except to the extent of the equity shares held by them, if any, in the Company. The KMPs of the Company, pertaining to the Demerged Undertaking, shall become employees of the Resulting Company. Apart from the above, there shall be no effect of the Scheme on KMPs of the Company.

In the opinion of the Board, Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders.

By Order of the Board of Directors

For and on Behalf of **SLK SOFTWARE PRIVATE LIMITED**



Name: Girish Kumar S
Director
DIN: 08454591



Place: Bangalore
Date: 24th September 2024

SLK DIGITAL PRIVATE LIMITED

CIN: U62099KA2024PTC191669

Regd Off: 40/A, KHB Industrial Area Yelahanka New Town, Bengaluru 560064

T +91 80 41805721

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF SLK DIGITAL PRIVATE LIMITED AT ITS MEETING HELD ON THURSDAY, 19th SEPTEMBER, 2024 EXPLAINING THE EFFECT OF THE DRAFT SCHEME OF ARRANGEMENT BETWEEN SLK SOFTWARE PRIVATE LIMITED AND SLK DIGITAL PRIVATE LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS ON ITS EQUITY SHAREHOLDERS, KEY MANAGERIAL PERSONNEL, PROMOTERS AND NON-PROMOTER SHAREHOLDERS.

1. Background

- 1.1. The Board of Directors of SLK Digital Private Limited ("**Board**") at its meeting held on Thursday 19th September, 2024, have approved the Scheme of Arrangement between SLK Software Private Limited ("**Demerged Company**") and SLK Digital Private Limited ("**Resulting Company**" or "**Company**") and their respective shareholders and creditors ("**Scheme**") under Section 233 and other applicable provisions of the Companies Act, 2013 ("**Act**").
- 1.2. Pursuant to Section 232(2)(c) of the Act, the Board of the Company is required to adopt a report explaining the effect of the arrangement on each class of shareholders, key managerial personnel ("**KMPs**"), promoters and non-promoter shareholders of the Company laying out in particular the share entitlement ratio and specifying any special valuation difficulties and the same is required to be circulated as part of the notice of the meeting(s) to be held for the purpose of approving the Scheme.
- 1.3. This report of the Board is accordingly being made in pursuance to the requirements of Section 232(2)(c) of the Act.
- 1.4. The Scheme is presented under Section 233 and other applicable provisions of the Act and provides for the following:
 - (i) demerger, transfer and vesting of the Demerged Undertaking (*as defined in the Scheme*) from the Demerged Company into the Resulting Company on a *going concern* basis and issue of equity shares by the Resulting Company to the shareholders of the Demerged Company, in consideration thereof, in accordance with the provisions of Section 2(19AA) of the Income-tax Act (*as defined in the Scheme*); and
 - (ii) reduction and cancellation of the entire pre-scheme share capital of the Resulting Company held by the Demerged Company.
- 1.5. The following documents were, *inter alia*, placed before the Board, duly initialled by the Director of the Company for the purpose of identification:
 - (a) Draft Scheme;
 - (b) Share Entitlement Ratio Report dated 9th September 2024 issued by Mr. Avneep L Mehta, Registered Valuer (Registration No. IBBI No: IBBI/RV/02/2019/11509) ("**Share Entitlement Ratio Report**"), describing the methodology adopted by them in arriving at the share entitlement ratio; and
 - (c) Certificate dated 9th September 2024, issued by M/s. Singhvi Dev & Unni LLP, Chartered Accountants (ICAI Firm Registration No. 003867S/ S200358), the Statutory Auditors of the Company, confirming the accounting treatment in the prescribed manner in the Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act and other generally accepted accounting principles.



SLK DIGITAL PRIVATE LIMITED

CIN: U62099KA2024PTC191669

Regd Off: 40/A, KHB Industrial Area Yelahanka New Town, Bengaluru 560064

T +91 80 41805721

- (d) Certificate dated 9th September 2024, issued by M/s. Singhvi Dev & Unni LLP, Chartered Accountants (ICAI Firm Registration No. 003867S/ S200358), the Statutory Auditors of the Company, confirming the list of creditors as on 31st August 2024.
- (a) Certificate dated 9th September 2024, issued by M/s. Singhvi Dev & Unni LLP, Chartered Accountants (ICAI Firm Registration No. 003867S/ S200358), the Statutory Auditors of the Company, confirming the list of shareholders as on 31st August 2024.

2. Share Entitlement Ratio Report | Share Entitlement Ratio

- 2.1. The share entitlement ratio for issue of consideration pursuant to Part II of the Scheme is as follows:

"1 (One) fully paid equity share of INR 1 (Indian Rupees One) each of the Resulting Company, credited as fully paid up, for every 1 (One) equity share fully paid up of INR 1 (Indian Rupee One) each of the Demerged Company held by such shareholder".

The Share Entitlement Ratio Report has been duly considered by the Board, and the Board has come to the conclusion that the share entitlement ratio specified in the Scheme is fair and reasonable.

- 2.2. The Resulting Company New Equity Shares (*as defined in the Scheme*) shall be subject to the provisions of the memorandum of association and articles of association of Company, as the case may be, and shall rank pari passu in all respects with any existing equity shares of Company, as the case may be, after the Effective Date (*as defined in the Scheme*) including with respect to dividend, bonus, right shares, voting rights and other corporate benefits attached to the equity shares of the Company.
- 2.3. Upon allotment of the Resulting Company New Equity Shares, the entire pre-scheme paid up share capital of the Company shall stand cancelled and reduced, without any consideration, which shall be regarded as reduction of share capital of the Company, pursuant to Section 233 of the Act as an integral part of the Scheme itself.
- 2.4. No special valuation difficulties were reported.

3. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company

- 3.1. The entire paid-up equity share capital of the Company shall stand cancelled and reduced on new shares being issued to the shareholders of the Demerged Company, pursuant to the Scheme; and
- 3.2. Pursuant to the Scheme, all the equity shareholders (promoter and non-promoter) of the Demerged Company, as on the Effective Date (*as defined in the Scheme*) shall receive equity shares of the Company in the same proportion as their holding in the Demerged Company;
- 3.3. As on the date of this Report, the Company has no other class of shareholders.



SLK DIGITAL PRIVATE LIMITED

CIN: U62099KA2024PTC191669

Regd Off: 40/A, KHB Industrial Area Yelahanka New Town, Bengaluru 560064

T +91 80 41805721

4. Effect of the Scheme on the KMPs of the Company.

There are no KMPs of the Company as on the date of this Report. There shall be no effect of the Scheme on KMPs of the Company, if any, as on the Effective Date of the Scheme, pursuant to the Scheme.

In the opinion of the Board, Scheme will be of advantage and beneficial to the Company, its shareholders and other stakeholders.

By Order of the Board of Directors

For and on Behalf of SLK DIGITAL PRIVATE LIMITED



A handwritten signature in blue ink, appearing to read "Girish Kumar S".

Name: Girish Kumar S

Director

DIN: 08454591

Place: Bangalore

Date: 26th September 2024,

CA Avneep L Mehta
(Registered Valuer – Securities or Financial Assets)
c/o M O J & Associates, 4/1, Brunton Road, Bengaluru–
560025

Date: August 31, 2024

To,

The Board of Directors
SLK Software Private Limited
40/A, KHB Industrial Area,
Yelahanka Bengaluru 560064.

To,

The Board of Directors
SLK Digital Private Limited
40/A, KHB Industrial Area,
Yelahanka Bengaluru 560064.

Recommendation of fair equity share entitlement ratio for the proposed demerger of the Software Business of SLK Software Private Limited into SLK Digital Private Limited

Dear Sir/Madam,

Referring to the engagement letter dated August 23, 2024 ("Engagement Agreement"), whereby Avneep L Mehta ("I" or "Avneep") was appointed by SLK Software Private Limited ("SLK Software") and by SLK Digital Private Limited ("SLK Digital") as on August 28, 2024 for a recommendation of fair equity share entitlement ratio for the proposed demerger of the Software Business of SLK Software ("Software Business") into SLK Digital, a wholly owned subsidiary of SLK Software ("Proposed Demerger" or "Proposed Transaction").

SLK Software and SLK Digital are hereinafter collectively referred to as "you" or "Clients" or "Companies". In accordance with our Engagement Agreement, I am pleased to present the following Report ("Report" or "Fair Equity Share Entitlement Ratio Report") in connection with the recommendation of fair equity share entitlement ratio for the Proposed Demerger.

The fair equity share entitlement ratio for this report refers to the share entitlement ratio pursuant to which equity shares of SLK Digital would be issued and allotted to the equity shareholders of SLK Software pursuant to the Proposed Demerger.

SCOPE AND PURPOSE OF THIS REPORT

SLK Software is a private limited company incorporated under the provisions of the Companies Act, 1956, having Corporate Identity Number U72200KA2000PTC027503 and its registered office at 40/A, KHB Industrial Area, Yelahanka Bengaluru 560064, Karnataka, India. SLK Software is a fast-paced technology and consulting company with an emphasis on key industries such as banking and manufacturing, and deep domain expertise across the entire value chain. They help to reaching out to businesses at different stages of their growth and helping build a strong foundation for their journey to the top. Through their solutions and services, they help enterprises collaborate better, create new opportunities, enhance revenues, reduce operating costs, and transform IT from being an enabler to IT being one of the key growth drivers. Apart from the core IT business, SLK Software has also diversified into other businesses including automation, treasury and real estate businesses.

SLK Digital was incorporated on August 05, 2024, and I have been informed by the management of the Companies (hereinafter collectively referred to as the "Management") that SLK Digital was incorporated to carry on the Software Business.

I understand that the Companies are contemplating a demerger of Software Business of SLK Software into SLK Digital pursuant to a Scheme of Arrangement between SLK Software Private Limited and SLK Digital Private Limited and their respective shareholders and creditors under the provisions of Sections 233 and other applicable provisions of the Companies Act, 2013 ("Scheme of Arrangement" or "Scheme").



As per the Scheme, I understand that the appointed date for the Proposed Demerger is the first day of October 2024 or such date as may be approved by the Board of Directors of SLK Software and SLK Digital ("Appointed Date").

Under the Scheme, the shareholders of SLK Software would be issued and allotted equity shares of SLK Digital as a consideration for the Proposed Demerger. Further, the existing equity shares of SLK Digital held by SLK Software shall stand cancelled pursuant to the Scheme.

In this connection, Board of Directors of SLK Software and SLK Digital have appointed Avneep L Mehta, Registered Valuer, to recommend the fair equity share entitlement ratio, for the Proposed Demerger ("Purpose").

This Report is our deliverable in respect of the same. This Report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the Report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION / MAJOR FACTORS THAT WERE TAKEN INTO ACCOUNT

The following information, as provided by the Management of the Companies, has been used in the issuance of the report:

1. With respect to SLK Software
 - Annual Report for the financial year ended March 31, 2023.
 - Consolidated financial statements (including balance sheet, statement of profit and loss and cash flow statements) for the FY 2022-23.
 - Audited Consolidated financial statements (including balance sheet, statement of profit and loss and cash flow statements) for the FY 2023-24.
 - Un-audited financial statements for the period from 1st April 2024 to 31st August 2024.
 - Details of issued, subscribed and paid-up share capital along with the shareholding pattern as at August 31, 2024.
2. With respect to SLK Digital
 - Details of issued, subscribed and paid-up share capital as at August 31, 2024.
 - Un-audited financial statements from August 05, 2024 to August 31, 2024.
3. With respect to Software Business
 - Historical carved-out financial information (including revenue, earnings before interest tax depreciation and amortisation ("EBITDA"), PBT, Profit after tax ("PAT"), assets and liabilities without schedules) of Software Business for the financial year ended March 31, 2023.
 - Historical carved-out financial information (including revenue, earnings before interest tax depreciation and amortisation ("EBITDA"), PBT, Profit after tax ("PAT"), assets and liabilities without schedules) of Software Business for the financial year ended March 31, 2024.
 - Historical carved-out financial information (including revenue, earnings before interest tax depreciation and amortisation ("EBITDA"), PBT, Profit after tax ("PAT"), assets and liabilities without schedules) of Software Business for the period ended August 31, 2024.



CA Avneep L Mehta
(Registered Valuer – Securities or Financial Assets)
c/o M O J & Associates, 4/1, Brunton Road, Bengaluru–
560025

4. Draft Scheme for the Demerger of Software Business of SLK Software into SLK Digital.

In addition to the above, I have also obtained further explanations and information considered reasonably necessary for our exercise, from the Management of the Companies.

It may be mentioned that the Management of the Companies have been provided opportunity to review factual information in our draft Report as part of our standard practice to make sure that factual inaccuracies/ omissions/ etc. are avoided in our final Report.

I have been informed by the Management of the Companies that there are no unusual/abnormal events in the Companies materially impacting their operating/financial performance after March 31, 2024 till the August 31, 2024. I have relied on the above while arriving at the fair equity share exchange ratio for the Proposed Demerger.

PROCEDURES ADOPTED

In connection with this exercise, I have adopted the following procedures to recommend the equity share allotment ratio:

- Requested and received financial and qualitative information and clarifications regarding past financial performance.
- Considered data available in public domain related to the Companies.
- Held discussions (in person/over call) with the Management of the Companies.
- Analyzed the shareholding pattern of the Companies.
- Arrived at recommendation of the fair equity share entitlement ratio for the Proposed Demerger.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

- Provision of fair equity share entitlement ratio recommendation and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by us or our affiliates.
- The recommendation contained herein is not intended to represent the fair equity share entitlement ratio at any time other than Appointed Date as referred to in Scheme.
- This Report, its contents and the results herein are specific to (i) the terms of our engagement; (ii) the date of this Report and (iii) are based on Scheme of the Proposed Demerger. The Management of the Companies has represented that the business activity of Software Business and SLK Software has been carried out in the normal and ordinary course between March 31, 2024 and the date of this Report and that no material adverse change has occurred in their respective operations and financial position between March 31, 2024 and August 31, 2024.
- The recommendation(s) rendered in this Report only represent our views(s) based upon information furnished by the Companies (or their representatives) and publicly available information and the said recommendation(s) shall be considered to be in the nature of non-binding advice. In addition, I express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Demerger.



CA Avneep L Mehta
(Registered Valuer – Securities or Financial Assets)
c/o M O J & Associates, 4/1, Brunton Road, Bengaluru–
560025

- The determination of fair equity share entitlement ratio is not a precise science and the conclusions arrived at in many cases will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single share entitlement ratio. While I have provided our recommendation of the share entitlement ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion as to the share entitlement ratio of the equity shares of SLK Software. The final responsibility for the determination of the share entitlement ratio at which the proposed demerger shall take place will be with the Board of Directors who should take into account other factors such as their own assessment of the Proposed Demerger and input of other advisors.
- In accordance with the terms of our engagement and in accordance with the customary approach adopted in such exercises, I have not audited, reviewed, or otherwise investigated the financial information provided to us. Accordingly, I do not express any opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the financial statements.
- Also, with respect to explanations and information sought from the Clients, I have been given to understand by the Clients that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Our conclusions are based on the assumptions and information given by/on behalf of the Clients.
- The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all their areas of operations unless otherwise stated, and that they will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other contingent liabilities that are not disclosed in the audited financial statements of the Companies.
- I am not an advisor with respect to legal, tax and regulatory matters for the Proposed Demerger.
- This Report does not look into the business/ commercial reasons behind the Proposed Demerger nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Demerger as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This Report is restricted to recommendation of equity share entitlement ratio only. Its suitability and applicability of any other use has not been checked by us.
- No investigation of the Clients' claims to title of assets has been made for the purpose of this report and SLK Software's claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.
- I owe responsibility to the Clients only which has appointed us under the terms of our agreement and nobody else. I do not accept any liability to any third party in relation to the issuance of this Report. The fee for the Engagement is not contingent upon the results reported.
- This Report is subject to the Laws of India.



CA Avneep L Mehta
(Registered Valuer – Securities or Financial Assets)
c/o M O J & Associates, 4/1, Brunton Road, Bengaluru–
560025

**DISCLOSURE OF REGISTERED VALUER INTEREST OR CONFLICT, IF ANY AND OTHER
AFFIRMATIVE STATEMENTS**

I do not have any financial interest in the Clients, nor do I have any conflict of interest in carrying out this exercise.

Further, the information provided by the Management of the Companies have been appropriately reviewed.
Sufficient time and information were provided to us.

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CA Avneep L Mehta
(Registered Valuer – Securities or Financial Assets)
c/o M O J & Associates, 4/1, Brunton Road, Bengaluru–
560025

EQUITY SHARE CAPITAL OF THE COMPANIES

SLK Software

The company currently has an authorized capital of the Company are as follows.

Particulars	No. of shares	Face value per share	Amount (INR)
Equity shares	5,00,00,000	1.00	5,00,00,000
Preference shares	2,00,000	100.00	2,00,00,000
Total			7,00,00,000

Further, the Company has an issued, subscribed and paid-up capital of INR. 2,95,97,804 divided into 2,95,97,804 equity shares of INR.1.00 each. The company has only one class of equity shares having par value of INR.1.00 each. All equity shares carry similar voting rights of 1:1 and similar dividend rights.

The Management has represented that there are no outstanding stock options/warrants/security/convertible instruments, etc. issued or granted by SLK Software as at the date of issue of this Report, which would impact the number of equity shares of SLK Software.

SLK Digital

SLK Digital was incorporated on August 05, 2024 as a wholly owned subsidiary of SLK Software. The authorised share capital of the Company is INR. 1,00,000 consisting of 1,00,000 equity shares of face value of INR. 1.00 per equity share. The issued and subscribed equity share capital of SLK Digital as at the date of this report, is INR 1,00,000 consisting of 1,00,000 equity shares of face value of INR.1.00 each fully paid up.

As on date, the SLK Software along with its nominee(s) hold the entire issued, subscribed and paid-up equity capital of the SLK Digital. Therefore, SLK Digital is a wholly owned subsidiary of SLK Software.

The Management has represented that there are no outstanding stock options/warrants/security/convertible instruments, etc. issued or granted by SLK Digital as at the date of issue of this Report, which would impact the number of equity shares of SLK Digital.

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CA Avneep L Mehta
(Registered Valuer – Securities or Financial Assets)
c/o M O J & Associates, 4/1, Brunton Road, Bengaluru–
560025

APPROACH FOR RECOMMENDATION OF FAIR EQUITY SHARE ENTITLEMENT RATIO

I understand that, as part of the Scheme, Software Business of SLK Software is proposed to be demerged into SLK Digital. It can be seen that SLK Digital is not engaged in any operations and SLK Software and its nominees hold 100% equity shares of SLK Digital. Once the Scheme is implemented, all the shareholders of SLK Software would also become the shareholders of SLK Digital, and their shareholding in SLK Digital would mirror their shareholding in SLK Software. The effect of the demerger is that each shareholder of SLK Software becomes the owner of shares in two companies instead of one company. The percentage holding of a shareholder in SLK Software (post the demerger) and in SLK Digital would remain unchanged from the proportion of capital held by such shareholder in SLK Software.

BASIS OF FAIR EQUITY SHARE EXCHANGE RATIO

Hence, the share entitlement ratio would not have any impact on the ultimate value of the shareholders of the SLK Software and the Proposed Demerger will be value-neutral to the shareholders of SLK Software. Further, as stated in SEBI Master Circular SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, valuation is not required in cases where there is no change in the shareholding pattern of the resultant company. Although the SEBI circular is not applicable to the Companies, reference is drawn to paragraph 4(b) which states that there is no requirement of obtaining a valuation report where there is no change in the shareholding pattern. Therefore, I have not carried out valuation of the Companies or Software Business

Based on the above, any share entitlement ratio can be considered appropriate and fair for the Proposed Demerger as the proportionate equity shareholding of any shareholder before and after the Proposed Demerger would remain same.

CONCLUSION

In the light of the above and on a consideration of all the relevant factors and circumstances, I recommend a ratio of 1 (One) equity share of INR.1.00 each fully paid up of SLK Digital for every 1 (One) equity share of INR.1.00 each fully paid up each held in SLK Software.

It should be noted that I have examined the share entitlement ratio for the Proposed Demerger and not examined any other matter including economic rationale for the demerger per se or accounting, legal or tax matters involved in the Proposed Demerger.



Respectfully submitted,

Avneep L Mehta

Registered Valuer – Securities or Financial Assets (IBBI, India)

IBBI No: IBBI/RV/02/2019/11509

IOV No: IOVRV00613SFA

UDIN: 24225441BKAIGZ4114

VRN: IOV/2024-2025/7569



Place: Bengaluru

Date: September 09, 2024



|||||

SINGHVI DEV & UNNI LLP

CHARTERED ACCOUNTANTS

|||||

The Board of Directors

SLK Software Private Limited

40/A, SLK 1, KHB Industrial Area

Yelahanka New Town

Bengaluru – 560 064.

Certificate on accounting treatment contained in the Draft Scheme of Arrangement between SLK Software Private Limited and SLK Digital Private Limited and their respective shareholders and creditors

1. We, Singhvi Dev & Unni LLP are the statutory auditors of SLK Software Private Limited (“the Company”), a private company registered under the companies Act, 1956, having its registered office at No 40/A, KHB Industrial Area, Yelahanka, Bengaluru – 560064, Karnataka with its CIN U72200KA2000PTC027503 and PAN AAEC57548E, have examined the Draft Scheme of Arrangement between the Company (“Demerged Company”) and SLK Digital Private Limited (“Resulting Company”) and their respective shareholders and creditors (“**Scheme**”) under Section 233 and other applicable of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with applicable Rules and other Generally Accepted Accounting Principles, as applicable.
2. The Clause 10.2 of the Draft Scheme containing the accounting treatment, duly authenticated by the Management of the Demerged Company, is attached as an Annexure A to this certificate and is initialled by us only for the purposes of identification.

Management’s Responsibility

3. The Management of the Company is responsible for the preparation of the Scheme and its compliance with the relevant laws and regulations, including applicable Indian Accounting Standards as aforesaid.
4. The responsibility for the preparation of the Scheme includes the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation and making estimates that are reasonable in the circumstances.



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Branch – WeWork, Raheja Platinum, Sag Baug Road, Andheri-Kurla Road, Marol, Mumbai - 400 059.

|||||

5. The Management is also responsible for ensuring that the Draft Scheme is not misstated due to fraud or error.
6. The Management is also responsible for ensuring that the Demerged Company and the Resulting Company provides all relevant information to the Central Government through the office of the Regional Director, South – East Region and other regulatory authorities.

Auditor’s Responsibility

7. Our responsibility is only to provide a reasonable assurance whether the treatment prescribed in Clause 10.2 of the Scheme complies with the Act and circulars issued thereunder and the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with applicable Rules and other Generally Accepted Accounting Principles, as applicable.
8. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Demerged Company.
9. We have traced the information mentioned in Annexure A to the following documents and explanations made by the Company’s Management:
 - a) Management certified draft scheme of arrangement provided us to by the Company; and
 - b) Representations from the Management dated 9 September 2024.
10. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India (“ICAI”). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
11. 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

12. Based on our examination of the documents and information as mentioned in paragraph 9, we are of the opinion that the accounting treatment proposed as specified in Clause 10.2 of the Draft Scheme and reproduced as Annexure A to this certificate is in compliance with the Companies Act, 2013 and the applicable Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with applicable Rules and other Generally Accepted Accounting Principles.



Restriction on Use

13. This certificate issued at specific request of the Management of Company and is solely for the purpose of submission to the Regional Director, South-East region of the Ministry of Corporate Affairs. This certificate should not be used, quoted, or referred to for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or 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, save where expressly agreed by our prior consent in writing.
14. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Singhvi Dev & Unni LLP
Chartered Accountants
FRN: 003867S/S200358 / LLPIN: AAP-3305



Manoj Nair
Partner
Membership No: 049426
UDIN: 24049426BKCERV7647
Bengaluru
9 September 2024



Annexure A:

Certified true copy of Clause 10 of the Draft Scheme of Arrangement between SLK Software Private Limited and SLK Digital Private Limited and their respective shareholders and creditors ("**Scheme**") under Section 233 and other applicable of the Companies Act, 2013

10 ACCOUNTING TREATMENT

10.1 The Demerged Company and the Resulting Company shall account for the demerger of the Demerged Undertaking in accordance with applicable Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

10.2 In the books of the Demerged Company:

With effect from the Appointed Date, the Demerged Company shall account for the demerger of the Demerged Undertaking in its books of accounts as under –

10.2.1 All the assets and the liabilities of the Demerged Company transferred to and vested in the Resulting Company pursuant to the Scheme shall be reduced from the respective book value of assets and liabilities of the Demerged Company;

10.2.2 The difference, if any, between the book value of the assets of the Demerged Undertakings of the Demerged Company transferred to the Resulting Company less the book value of the liabilities of the Demerged Undertakings of the Demerged Company transferred to the Resulting Company shall be recognised in Retained Earnings, For accounting purpose, the Scheme will be given effect from the Effective Date and such entries will be recorded on later of Effective Date or the date when all substantial conditions for the transfer of Demerged Undertaking are completed; and

10.2.3 Any matter not dealt with in Clause hereinabove shall be dealt with in accordance with the Indian accounting standards and generally accepted accounting principles applicable to the Demerged Company.

10.5 It is hereby clarified that all transactions during the period between the Appointed Date and Effective Date relating to the Demerged Undertaking would be duly reflected in the financial statements of the Resulting Company at their respective transaction value upon this Scheme coming into effect, as may be decided by the Board of Directors of the Resulting Company.



FORM NO. CAA.10

[Pursuant to section 233(1)(c) and rule 25(2)]

Declaration of solvency

1. (a) Corporate identity number (CIN) of company: U72200KA2000PTC027503
(b) Global location number (GLN) of company:
2. (a) Name of the company: SLK Software Private Limited
(b) Address of the registered office of the company: KHB Industrial Area, 40/A, SLK1, Yelahanka New Town, Bangalore Urban – 560064
(c) E-mail ID of the company: legal@slkgroup.com
3. (a) Whether the company is listed: No
_ Yes
_ No
(b) If listed, please specify the name(s) of the stock exchange(s) where listed:
4. Date of Board of Directors' resolution approving the scheme: 19th September 2024

Declaration of solvency

We, the directors of M/s. SLK Software Private Limited do solemnly affirm and declare that we have made a full enquiry into the affairs of the company and have formed the opinion that the company is capable of meeting its liabilities as and when they fall due and that the company will not be rendered insolvent within a period of one year from the date of making this declaration.

We append an audited statement of company's assets and liabilities as at 31st August 2024 being the latest date of making this declaration.

We further declare that the company's audited annual accounts including the Balance Sheet have been filed upto date with the Registrar of Companies.

Signed for and behalf of the board of directors



Sign: _____

Name: Girish Kumar Sugumaran

DIN: 0008454591

Date: 25th September 2024

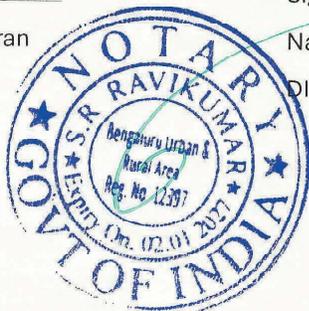
Place: Bengaluru



Sign: _____

Name: Roshen Amin

DIN: 01052268



ATTESTED BY ME

26/9/24
S.R. RAVIKUMAR, B.Com. II B
ADVOCATE & NOTARY PUBLIC
GOVT. OF INDIA
49/A, 5th 'A' Cross, Subbanna Garden
Vijayanagar, Bengaluru-560 040

Verification

We solemnly declare that we have made a full enquiry into the affairs of the company including the assets and liabilities of this company and that having done so and having noted that the scheme of merger or amalgamation between SLK Software Private Limited and SLK Digital Private Limited is proposed to be placed before the shareholders and creditors of the company for approval as per the provisions of sub-section of (1) of section 233 of the Companies Act, 2013, we make this solemn declaration believing the same to be true. Verified this day the 25th September 2024.



Sign: _____

Name: Girish Kumar Sugumaran

DIN: 0008454591



Sign: _____

Name: Roshon Amin

DIN: 01052268

Date: 25th September 2024

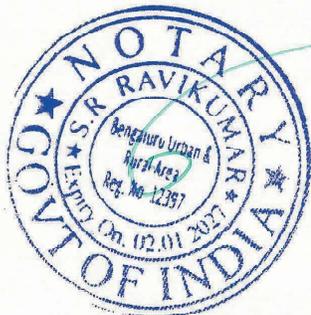
Place: Bengaluru

Solemnly affirmed and declared at B'lor the 26th day of Sept, 2024 before me.

Commissioner of Oaths and Notary Public

Attachments:

- a) Copy of board resolution
- b) Statement of assets and liabilities
- c) Auditor's report on the statement of assets and liabilities



ATTESTED BY ME

S.R. RAVIKUMAR, B.Com., LL.B.,
ADVOCATE & NOTARY PUBLIC
GOVT. OF INDIA
49/A, 5th 'A' Cross, Subbanna Garden
Vijayanagar, Bengaluru-560 040

26/9/24

**SINGHVI
DEV & UNNI LLP**
CHARTERED ACCOUNTANTS

The Board of Directors

SLK Software Private Limited

40/A, SLK 1, KHB Industrial Area

Yelahanka New Town

Bengaluru – 560 064.

Certificate on the Statement of assets and liabilities as at 31 August 2024 for SLK Software Private Limited

1. We, Singhvi Dev & Unni LLP, are the statutory auditors of SLK Software Private Limited ("the Company"), a private company registered under the Companies Act, 1956, having its registered office at No 40/A, KHB Industrial Area, Yelahanka, Bengaluru – 560064, Karnataka with its CIN U72200KA2000PTC027503 and PAN AAEC57548E have examined the books of account maintained by the Company for the period 1 April 2024 to 31 August 2024 to confirm if the balances included in the accompanying Annexure 1 - Statement of Assets and Liabilities (hereinafter referred to as "the Statement"), is in agreement with such books of account as at 31 August 2024.
2. The accompanying Statement of Assets and Liabilities of the Company as at 31 August 2024 ('the Statement') is prepared by the Management, for the purpose of filing the declaration of solvency in Form No. CAA-10 with the Registrar in accordance with the provisions of Section 233(1) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (herein referred as "regulations") and is initialled by us only for the purposes of identification.

Management's Responsibility

3. The Management of the Company is responsible for the preparation of the Statement including the creation and maintenance of all accounting and other records including the books of account supporting its contents and making estimates that are reasonable in the circumstances. It is also responsible for designing, implementing, and maintaining internal control that are sufficient and relevant to permit the timely and reliable recording of transactions; prevention and detection of frauds and errors and applying an appropriate basis of preparation of such accounting and other records including the books of account and the Statement.



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Branch - WeWork Raheja Platinum, Sag Baug Road, Andheri-Kurla Road, Marol, Mumbai - 400 059.

4. The Management is responsible for ensuring that the Company complies with the requirements of the provisions of section 233(1)(c) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and provides all relevant information for the purpose of filing the declaration of solvency in Form No. CAA. 10 with the Regional Director, South – East Region of the Ministry of Corporate Affairs and the Registrar of Companies.
5. The Management is also responsible for ensuring that the amounts presented in Annexure A are not misstated due to fraud or error.

Auditor's Responsibility

6. Our responsibility is only to provide a reasonable assurance based on the examination of the unaudited books and records maintained by the Company and certify whether the statement is prepared as per the requirements of the provisions of Section 233(1)(c) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and in agreement with the unaudited books and records as on 31 August 2024.
7. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Demerged Company.
8. We have traced the information mentioned in Annexure A to the following documents and explanations made by the Company's Management:
 - a) Statement of assets and liabilities certified by the Management;
 - b) Reconciliation assets and liabilities with trial balance extracted from unaudited books of account as on 31 August 2024; and
 - c) Representations from the Management dated 9 September 2024.
9. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
10. 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

11. Based on our examination of the documents and information as mentioned in paragraph 8, the Statement of Assets and Liabilities presented in Annexure A is in agreement with the unaudited books of account.

Bengaluru | Mumbai



Further, we have not performed an audit of the books of account as on 31 August 2024, and accordingly, we do not express an opinion thereon.

Restriction on Use

12. This certificate issued at specific request of the Management of Company and is solely for the purpose of Submission to the Regional Director, South – East Region of the Ministry of Corporate Affairs and the Registrar of Companies. This certificate should not be used, quoted, or referred to for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or 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, save where expressly agreed by our prior consent in writing.
13. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For Singhvi Dev & Unni LLP
Chartered Accountants
FRN: 003867S/S200358 / LLPIN: AAP-3305



Manoj Nair

Partner

Membership No: 049426

UDIN:24049426BKCERW4554

Bengaluru

9 September 2024



Annexure A: Statement of Assets and Liabilities

Assets			
S.No	Particulars	Book value (in million Rs.)	Estimated realisable value (in million Rs.)
1	Balance at Bank	1,279.87	1,279.87
2	Cash in hand	0.08	0.08
3	Marketable securities	5,089.63	5,089.63
4	Bills receivables	-	-
5	Other receivables	-	-
6	Trade debtors	1,484.61	1,484.61
7	Loans & advances	897.11	897.11
8	Security deposits	311.37	311.37
9	Prepaid expenses	177.97	177.97
10	Current tax assets	-	-
11	Other assets	1,279.98	1,279.98
12	Unpaid calls	-	-
13	Stock-in-trade	-	-
14	Work in progress	105.68	105.68
15	Freehold property	167.81	167.81
16	Leasehold property	596.16	596.16
17	Plant and machinery	93.93	93.93
18	Furniture, fittings, utensils, IT Assets etc.	229.38	229.38
19	Patents, trademarks, softwares etc.	58.32	58.32
20	Investments other than marketable securities	4,844.92	4,844.92
21	Other property	612.75	612.75
Total		17,229.56	17,229.56

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Bengaluru | Mumbai

Liabilities			
Estimated to rank for payment			
S.No	Particulars	Book value (in million Rs.)	Estimated realisable value (in million Rs.)
1	Debt securities - Secured on specific assets	-	-
2	Debt securities - Secured by floating charge(s)	-	-
3	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full	-	-
4	Debt securities(Unsecured)	-	-
5	Unsecured creditors(amounts estimated to rank for payment)	-	-
	(a) Trade accounts	134.44	134.44
	(b) Bills payable	-	-
	(c) Accrued expense	-	-
	(d) Other liabilities	703.74	703.74
	(e) Provisions	284.82	284.82
	(e) Contingent liabilities	-	-
	Total	3,037.10	3,037.10

The book values are treated as minimum realizable value for the statement of assets & liabilities.

Particulars	Amount (in million Rs.)
Total estimated value of assets (in thousands) (A)	17,229.56
Total liabilities (in thousands) (B)	3,037.10
Estimated surplus after paying debts in full (in thousands) (A)-(B)=(C)	14,192.47

Note: The Company has subscribed to the 99,000 shares of SLK Digital Private Limited, which will establish it as a wholly owned subsidiary. However, the consideration towards shares subscribed is yet to be disbursed.

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Annexure to Form CAA 10 - Declaration of Solvency

Statement of assets and liabilities as at 31 August 2024

SLK Software Private Limited			
Amounts in INR Million			
S.No	Particulars	Book value	Estimated realisable value
1	Balance at Bank	1,279.87	1,279.87
2	Cash in hand	0.08	0.08
3	Marketable securities	5,089.63	5,089.63
4	Bills receivables	-	-
5	Other receivables	-	-
6	Trade debtors	1,484.61	1,484.61
7	Loans & advances	897.11	897.11
8	Security deposits	311.37	311.37
9	Prepaid expenses	177.97	177.97
10	Current tax assets	-	-
11	Other assets	1,279.98	1,279.98
12	Unpaid calls	-	-
13	Stock-in-trade	-	-
14	Work in progress	105.68	105.68
15	Freehold property	167.81	167.81
16	Leasehold property	596.16	596.16
17	Plant and machinery	93.93	93.93
18	Furniture, fittings, utensils, IT Assets etc.	229.38	229.38
19	Patents, trademarks, softwares etc.	58.32	58.32
20	Investments other than marketable securities	4,844.92	4,844.92
21	Other property	612.75	612.75
Total		17,229.56	17,229.56

IT Liabilities			
Amounts in INR Million			
S.No	Particulars	Book value	Estimated realisable value
1	Debt securities - Secured on specific assets	-	-
2	Debt securities - Secured by floating charge(s)	-	-
3	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full	-	-
4	Debt securities(Unsecured)	-	-
5	Unsecured creditors(amounts estimated to rank for payment)	-	-
	(a) Trade accounts	134.44	134.44
	(b) Bills payable	-	-
	(c) Accrued expense	703.74	703.74
	(d) Other liabilities	1,914.09	1,914.09
	(e) Provisions	284.82	284.82
	(e) Contingent liabilities	-	-
Total		3,037.10	3,037.10

The book values are treated as minimum realizable value for the statement of assets & liabilities.

Total estimated value of assets (in thousands) (A)	17,229.56
Total liabilities (in thousands) (B)	3,037.10
Estimated surplus after paying debts in full (in thousand)	14,192.47

As per our certificate of even date

For Singhvi Dev & Unni LLP

Chartered Accountants

FRN: 003867S/ S200358/ LLPIN : AAP-3305



Manoj Nair

Partner

Membership Number: 049426

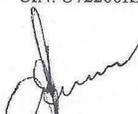
Place : Bengaluru

Date : 9 September 2024

For and on behalf of Board of Directors of

SLK Software Private Limited

CIN: U72200KA2000PTC027503



Director

DIN: 00152263

Place : Bengaluru

Date : 9 September 2024



FORM NO. CAA.10

[Pursuant to section 233(1)(c) and rule 25(2)]

DECLARATION OF SOLVENCY

1. (a) Corporate identity number (CIN) of company: U62099KA2024PTC191669
(b) Global location number (GLN) of company:
2. (a) Name of the company: SLK Digital Private Limited
(b) Address of the registered office of the company: KHB Industrial Area, 40/A, SLK1, Yelahanka New Town, Bangalore Urban – 560064
(c) E-mail ID of the company: legal@slkgroup.com
- 3.(a) Whether the company is listed: No Yes
(b) If listed, please specify the name(s) of the stock exchange(s) where listed: NA
4. Date of Board of Directors' resolution approving the scheme: 19th September 2024

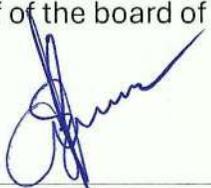
Declaration of solvency

We, the directors of M/s. SLK Digital Private Limited do solemnly affirm and declare that we have made a full enquiry into the affairs of the company and have formed the opinion that the company is capable of meeting its liabilities as and when they fall due and that the company will not be rendered insolvent within a period of one year from the date of making this declaration.

We append an audited statement of company's assets and liabilities as at 31st August 2024 being the latest date of making this declaration.

We further declare that the company's audited annual accounts including the Balance Sheet have been filed up to date with the Registrar of Companies.

for and behalf of the board of directors

Sign: 
Name: Girish Kumar Sugumaran
DIN: 08454591

Sign: 
Name: Vidur Parth Amin
DIN: 10728682

Date: 26th November 2024
Place: Bengaluru



ATTESTED BY ME

26/11/24
S.R. RAVIKUMAR, B.Com., LL.B.,
ADVOCATE & NOTARY PUBLIC
GOVT. OF INDIA
49/A, 5th 'A' Cross, Subbanna Garden
Vijayanagar, Bengaluru-560 040

Verification

We solemnly declare that we have made a full enquiry into the affairs of the company including the assets and liabilities of this company and that having done so and having noted that the scheme of merger or amalgamation between SLK Software Private Limited and SLK Digital Private Limited is proposed to be placed before the shareholders and creditors of the company for approval as per the provisions of sub-section of (1) of section 233 of the Companies Act, 2013, we make this solemn declaration believing the same to be true. Verified this day the 26th November 2024.

Sign: _____

Name: Girish Kumar Sugumaran

DIN: 08454591

Sign: _____

Name: Vidur Parth Amin

DIN: 10728682

Date: 26th November 2024

Place: Bengaluru

Solemnly affirmed and declared at B/lm the 26th day of Nov, 20... before me.
Commissioner of Oaths and Notary Public

Attachments:

- Copy of board resolution
- Statement of assets and liabilities
- Auditor's report on the statement of assets and liabilities



ATTESTED BY ME
S.R. RAVIKUMAR 26/11/24
ADVOCATE & NOTARY PUBLIC
GOVT. OF INDIA
#49/A, 5th 'A' Cross, Subbanna Garden
Vijayanagar, Bengaluru-560 040

Annexure to Form CAA 10 - Declaration of Solvency

Statement of assets and liabilities as at 31 August 2024

SLK Digital Private Limited			
Assets			
S.No	Particulars	Amounts in INR Million	
		Book value	Estimated realisable value
1	Balance at Bank	-	-
2	Cash in hand	-	-
3	Marketable securities	-	-
4	Bills receivables	-	-
5	Other receivables	-	-
6	Trade debtors	-	-
7	Loans & advances	-	-
8	Security deposits	-	-
9	Prepaid expenses	-	-
10	Current tax assets	-	-
11	Other assets	-	-
12	Unpaid calls	-	-
13	Stock-in-trade	-	-
14	Work in progress	-	-
15	Freehold property	-	-
16	Leasehold property	-	-
17	Plant and machinery	-	-
18	Furniture, fittings, utensils, IT Assets etc.	-	-
19	Patents, trademarks, softwares etc.	-	-
20	Investments other than marketable securities	-	-
21	Other property	-	-
	Total	-	-

Liabilities			
S.No	Particulars	Amounts in INR Million	
		Book value	Estimated realisable value
1	Debt securities - Secured on specific assets	-	-
2	Debt securities - Secured by floating charge(s)	-	-
3	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full	-	-
4	Debt securities(Unsecured)	-	-
5	Unsecured creditors(amounts estimated to rank for payment)	-	-
	(a) Trade accounts	-	-
	(b) Bills payable	-	-
	(c) Accrued expense	-	-
	(d) Other liabilities	-	-
	(e) Provisions	-	-
	(e) Contingent liabilities	-	-
	Total	-	-

The book values are treated as minimum realizable value for the statement of assets & liabilities.

Total estimated value of assets (in thousands) (A)	-
Total liabilities (in thousands) (B)	-
Estimated surplus after paying debts in full (in thousands) (A)-(B)=(C)	-

Note: The Company has allotted shares on 27 September 2024

As per our report of even date
For Singhvi Dev & Unni LLP

Chartered Accountants
FRN: 00B867S/ S200358/ LLPIN : AAP-3305



Manoj Nair
Partner

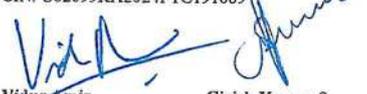
Membership Number: 049426

Place : Bengaluru

Date: 26 November 2024

For and on behalf of Board of Directors of
SLK Digital Private Limited

CIN: U62099KA2024PTC191669



Vidur Amin

Director

DIN: 10728682

Place : Bengaluru

Date: 26 November 2024

Girish Kumar S

Director

DIN: 08454591

Place : Bengaluru

Date: 26 November 2024



The Board of Directors
SLK Digital Private Limited
40/A, SLK 1, KHB Industrial Area
Yelahanka New Town
Bengaluru – 560 064.

Certificate on the Statement of assets and liabilities as at 31 August 2024 for SLK Digital Private Limited

1. We, Singhvi Dev & Unni LLP, are the statutory auditors of SLK Digital Private Limited ("the Company"), a private company registered under the Companies Act, 2013, having its registered office at No 40/A SLK1, KHB Industrial Area, Yelahanka, Bangalore North, Bangalore – 560064, Karnataka with its CIN U62099KA2024PTC191669 and PAN ABOCS0507L, have examined the books of account maintained by the Company for the period 5 August 2024 to 31 August 2024 to confirm if the balances included in the Statement of Assets and Liabilities in the accompanying Annexure to Form CAA 10 – Declaration of Solvency (hereinafter referred to as "the Statement"), is in agreement with such books of account as at 31 August 2024.
2. The accompanying Statement of Assets and Liabilities of the Company as at 31 August 2024 ('the Statement') is prepared by the Management, for the purpose of filing the declaration of solvency in Form No. CAA-10 with the Registrar in accordance with the provisions of Section 233(1) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (herein referred as "regulations") and is initialled by us only for the purposes of identification.

Management's Responsibility

3. The Management of the Company is responsible for the preparation of the Statement including the creation and maintenance of all accounting and other records including the books of account supporting its contents and making estimates that are reasonable in the circumstances. It is also responsible for designing, implementing, and maintaining internal control that are sufficient and relevant to permit the timely and reliable recording of transactions; prevention and detection of frauds and errors and applying an appropriate basis of preparation of such accounting and other records including the books of account and the Statement.
4. The Management is responsible for ensuring that the Company complies with the requirements of the provisions of section 233(1)(c) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and provides all relevant



information for the purpose of filing the declaration of solvency in Form No. CAA. 10 with the Regional Director, South – East Region of the Ministry of Corporate Affairs and the Registrar of Companies.

5. The Management is also responsible for ensuring that the amounts presented in Annexure A are not misstated due to fraud or error.

Auditor's Responsibility

6. Our responsibility is only to provide a reasonable assurance based on the examination of the unaudited books and records maintained by the Company and certify whether the statement is prepared as per the requirements of the provisions of Section 233(1)(c) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and in agreement with the unaudited books and records as on 31 August 2024.
7. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Demerged Company.
8. We have traced the information provided in aforementioned Annexure in paragraph 1 to the following documents and explanations made by the Company's Management:
 - a) Reconciliation of assets and liabilities with trial balance extracted from unaudited books of account as on 31 August 2024; and
 - b) Representations from the Management dated 26 November 2024.
9. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
10. 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

11. Based on our examination of the documents and information as mentioned in paragraph 8, the Statement of Assets and Liabilities presented in the aforementioned Annexure is in agreement with the unaudited books of account. Further, we have not performed an audit of the books of account as on 31 August 2024, and accordingly we do not express an opinion thereon.

Restriction on Use

12. This certificate issued at specific request of the Management of Company and is solely for the purpose of Submission to the Regional Director, South – East Region of the Ministry of Corporate Affairs and the Registrar of Companies. This certificate should not be used, quoted, or referred to for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or 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, save where expressly agreed by our prior consent in writing.
13. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

**For Singhvi Dev & Unni LLP
Chartered Accountants
FRN: 003867S/S200358 / LLPIN: AAP-3305**



**Manoj Nair
Partner
UDIN: 24049426BKCESM8462
Membership No: 049426
Bengaluru
26 November 2024**

