

Perfect ID India Private Limited
Consolidated Balance Sheet for the year ended 31 March 2023
 (All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	As at 31 March 2023	As at 31 March 2022
A	ASSETS			
I	Non-current assets			
	(a) Property, plant and equipment	3	79.53	48.10
	(b) Right-of-use assets	4	2.30	1.20
	(c) Other intangible assets	5	1.99	2.49
	(d) Financial assets			
	(i) Investments	7	9.91	2.19
	(ii) Other financial assets	8	0.26	-
	(e) Income tax asset (net)	9	-	5.93
	(f) Deferred tax asset (net)	39.4	-	1.08
	(g) Other non-current assets	10	4.31	24.50
	Total non-current assets		98.30	85.49
II	Current Assets			
	(a) Inventories			
	(b) Financial assets			
	(i) Current investments	11	121.87	94.40
	(ii) Trade receivables	12	242.18	64.41
	(iii) Cash and cash equivalents	13	67.03	42.27
	(iv) Other bank balances	14.1	51.76	144.26
	(v) Other financial assets	14.2	1.53	1.53
	(c) Other current assets	15	0.95	7.83
	Total current assets	16	0.98	5.30
	Total assets		486.30	360.00
B	EQUITY AND LIABILITIES		584.60	445.49
I	Equity			
	(a) Equity Share Capital	17	22.55	22.55
	(b) Other equity	18	499.45	339.51
	Total equity		522.00	362.06
II	Liabilities			
1	Non-current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	19	0.86	1.73
	(ii) Lease liabilities	37	1.86	1.11
	(b) Provisions	20	2.89	2.01
	(c) Deferred tax liabilities (net)	39.4	0.31	-
	Total non-current liabilities		5.92	4.85
2	Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	21	0.87	0.80
	(ii) Lease liabilities	37	0.75	0.34
	(iii) Trade payables	22		
	- Dues to micro and small enterprises		21.95	21.41
	- Dues to other than micro and small enterprises		22.60	44.31
	(b) Other Current liabilities	24	7.44	11.65
	(c) Provisions	25	0.69	0.07
	(d) Current tax liabilities (net)	23	2.38	-
	Total current liabilities		56.68	78.53
	Total liabilities		62.60	83.43
	Total equity and liabilities		584.60	445.49
	See accompanying notes to the Consolidated financial statements			

In terms of our report attached
For Sundararajan & Co.
 Firm Registration no. 005101S
 Chartered Accountants

R. Sundararajan

R Sundararajan

Partner

Membership No: 029591

UDIN: 23029591B6VFEJ5134

Place : Chennai

Date : 16 May 2023



For and on behalf of the Board of Directors
Perfect ID India Private Limited

Vikram Chopra

Vikram Chopra
 Director
 DIN: 00311827

Place : Mumbai
 Date : 16 May 2023

Sanjiv Narayan

Sanjiv Narayan
 Director
 DIN: 00198864

Place : Gurugram
 Date : 16 May 2023

[Signature]

Perfect ID India Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2023
 (All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
1	Revenue from operations	26	659.22	442.67
2	Other income	27	15.98	11.37
3	Total income (1+2)		675.20	454.04
4	Expenses			
	(a) Cost of raw materials consumed	28	360.58	214.49
	(b) Changes in inventories of finished goods and work-in-progress	29	(0.50)	(1.28)
	(c) Employee benefits expense	30	38.17	21.18
	(d) Finance costs	31	0.49	0.46
	(e) Depreciation and Amortisation expense	6	11.68	10.50
	(f) Other Expenses	32	51.17	48.05
	Total expenses		461.59	293.40
5	Profit before tax (3 - 4)		213.61	160.64
6	Tax expense:			
	- Current tax	39.1	53.11	42.00
	- Deferred tax	39.2	1.52	(0.41)
	Total tax expense		54.63	41.59
7	Share of Post-acquisition Profit of Associate		(0.33)	0.16
8	Profit for the Year (5 - 6 + 7)		158.65	119.21
9	Other Comprehensive Income			
	(A) Items that will not be reclassified to profit or loss			
	(i) Remeasurement of the defined benefit plans		(0.51)	(1.02)
	(ii) Income tax expenses relating to the above		0.13	0.26
	Total Other Comprehensive Income for the year		(0.38)	(0.76)
10	Total comprehensive income for the year (8 + 9)		158.27	118.45
11	Earnings per equity share			
	- Basic (Face Value of Rs. 10 each)		70.37	52.88
	- Diluted (Face Value of Rs. 10 each)		70.37	52.88
	See accompanying notes to the Consolidated financial statements			

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Place : Mumbai
 Date : 16 May 2023

Place : Gurugram
 Date : 16 May 2023

Sanjiv Narayan

Perfect ID India Private Limited
Consolidated Cash Flow Statement for the year ended 31 March 2023
 (All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	213.61	160.64
Adjustments for		
Depreciation and Amortisation expense	11.68	10.50
Finance Costs	0.49	0.46
Interest Income	(3.28)	(7.85)
Interest on Income tax Refund	(0.33)	-
Loss on sale of Property, Plant and Equipment	-	0.14
Net gain on account of sale of current investments (Mutual funds)	(4.75)	(0.21)
Mark-to-Market (MTM) gain on financial assets measured at FVTPL	(4.21)	-
Provision/(Reversal) of Allowance for Expected Credit loss	-	(0.11)
Liabilities No Longer Required Written back	(0.07)	(1.09)
Unrealised Exchange (Gain) (net)	(0.01)	(1.93)
Operating Profit Before Working Capital/Other Changes	213.13	160.55
Adjustments for (increase)/decrease in operating assets:		
Inventories	(23.41)	(66.97)
Trade Receivables	(24.72)	(1.36)
Other Current Financial Assets	6.88	(5.84)
Other Non-Current Financial Assets	(0.26)	-
Other Current Assets	4.32	(2.09)
Adjustments for increase/(decrease) in operating liabilities:		
Trade Payables	(22.13)	16.44
Non-Current Provisions	0.88	1.53
Current Provisions	0.11	(0.97)
Other Current Liabilities	(3.72)	0.07
Cash Generated from Operations	151.08	101.36
Direct Taxes Paid (net)	(44.47)	(41.18)
Net Cash Flow from / (Used in) Operating Activities	106.61	60.18
II. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure (including capital advances, net of Capital Creditors)	(21.63)	(28.67)
Proceeds from sale of Property, plant and equipment	-	0.09
Investments in unquoted equity shares	(9.75)	-
Investment in mutual funds (net)	(168.81)	(64.20)
Investment in assets by acquisition through Slump Sale	(0.30)	-
Interest Received on Bank Deposits	3.28	7.85
Net Cash from / (Used in) Investing Activities	(197.21)	(84.93)
III. CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings taken/(repaid) (net)	(0.80)	(11.54)
Payment of lease liabilities	(0.90)	(0.49)
Finance Costs Paid	(0.20)	(0.29)
(Increase)/Decrease in Deposits in Lien Marked/Margin Money deposits	-	(0.49)
Net Cash from / (Used in) Financing Activities	(1.90)	(12.81)
IV. Net Increase / (Decrease) in Cash and Cash Equivalents	(92.50)	(37.56)
(I + II + III)		
V. Cash and Cash Equivalents at the Beginning of the year	144.26	181.82
VI. Cash and Cash Equivalents at the End of the year (IV + V)	51.76	144.26
VII. Cash and Cash Equivalents as per Note 14.1	51.76	144.26

See accompanying notes to the Consolidated financial statements

In terms of our report attached
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 Firm Registration no. 005101S
 Chartered Accountants



R. Sundararajan

Partner

Membership No: 029591

UDIN: 23029591B6VFEJ5134

Place : Chennai

Date : 16 May 2023

For and on behalf of the Board of Directors
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Director

DIN: 00198864

Place : Gurugram

Date : 16 May 2023

Sanjiv Narayan

Perfect ID India Private Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2023
 (All amounts are in Million Indian Rupees unless otherwise stated)

A. Equity share capital (Refer Note 17)

Particulars	No. of shares (In full number)	Amount
Balance as at 1 April 2021	2,254,550	22.55
Changes in equity share capital during the year:		
Issue of equity shares	-	-
Balance as at 31 March 2022	2,254,550	22.55
Changes in equity share capital during the year:		
Issue of equity shares	-	-
Balance as at 31 March 2023	2,254,550	22.55

B. Other Equity (Refer Note 18)

Particulars	Surplus in Statement of Profit and Loss	Capital Reserve	Total Equity
Balance as at 1 April 2021	221.06	-	221.06
Profit for the year	119.21	-	119.21
Other Comprehensive Income for the year, net of Income tax	(0.76)	-	(0.76)
Balance as at 31 March 2022	339.51	-	339.51
Profit for the Year	158.65	-	158.65
Additions during the year	-	1.67	1.67
Other Comprehensive Income for the Year, net of Income tax	(0.38)	-	(0.38)
Balance as at 31 March 2023	497.78	1.67	499.45

See accompanying notes to the Consolidated financial statements

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For Sundararajan & Co.
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 Chartered Accountants

R. Sundararajan
R. Sundararajan
 Partner
 Membership No: 029591
 UDIN: 2302915A1B6VFEJ5134



For and on behalf of the Board of Directors
Perfect ID India Private Limited

Vikram Chopra
Vikram Chopra
 Director
 DIN: 00311827

Sanjiv Narayan
Sanjiv Narayan
 Director
 DIN: 00198864

Place : Chennai
 Date : 16 May 2023

Place : Mumbai
 Date : 15 May 2023

Place : Gurugram
 Date : 16 May 2023

Sanjiv Narayan
Sanjiv Narayan

Perfect ID India Private Limited
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023
 (All amounts are in Million Indian Rupees unless otherwise stated)

Note No.	Particulars								
1	<p>Corporate information</p> <p>Perfect ID India Private Limited ("Perfect ID" or "the Company") is domiciled in India and incorporated under the provisions of Companies Act, 2013. The Company was incorporated on 12 November 2015. It is India's first fully automated RFID tag manufacturing company and is a leading developer and manufacturer of high quality and smart UHF RAIN RFID inlays and tags.</p> <p>Syrma SGS Technology Limited ("Syrma") has acquired 1,690,613 shares of the Company constituting 75% of the share capital of Perfect ID vide Investment agreement dated 11th October 2021 between Syrma, the Company and erstwhile promoters of the Company. Consequently, the Company has become a subsidiary of Syrma w.e.f 22nd October 2021.</p> <p>Further, Syrma additionally acquired 338,182 shares on 24th August 2022, and 225,455 shares on 24th March 2022 of the Company constituting 15% and 10% of the share capital of Perfect ID vide Investment agreement dated 11th October 2021. The Company is a wholly owned subsidiary of Syrma as on 31 March 2023.</p> <p>The associate of the Company is listed below:</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Name of the Entity</th> <th style="text-align: center;">Relationship</th> <th style="text-align: center;">% Holding</th> <th style="text-align: center;">Date of acquiring of interest</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">Perfect IOT Wireless Solutions LLP</td> <td style="text-align: center;">Associate</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">September 9,2018</td> </tr> </tbody> </table>	Name of the Entity	Relationship	% Holding	Date of acquiring of interest	Perfect IOT Wireless Solutions LLP	Associate	50%	September 9,2018
Name of the Entity	Relationship	% Holding	Date of acquiring of interest						
Perfect IOT Wireless Solutions LLP	Associate	50%	September 9,2018						
2	<p>Summary of Significant accounting policies</p>								
2.1	<p>Statement of Compliance</p> <p>The consolidated financial statements of the Company have been prepared and presented in accordance with the Generally Accepted Accounting Principles (GAAP). GAAP comprises of Indian Accounting Standards (Ind AS) as specified in Sec 133 of the Companies Act, 2013 ('the Act') read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 ("the Rules") and the relevant amendment rules issued thereafter, pronouncements of regulatory bodies applicable to the Company and other provisions of the Act.</p>								
(a)	<p>Accounting Convention and Assumptions</p> <p>These Consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting Year, as stated in the accounting policies set out below.</p> <p>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.</p> <p>Going Concern</p> <p>The directors have, at the time of approving the Consolidated financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Consolidated Financial Statements.</p>								
(b)	<p>Basis of presentation</p> <p>The Consolidated Balance sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity, are presented in the format prescribed under Division II of Schedule III of the Act, as amended from time to time, for Companies that are required to comply with Ind AS. The Consolidated Statement of Cash Flows has been presented as per the requirements of Ind AS 7 - Statement of Cash Flows.</p> <p>The Consolidated financial statements are presented in Indian rupees (INR), the functional currency of the Company. Items included in the Consolidated financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').</p>								
(c)	<p>Previous Year Comparatives</p> <p>Previous year figures have been reclassified to conform to the current year classification / presentation.</p>								

(d) Current / Non-Current Classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset / liability is expected to be realized / settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset / liability is held primarily for the purpose of trading;
- iv. the asset / liability is expected to be realized / settled within twelve months after the reporting Year;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.2 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interests issued by the Company in exchange of control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

In a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value and recognise the resulting gain or loss, if any, in profit or loss or other comprehensive income(OCI), as appropriate. In prior reporting periods, the acquirer may have recognised changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognised in other comprehensive income shall be recognised on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair values, except that:

- (i) deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Taxes and Ind AS 19 Employee Benefits respectively; and
- (ii) assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

2.3 Property, plant and equipment

Measurement at recognition:

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction Year are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life.

Subsequent expenditure

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

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of PPE and intangible assets outstanding at each Balance Sheet date are disclosed as Capital Advance under Other Non-current assets.

Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible PPE has been provided on the straight-line method pro-rata to the period of use of the assets. The management estimates the useful life of the following asset categories as prescribed in Schedule II to the Companies Act, 2013.

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

Asset Category	Useful life (Years)
Furniture and Fittings	10 Years
Computers & Laptops	3 Years

Depreciation and amortization on tangible PPE and intangible assets for the following categories of assets has not been provided in accordance with useful life prescribed in Schedule II to the Companies Act, 2013, in whose case the life of the assets has been assessed as under based on technical assessment, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Asset Category	Useful life (Years)
Buildings	9 Years
Plant and Equipments	3 - 15 Years
Office and Other Equipments	3 Years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the Year over which the assets are likely to be used.

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from / (upto) the date on which asset is ready for use / (disposed of). The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognised.

2.4 Intangible assets other than Goodwill

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation Year is reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

Derecognition of intangible assets:

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 the Statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets:

Estimated useful lives of the intangible assets are as follows:

- Computer Software - 3 Years

2.5 Impairment of PPE & Intangible Assets

At the end of each reporting year, 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 Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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 recognized immediately in the Statement of profit and 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, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of profit and loss.

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

2.6**Leases****(a)** Policy applicable for Lease Contracts entered on or after 1 April 2020

At inception of a Lease Contract, the Company assesses whether a Lease Contract is, or contains, a lease. A Lease Contract is, or contains, a lease if the Lease Contract conveys the right to control the use of an identified asset for a Year of time in exchange for consideration. To assess whether a Lease Contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the Lease Contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the Year of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- a) the Company has the right to operate the asset; or
- b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to Lease Contracts entered into, or changed, on or after 1 April 2020.

At inception or on reassessment of a Lease Contract that contains a lease component, the Company allocates the consideration in the Lease Contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal Year if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is Yearically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit and loss if the carrying amount of the right-of-use asset has been reduced to zero.

(b) Policy applicable for contracts entered before 1 April 2020

For contracts entered into before 1 April 2020, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met
- the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
- the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

(c) Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months. The Company recognises the lease payments associated with these leases as an expense over the lease term.

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

2.7 Inventories

Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

2.8 Cash & Cash Equivalents**(a) Cash and cash equivalents (for purposes of Cash Flow Statement)**

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.

(b) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before tax 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.

2.9 Foreign currency transactions and translations**Initial recognition and settlement**

In preparing the Consolidated financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions are generally recognised in profit or loss.

Measurement at the reporting date

At the end of each reporting Year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

2.10 Revenue recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and rebates offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

(a) Sale of Products

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Revenue received in advance is recognized under other current liabilities which is released to revenue on satisfaction of performance obligation.

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

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2.11 Other Income**(a) Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the asset's net carrying amount on initial recognition.

2.12 Employee Benefits**(a) Short term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(b) Defined contribution plans

Provident fund / Employee State Insurance :

The Company makes specified contributions towards Employees' Provident Fund and Employee State Insurance maintained by the Central Government and the Company's contribution are recognized as an expense in the Year in which the services are rendered by the employees.

(c) Defined benefit plans

The Company operates a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days basic salary last drawn for each completed year of service as per the payment of Gratuity Act, 1972.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior Years and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability for the Year by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual Year to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the Year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

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

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on Government securities as at the Balance Sheet date, having maturity Years approximating to the terms of related obligations.

(d) Other long-term employee benefits**Compensated absences**

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service Years or receive cash compensation on termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the Year in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such Year, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the Year in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in profit or loss in the Year in which they arise.

2.13 Provisions

Provisions are recognised, when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting Year, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

2.14 Contingent liability

Contingent liability is disclosed for

- (a) 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 entity or
- (b) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.15 Taxes on Income

The income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current tax

Income tax expense or credit for the Year is the tax payable on the current Year's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Company Yearically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(b) Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investment is only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date 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 is calculated at the tax rates that are expected to apply in the Year when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

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 Year, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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(c) Current tax and deferred tax for the Year:

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognized in Other Comprehensive Income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.16 Financial Instruments

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

(a) Initial Recognition

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

(b) Subsequent Measurement**(i) Financial assets**

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets, except for investments forming part of interest in associates, which are measured at cost.

Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

- a) those to be measured subsequently at fair value (either through Other Comprehensive Income, or through Statement of profit and loss), and
- b) those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized Cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on these assets that is subsequently measured at amortized cost is recognized in Statement of profit and loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair value through Other Comprehensive Income (FVTOCI)

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVTOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of profit and loss and recognized in other income / (expense).

Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.

Impairment of financial assets

Expected credit loss (ECL) is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls).

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are measured at amortised cost e.g., cash and bank balances, investment in equity instruments of subsidiary companies, trade receivables and loans etc.

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

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

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due as per the ageing brackets;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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For recognition of impairment loss on other financial assets, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in subsequent Year, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

Lifetime ECL are the Expected Credit Losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the Year is recognized as expense/income in the statement of profit and loss. ECL for financial assets measured as at amortized cost and contractual revenue receivables is presented as an allowance, i.e., as an integral part of the measurement of those assets in the Consolidated financial statements. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Write off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Any recoveries made are recognised in Statement of profit and loss.

(ii) Financial liabilities and equity instruments:

Classification as equity or financial liability

Equity and Debt instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial liabilities at amortized cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting Years. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

Financial liabilities at FVTPL

Liabilities that do not meet the criteria for amortized cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.

(c) Derecognition

(i) Derecognition of financial assets

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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(ii)**Derecognition of financial liabilities**

The Company derecognizes 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 derecognized and the consideration paid and payable is recognized in Statement of profit and loss.

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

(d)**Offsetting**

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

(e)**Measurement of fair values**

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

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

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

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

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

The Company has an established internal control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

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

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

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

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

2.17**Earnings Per Share**

Basic earnings per share is computed by dividing the net profit / (loss) after tax (including the post tax effect of exceptional items, if any) for the Year attributable to equity shareholders 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 exceptional items, if any) for the Year attributable to equity shareholders 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 EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

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2.18 Segment reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

2.19 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial Year of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in Statement of profit and loss in the Year in which they are incurred.

2.20 Use of estimates and judgements

In preparing these Consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

The areas involving critical estimates or judgments are :

- a. Estimation of useful life of tangible and intangible asset. (Refer Note 2.3, 2.4)
- b. Impairment of trade receivables: Expected credit loss. (Refer Note 2.16 (b))
- c. Measurement of defined benefit obligation: key actuarial assumptions. (Refer Note 2.12)
- d. Estimation of income tax (current and deferred) – (Refer Note 2.15)

2.21 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.22 Recent pronouncements**(a) Standards issued/amended but not yet effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015, by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, as applicable from April 1, 2023, as below:

a. Ind AS 1 - Presentation of financial statements

The amendments specify that Companies should now disclose material accounting policies rather than their significant accounting policies.

Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

b. Ind AS 8 - Accounting policies, change in accounting estimates and errors

Definition of 'change in account estimate has been replaced by revised definition of 'accounting estimate'.

- As per revised definition, accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty.
- A company develops an accounting estimate to achieve the objective set out by an accounting policy.
- Accounting estimates include:

- a) Selection of a measurement technique (estimation or valuation technique)
- b) Selecting the inputs to be used when applying the chosen measurement technique.

c. Ind AS 12 - Income taxes

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Company does not expect any of the aforesaid amendments to have any significant impact in its Consolidated financial statements.

(b) Code on social security

The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Company. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Company will give appropriate impact in the financial statements once the code becomes effective and related rules to determine the financial impact are notified.

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3 Property, Plant and Equipment

Particulars	Buildings	Plant and machinery	Furniture and fixtures	Office equipments	Computers	Vehicles	Total
Gross block							
As at 1 April 2021	2.22	48.68	3.04	3.28	0.91	5.79	63.93
Additions	0.30	3.24	-	0.03	0.61	-	4.17
Disposals / Discarded	-	-	-	-	-	0.28	0.28
As at 31 March 2022	2.52	51.92	3.04	3.31	1.52	5.51	67.82
Acquisition through business combinations	-	0.16	-	-	-	-	0.16
Additions	-	33.69	2.21	1.10	3.25	1.31	41.56
Disposals / Discarded	-	-	-	-	-	-	-
As at 31 March 2023	2.52	85.77	5.25	4.41	4.77	6.82	109.54
Accumulated depreciation							
As at 1 April 2021	0.34	7.72	0.30	0.88	0.33	1.11	10.68
Depreciation expense for the Year	0.35	6.36	0.31	0.67	0.34	1.04	9.07
Elimination on disposal / adjustments of assets	-	-	-	-	-	0.05	0.05
As at 31 March 2022	0.69	14.08	0.61	1.55	0.67	2.10	19.70
Acquisition through business combinations	-	0.04	-	-	-	-	0.04
Depreciation expense for the Year	0.37	7.05	0.32	0.69	0.66	1.18	10.27
Elimination on disposal / adjustments of assets	-	-	-	-	-	-	-
As at 31 March 2023	1.06	21.17	0.93	2.24	1.33	3.28	30.01
Net block							
As at 31 March 2022	1.83	37.84	2.43	1.76	0.85	3.41	48.10
As at 31 March 2023	1.46	64.60	4.32	2.17	3.44	3.54	79.53

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4 Right-of-use (ROU) Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Carrying amounts of:		
Building	2.30	1.20
Total	2.30	1.20

Details of movement in the carrying amounts of right-of-use assets

Particulars	Building
<u>Gross block</u>	
As at 1 April 2021	2.52
Additions	-
Disposals / Discarded	-
As at 31 March 2022	2.52
Additions	1.77
Disposals / Discarded	-
As at 31 March 2023	4.29
<u>Accumulated depreciation</u>	
As at 1 April 2021	0.99
Depreciation charge for the year	0.33
Elimination on disposal/Adjustments of assets	-
As at 31 March 2022	1.32
Depreciation charge for the year	0.67
Elimination on disposal/Adjustments of assets	-
As at 31 March 2023	1.99
<u>Net block</u>	
As at 31 March 2022	1.20
As at 31 March 2023	2.30

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5 Intangible Assets

Particulars	Computer software
Gross block	
As at 1 April 2021	3.96
Additions	-
Disposals / Discarded	-
As at 31 March 2022	3.96
Additions	0.25
Disposals / Discarded	-
As at 31 March 2023	4.21
Accumulated Amortisation	
As at 1 April 2021	0.38
Amortisation expense for the year	1.10
Elimination on disposal / adjustments of assets	-
As at 31 March 2022	1.48
Amortisation expense for the year	0.74
Elimination on disposal / adjustments of assets	-
As at 31 March 2023	2.22
Net block	
As at 31 March 2022	2.49
As at 31 March 2023	1.99

6 Depreciation and Amortisation expense

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Depreciation of Property, Plant and Equipment	10.27	9.07
(b) Amortisation of Intangible Assets	0.74	1.10
(c) Depreciation on ROU Asset	0.67	0.33
Total	11.68	10.50

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

7 Non-current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Investment In Limited Liability Partnership (carried at Equity Method)		
Perfect IOT Wireless Solutions LLP	0.16	2.19
Investment carried at fair value through other comprehensive income		
Unquoted Equity Shares		
Scratchnest Private Limited (291 shares (PY - Nil) at Rs. 10 each, fully paid up)	9.75	-
Total	9.91	2.19

7.1 Additional information as required by Schedule III to the Act

Particulars	As at 31 March 2023	As at 31 March 2022
Aggregate amount of unquoted investments	9.91	2.19
	9.91	2.19

8 Other Non-current Financial Assets

Particulars	As at 31 March 2023	As at 31 March 2022
Security Deposits measured at amortised cost	0.26	-
Total	0.26	-

9 Income tax asset (Net)

Particulars	As at 31 March 2023	As at 31 March 2022
Advance tax / Tax deducted at source (Net of Provisions of Rs. 72.98 Million as at 31 March 2022)	-	5.93
Total	-	5.93

10 Other Non-current assets

Particulars	As at 31 March 2023	As at 31 March 2022
Capital Advances	4.31	24.50
Total	4.31	24.50

11 Inventories

(At Lower of Cost and Net Realisable Value)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Raw Materials and Components	110.62	83.65
(b) Work-in-Progress	10.55	4.55
(c) Finished Goods (other than those acquired for trading)	0.70	6.20
Total	121.87	94.40

11.1 The cost of inventories recognised as expense during the Year ended 31 March 2023 is Rs. 364.70 millions (Year ended 31 March 2022 is Rs. 216.80 millions).

11.2 The mode of valuation of inventories has been stated in Note 2.7.

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

12 Current investments

Particulars	As at 31 March 2023	As at 31 March 2022
Investment - Measured at Fair value through Profit & Loss (FVTPL)		
Investments in mutual funds - quoted	242.18	64.41
Total	242.18	64.41

12.1 Additional information as required by Schedule III to the Act

Particulars	As at 31 March 2023	As at 31 March 2022
Aggregate book value of quoted current investments	242.18	64.41
Aggregate market value of quoted current investments	242.18	64.41

13 Trade Receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, Considered Good (Refer Note 13.2)	67.03	42.27
Credit impaired	-	-
Total	67.03	42.27
Allowance for Expected Credit Loss	-	-
Net receivables	67.03	42.27
The above amount of trade receivables also includes amount receivable from its related parties	2.20	-

13.1 Movement in Expected Credit Loss (ECL) Allowance

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at beginning of the Year	-	0.11
Add: Additional Provision / (Reversal) of ECL allowance	-	-
Less: Utilization of ECL allowance	-	(0.11)
Balance at end of the Year	-	-

13.2 The Trade Receivables, include certain customers having more than 10% of the total outstanding trade receivable balance.

Particulars	As at 31 March 2023	As at 31 March 2022
No. of customers	2	1
Amount outstanding	34.54	28.15

There are no other customers who represent more than 10% of the total balance of trade receivables.

13.3 Refer Note 42(I) for trade receivables ageing.

14.1 Cash & cash equivalents (as per Ind AS 7 Cash Flow Statements)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Cash on Hand	0.02	-
(b) Balances with Banks		
- In Current Accounts	2.08	9.63
- In EEFC Accounts	3.63	2.85
- In Deposit Accounts	46.03	131.78
Total	51.76	144.26

14.2 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with Banks - Margin Money	1.53	1.53
Total	1.53	1.53

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

15 Other Financial Assets (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Security deposits measured at amortised cost	-	5.99
(b) Export benefits Receivable	0.71	0.05
(c) Advances to employees	0.24	1.79
Total	0.95	7.83

16 Other Current Assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Goods and services tax Input Credit	-	4.63
(b) Advance to Suppliers	0.53	0.56
(c) Prepaid expenses	0.45	0.11
Total	0.98	5.30

Perfect ID India Private Limited
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023
(All amounts are in Million Indian Rupees unless otherwise stated)

17 Share Capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
(a) Authorised Equity Shares of Rs. 10/- each	6,000,000	60.00	6,000,000	60.00
(b) Issued, Subscribed and Fully Paid Up Equity Shares of Rs. 10/- each fully paid up	2,254,550	22.55	2,254,550	22.55
Total	2,254,550	22.55	2,254,550	22.55

Notes:

17.1 Reconciliation of the Number of Shares and Amount Outstanding at the Beginning and at the End of the Reporting Year:

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
Equity Shares: Shares outstanding as at the beginning of the Year	2,254,550	22.55	2,254,550	22.55
Add: Fresh issue of shares during the Year	-	-	-	-
Shares outstanding as at the end of the Year	2,254,550	22.55	2,254,550	22.55

17.2 Details of Shares held by Holding Company

Particulars	As at 31 March 2023	As at 31 March 2022
	No. of shares(In full number)	No. of shares(In full number)
Syrma SGS Technology Limited	2,254,550	1,690,913

17.3 Details of Shares held by each shareholder holding more than 5% shares in the Company:

Class of Shares / Name of Shareholder	As at 31 March 2023		As at 31 March 2022	
	No. of shares (In full number)	% Holding in the respective Class of Shares	No. of shares (In full number)	% Holding in the respective Class of Shares
Equity shares of Rs.10/- each fully paid Syrma SGS Technology Limited	2,254,550	100.00%	1,690,913	75.00%
Sakun Ahuja	-	0.00%	563,637	25.00%

17.4 Shareholding of promoters*

Name of the promoter	Year	No. of shares (In full number)	% of total shares	% change during the year #
Sakun Ahuja	As at 31 March 2023	-	-	(25.00%)
	As at 31 March 2022	563,637	25.00%	(75.00%)
Syrma SGS Technology Limited	As at 31 March 2023	2,254,550	100.00%	25.00%
	As at 31 March 2022	1,690,913	75.00%	75.00%

*Promoter means Promoter as defined in the Act.

% change during the year represents the % change in total holding when compared to the previous year end.

17.4 Disclosure of Rights

(a) Equity Shares

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder is entitled to one vote per equity share. Dividends are paid in Repayment of capital will be in proportion to the number of equity shares held.

Perfect ID India Private Limited		
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023		
(All amounts are in Million Indian Rupees unless otherwise stated)		
18 Other Equity		
Particulars	As at 31 March 2023	As at 31 March 2022
Surplus in Statement of Profit and Loss (Net of Other Comprehensive Income)	497.78	339.51
Capital Reserve	1.67	-
Total	499.45	339.51
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Surplus in Statement of Profit and Loss		
Opening Balance	339.51	221.06
Profit for the Year	158.65	119.21
Other comprehensive income for the year, net of income tax	(0.38)	(0.76)
Closing balance	497.78	339.51
(b) Capital Reserve		
Opening Balance	-	-
Additions during the year	1.67	-
Utilisation	-	-
Closing balance	1.67	-
18.1 Surplus in Statement of Profit and Loss		
Surplus in Statement of Profit and Loss represents Company's cumulative earnings since its formation less the dividends / Capitalisation, if any. These reserves are free reserves which can be utilised for any purpose as may be required.		
18.2 Capital Reserve		
The reserve has been created consequent to the acquisition of the business of Perfect IOT Wireless Solutions LLP (the 'associate LLP') on Slump sale by the Company. Further, the losses accounted in the associate's financial statement which is pertaining to the Slump sale transfer is debited to Capital Reserve in these Consolidated financial statements. (Refer Note 41)		
The amount in capital reserve become realised / transferred to Surplus in Statement of Profit or loss (free reserves) as these assets are depreciated/impaired by charge to Statement of Profit or Loss or on sale of stake in the associate LLP or upon liquidation of the associate LLP.		

Perfect ID India Private Limited
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023
(All amounts are in Million Indian Rupees unless otherwise stated)

19 Borrowings (Non-Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Vehicle Loan (Secured) (Refer Notes 19.1)	0.86	1.73
Total	0.86	1.73

19.1 Security
As at 31 March 2023

Particulars	Rate of Interest	No. of Installments Outstanding	Amount
Vehicle Loan	8.40%	23	1.73
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)			(0.87)
Long Term Borrowings from Bank			0.86

As at 31 March 2022

Particulars	Rate of Interest	No. of Installments Outstanding	Amount
Vehicle Loan	8.40%	35	2.53
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)			(0.80)
Long Term Borrowings from Bank			1.73

Vehicle Loan from HDFC Bank is secured against hypothecation of the vehicles @ 8.40% Interest for tenor of 60 Months.

19.2 Reconciliation of change in Liabilities arising from financing activities:

(a) For the Year ended 31 March 2023

Particulars	As at 1 April 2022	Cash Flow	Others [^]	As at 31 March 2023
Non current borrowings*	2.53	(0.80)	-	1.73
Lease liability	1.45	(0.90)	2.06	2.61

(b) For the Year ended 31 March 2022

Particulars	As at 1 April 2021	Cash Flow	Others [^]	As at 31 March 2022
Non current borrowings*	14.07	(11.54)		2.53
Lease liability	1.77	(0.49)	0.17	1.45

* Non current borrowing includes current maturities of Long term borrowings.

[^] Others includes addition to lease liability and interest on lease liability.

20 Non-current provisions

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits (Refer Note 34)		
- Provision for Gratuity	2.20	1.83
- Provision for Compensated Absences	0.69	0.18
Total	2.89	2.01

21 Borrowings (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Current maturities of Long-term Borrowings from banks (Refer Note 19)	0.87	0.80
Total	0.87	0.80

Perfect ID India Private Limited		
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023		
(All amounts are in Million Indian Rupees unless otherwise stated)		
22 Trade Payables		
Particulars	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises	21.95	21.41
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	22.60	44.31
Total	44.55	65.72
22.1 Trade payables are non-interest bearing and are normally settled as per due dates.		
22.2 Refer Note 42(II) for trade payables ageing.		
22.3 Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act')		
Particulars	As at 31 March 2023	As at 31 March 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	21.95	21.41
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) 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 MSMED Act.	-	-
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management and relied by the auditors.		
23 Current tax liabilities (net)		
Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Tax (Net of Advance Tax and TDS receivable of Rs. 95.64 million as at 31 March 2023)	2.38	-
Total	2.38	-
24 Other Current Liabilities		
Particulars	As at 31 March 2023	As at 31 March 2022
(a) Revenue received in advance	3.92	10.93
(b) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	3.52	0.72
Total	7.44	11.65
25 Provisions (Current)		
Particulars	As at 31 March 2023	As at 31 March 2022
(a) Provision for Gratuity	0.59	0.03
(b) Provision for Compensated absences (Refer Note 34)	0.10	0.04
Total	0.69	0.07

Perfect ID India Private Limited		
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023		
(All amounts are in Million Indian Rupees unless otherwise stated)		
26 Revenue from Operations		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Sale of Products (Net)	652.13	439.54
(b) Other Operating Revenues:		
- Export Incentive	1.35	0.54
- Tooling Charges	-	0.07
- Service Charges	3.03	-
- Freight Outwards	2.71	2.52
Total Other Operating Revenues	7.09	3.13
Total	659.22	442.67
26.1 Disaggregation of Revenue information		
The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Company.		
As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue by Geography		
India	560.82	382.02
Rest of the world	98.40	60.65
Total Revenue from operations	659.22	442.67
26.2 Reconciliation of revenue recognised with the Contract price is as follows:		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract Price	657.87	442.13
Adjustments for:		
- Discounts and rebates	-	-
- Refund liability	-	-
Revenue Recognised	657.87	442.13
Note: The aforesaid excludes export incentives recognised under Revenue from Operations.		
26.3 Timing of Recognition of Revenue		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Products / services transferred at point in time	657.87	442.13
Total revenue from contracts with customers	657.87	442.13
Note: The aforesaid excludes export incentives recognised under Revenue from Operations.		
26.4 Contract balances		
Particulars	As at 31 March 2023	As at 31 March 2022
Receivables, which are included in 'Trade receivables'	67.03	42.27
Revenue received in advance, which are included in 'Other current liabilities'	3.92	10.93
26.5 Details of Government Grants		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Export Incentives	1.35	0.54
Total	1.35	0.54
27 Other Income		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Interest Income on Bank deposits	3.28	7.85
(b) Interest on Income tax Refund	0.33	-
(c) Net gain on account of sale of current investments (Mutual funds)	4.75	0.21
(d) Mark-to-Market (MTM) gain on financial assets measured at FVTPL	4.21	-
(e) Foreign Exchange Gain (net)	2.84	1.93
(f) Liabilities No Longer Required Written back	0.07	1.09
(g) Allowance for Expected Credit Loss no longer required written back	-	0.11
(h) Others	0.50	0.18
Total	15.98	11.37

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

28 Cost of Raw Materials Consumed

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Opening Stock	83.65	17.96
Acquisition through Business Combination	4.06	-
Add: Purchases	383.49	280.18
	471.20	298.14
Less: Closing Stock (Refer Note 11)	110.62	83.65
Consumption of Raw Materials	360.58	214.49

29 Changes in Inventories of Finished Goods and Work-in-progress

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Inventories at the End of the Year : (Refer Note 11)		
- Finished Goods	0.70	6.20
- Work-in-progress	10.55	4.55
- Stock-in-trade	-	-
Sub-total (A)	11.25	10.75
(b) Inventories at the Beginning of the Year :		
- Finished Goods	6.20	9.47
- Work-in-progress	4.55	-
- Stock-in-trade	-	-
Sub-total (B)	10.75	9.47
Net (Increase) / Decrease (B - A)	(0.50)	(1.28)

Perfect ID India Private Limited		
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023		
(All amounts are in Million Indian Rupees unless otherwise stated)		
30 Employee Benefits Expense		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Salaries, wages and bonus	27.28	16.81
(b) Contribution to provident and other funds (net) (Refer Note 34)	0.84	0.37
(c) Gratuity expense (Refer Note 34)	0.93	0.52
(d) Compensated absences expense	0.57	0.03
(e) Remuneration to Directors	7.50	3.00
(f) Staff welfare expenses	1.05	0.45
Total	38.17	21.18
31 Finance Costs		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Interest on borrowings	0.20	0.25
(b) Interest on lease liability	0.29	0.17
(c) Interest on delayed payment of taxes	-	0.04
Total	0.49	0.46

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

32 Other expenses

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Consumption of stores and spares	4.62	3.59
(b) Insurance	0.29	0.57
(c) Power and fuel	2.19	1.85
(d) Job Work Charges	2.23	0.13
(e) Rent	0.29	0.06
(f) Repairs and maintenance		
- Plant and machinery	0.97	0.72
- Others	1.95	0.62
(g) Advertising and sales promotion	5.97	9.08
(h) Travelling and conveyance	3.88	1.33
(i) Communication costs	0.25	0.10
(j) Printing and stationery	0.19	0.05
(k) Commission	4.43	6.79
(l) Director Sitting Fees	0.69	-
(m) Software development charges	8.92	7.47
(n) Legal and professional fees	7.78	11.59
(o) Payments to auditor (Refer Note 32.1)	0.15	0.15
(p) Bank charges	0.76	0.18
(q) Corporate Social Responsibility (Refer Note 32.2)	2.97	2.01
(r) Rates and Taxes	1.25	1.19
(s) Loss on sale of Property, Plant and Equipment	-	0.14
(t) Miscellaneous expenses	1.39	0.43
Total	51.17	48.05

Perfect ID India Private Limited		
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023		
(All amounts are in Million Indian Rupees unless otherwise stated)		
32.1 Payment to Statutory Auditors		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Payments to auditors comprises		
- For Statutory Audit	0.15	0.15
- For Tax Audit	-	-
Total	0.15	0.15
32.2 Corporate Social Responsibility (CSR) Expenditure		
Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
(a) Amount required to be spent by the Company during the year	2.97	2.02
(b) Amount of expenditure incurred	2.00	1.00
(c) Shortfall / (Excess) paid at the end of the year	0.97	1.02
(d) Total of previous years shortfall*	1.02	-
(e) Reason for shortfall	Refer Note 2	Refer Note 1
(f) Nature of CSR activities		
- Contribution to Research and Development Project	2.00	-
- Promoting health care	-	1.00
(g) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure	-	-
(h) Provisions w.r.t CSR Expenditure pursuant to contractual obligation	-	-
Notes:		
1. As at 31 March 2022, the Company was in the process of identifying prospective projects as per schedule VII of the Companies Act 2013.		
The total of previous years shortfall as at 31 March 2022 of INR 1.02 million has been contributed to Schedule VII fund (contribution to PM CARES Fund) during the current financial year ended 31 March 2023 (within six months from the end of the financial year 31 March 2022). Such amount is not included in the expenditure incurred during the year amounting to Rs. 2 Million since the same was provided for in the previous year ended 31 March 2022.		
2. As at 31 March 2023, the Company is in the process of identifying prospective projects as per schedule VII of the Companies Act 2013.		
The total shortfall as at 31 March 2023 of INR 0.97 million has been contributed to Schedule VII fund (contribution to PM CARES Fund) subsequent to the year end before the adoption of accounts.		
33 Contingent Liabilities and Commitments (to the extent not specifically provided for)		
Particulars	As at 31 March 2023	As at 31 March 2022
(a) Claims against the Company not Acknowledged as Debt	-	-
(b) Capital Commitments	0.90	-

Perfect ID India Private Limited
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023

(All amounts are in Million Indian Rupees unless otherwise stated)

34 Employee Benefits
34.1 Defined Contribution Plan

Company's (employer's) contribution to Defined Contribution Plans recognised as expenses in the Statement of Profit and Loss are:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Employer's Contribution to Provident Fund	0.69	0.32
Employer's Contributions to Employee State Insurance	0.15	0.05
Total	0.84	0.37

34.2 Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

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

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting Year on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Investments for these plans are carried out by Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the above plans, the actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at 31 March 2023 and 31 March 2022 by an independent member firm of the Institute of Actuaries of India. 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.

(a) Amount recognised in the total comprehensive income in respect of the defined benefit plan are as follows :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Gratuity:		
Service Cost		
- Current Service Cost	0.81	0.50
- Interest expense on Defined Benefit Obligation	0.14	0.02
- Interest income on plan assets	(0.02)	-
Components of defined benefit costs recognised in Statement of profit and loss (A)	0.93	0.52
Remeasurement on the net defined benefit liability :		
Return on plan assets (excluding amount included in net interest expense)	0.02	-
Actuarial (gain) / loss arising from changes in financial assumptions	0.06	1.43
Actuarial (gain) / loss arising from experience adjustments	0.43	(0.30)
Actuarial (gain) / loss arising from demographic adjustments	-	(0.11)
Components of defined benefit costs recognised in Other Comprehensive Income (B)	0.51	1.02
Total (A) + (B)	1.44	1.54

(i) The current service cost and interest expense (net) for the relevant Year are included in the "Employee Benefit Expenses" line item in the Statement of Profit & Loss.

(ii) The remeasurement of the net defined benefit liability is included in Other Comprehensive Income.

(b) The amount included in the Balance Sheet arising from the entity's obligation in respect of defined benefit plan is as follows :

Particulars	As at 31 March 2023	As at 31 March 2022
Gratuity:		
Present value of defined benefit obligation	3.30	1.86
Fair value of plan assets	0.51	0.00
(Surplus) / Deficit	2.79	1.86
Current portion of the above	0.59	0.03
Non current portion of the above	2.20	1.83

(c) Movement in the present value of the defined benefit obligation are as follows :

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Change in the obligation during the Year:		
Gratuity:		
Present value of defined benefit obligation at the beginning of the Year	1.86	0.32
Expenses Recognised in the Statement of Profit and Loss:		
- Current Service Cost	0.81	0.50
- Past Service Cost	-	-
- Interest Expense / (Income)	0.14	0.02
Recognised in Other Comprehensive Income:		
Remeasurement (gains) / losses	0.49	1.02
Benefit payments	-	-
Present value of defined benefit obligation at the end of the Year	3.30	1.86

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Change in the fair value of assets during the year		
Gratuity:		
Fair value of plan assets at the beginning of the year	-	-
Income Recognised in Statement of Profit and Loss Account:		
- Expected return on plan assets	0.02	-
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)		
- Actuarial gains and loss arising from changes in financial assumptions	-	-
- Return on plan assets (excluding amount included in net interest expense)	(0.02)	-
- Others	-	-
Contributions by employer (including benefit payments recoverable)	0.51	-
Benefit payments	-	-
Fair Value of Plan assets at the end of the year	0.51	-

(e) The entire Plan Assets are managed by the Insurer. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.

(f) The principal assumptions used for the purpose of actuarial valuation were as follows :

Particulars	As at 31 March 2023	As at 31 March 2022
Gratuity:		
Discount rate	7.55%	7.66%
Expected rate of salary increase	13.00%	13.00%
Expected return on plan assets	7.66%	NA
Attrition Rate	10.17%	10.17%
Mortality tables*	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

* Based on India's standard mortality table with modification to reflect the expected changes in mortality / others.

(i) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

(ii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the Balance Sheet date for the estimated term of the obligation.

(e) Significant actuarial assumptions for the determination of defined benefit obligation are discount rate, expected salary increase rate, attrition rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting Year while holding all other assumptions constant :

In respect of Gratuity:

(Increase) / Decrease on the Defined benefit Obligation	As at 31 March 2023	As at 31 March 2022
(i) Discount rate		
Increase by 100 bps	0.42	0.26
Decrease by 100 bps	(0.52)	(0.32)
(ii) Salary growth rate		
Increase by 100 bps	(0.28)	(0.20)
Decrease by 100 bps	0.28	0.19
(iii) Attrition rate		
Increase by 100 bps	0.12	0.10
Decrease by 100 bps	(0.15)	(0.12)
(iv) Mortality rate		
Increase by 10%	0.00	0.01

(i) The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(ii) Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting Year which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

(iii) There is no change in the methods and assumptions used in preparing the sensitivity analysis from the prior years.

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

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(f) Experience Adjustments

Particulars	As at 31 March 2023	As at 31 March 2022
Projected Benefit Obligation	3.30	1.86
Fair Value of Plan Assets	0.51	-
(Surplus) / Deficit	2.79	1.86
Experience Adjustments on Plan Liabilities - (Gains) / losses	0.49	1.02
Experience Adjustments on Plan Assets - (Gains) / losses	0.02	-

(g) Effect of Plan on Entity's Future Cash Flows**(i) Funding Arrangements and Funding Policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Group.

(ii) Expected contributions to post-employment benefit plans during the next one year from 31 March 2023 amounts to Rs. 0.59 Million (Nil from 31 March 2022)

(iii) The weighted average duration of the defined benefit obligation is 20.96 years as at 31 March 2023 (20.87 years as at 31 March 2022)

(iv) Maturity profile of defined benefit obligation on an undiscounted basis is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Year 1	0.14	0.03
Year 2	0.14	0.03
Year 3	0.11	0.04
Year 4	0.12	0.03
Year 5	0.12	0.03
Next 5 year pay-outs (6-10 years)	0.63	0.29
Pay - outs above ten years	11.47	7.36
Total	12.73	7.81

34.3 Compensated Absences

The compensated absences cover the Company's liability for earned leave. Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Accordingly the Company has accounted for provision for compensated absences as below

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current portion	0.69	0.18
Current portion	0.10	0.04
Total	0.79	0.22

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an Independent Actuary are as given below:

Particulars	As at 31 March 2023	As at 31 March 2022
Assumptions		
Discount rate	7.55%	7.66%
Expected rate of salary increase	13.00%	13.00%
Attrition Rate	10.17%	10.17%
Mortality tables	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

35 Segment Reporting**35.1 Business Segment**

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

The results of the company are reviewed regularly by the Company's Board of Directors to assess the performance of the Company and to make decisions accordingly. The Company is engaged in the business of automated RFID tag manufacturing and manufacturer of high quality and smart UHF RAIN RFID inlays and tags and therefore a single business segment, accordingly, disclosure requirement of Ind AS 108, "Operating Segments" are not required to be given for business segment.

35.2 Geographical Information

The Company's revenue from external customers by location of operations and information about its non current assets by location of operations are detailed below. The geographical segments considered for disclosure are – India and Rest of the World.

Revenue by Geographic Market

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
India	560.82	382.02
Rest of the world	98.40	60.65
Total*	659.22	442.67

Information about product revenue are as given in Note 26.

* Represents Revenue from operations as per Note 26.

Non-current assets by Geographic Market**

Particulars	As at 31 March 2023	As at 31 March 2022
India	88.13	76.29

**Represents all Non current assets other than financial assets , income tax assets (net) and deferred tax assets.

35.3 Information about major customers:

Revenue from operations include revenue from major customers contributing individually to more than 10% of the Company's total revenue from operations as given below.

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
No of customers	2	3
Amount	189.15	254.28

There is no other single customer who contributed more than 10% to the Company's revenue for the respective years.

Perfect ID India Private Limited**Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023**

(All amounts are in Million Indian Rupees unless otherwise stated)

36 Disclosure in respect of Related Parties**36.1 Names of Related Parties and Nature of Relationship**

Description of Relationship	Name of the Related Party
Holding Company	Syrma SGS Technology Limited
Associate	Perfect IOT Wireless Solutions LLP
Fellow Subsidiary (Refer Note 2)	Syrma Technology Inc., USA
Key Management Personnel (KMP) (Refer Note 2)	Mr. Sakun Ahuja (Executive Director) (until 24th March 2023)
Non-executive Directors (Refer Note 2)	Mr. Bharat Anand (w.e.f 01 December, 2021)
	Mr. Sanjiv Narayan (w.e.f 01 December, 2021)
	Mr. Vikram Chopra (w.e.f 01 December, 2021)
Relatives of KMP (Refer Note 2)	Sakshi Ahuja (until 24th March 2023)
	Sunita Ahuja (until 24th March 2023)

Notes:

1. Related party relationships are as identified by the Management and relied upon by the auditors.
2. The list includes only the list of related parties with whom there were transactions occurred during the year except where Control exists.

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36.2 Transactions with the related parties

Particulars	Name of the Related Party	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Sale of goods or services	Syrma SGS Technology Limited	0.15	-
	Perfect IOT Wireless Solutions LLP	1.90	-
	Symra Technology Inc., USA	2.20	-
Expenses (Refer Note b below)			
Purchase of Goods and Services	Perfect IOT Wireless Solutions LLP	1.87	2.27
Payment for Right of Use Assets	Sakshi Ahuja	0.24	0.24
	Sunita Ahuja	0.24	0.24
Remuneration to Directors (Refer Note a & b below)			
Remuneration to KMP	Sakun Ahuja	7.50	3.00
	Mr. Bharat Anand	0.26	-
Sitting Fees Paid	Mr. Sanjiv Narayan	0.24	-
	Mr. Vikram Chopra	0.19	-
Other transactions			
Recovery of expense (Refer Note b & d below)	Syrma SGS Technology Limited	0.05	-
Reimbursement of expense (Refer Note b & d below)	Syrma SGS Technology Limited	0.61	-
Loans repaid during the year	Sakun Ahuja	-	0.80
Purchase of undertaking through Slump Sale	Perfect IOT Wireless Solutions LLP	0.30	-
Security Deposit	Syrma SGS Technology Limited	0.20	-

36.3 Related Party balances as at the year end

Particulars	Name of the Related Party	As at 31 March 2023	As at 31 March 2022
Assets at Year End (Refer Note c below)			
Trade Receivable	Symra Technology Inc., USA	2.20	-
Security Deposit	Syrma SGS Technology Limited	0.20	-
Liabilities at Year End (Refer Note c below)			
Rent payable (Grouped under Trade Payables)	Sakshi Ahuja	0.02	-
	Sunita Ahuja	0.02	-
	Syrma SGS Technology Limited	0.13	-
Trade Payables	Perfect IOT Wireless Solutions LLP	-	1.15
	Syrma SGS Technology Limited	0.72	-
Remuneration payable to KMP	Sakun Ahuja	-	0.78
Sitting Fees Payable to Directors	Bharat Anand	0.10	-
	Sanjiv Narayan	0.22	-
	Vikram Chopra	0.17	-

Notes:

- As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to KMP are not included above.
- The amount of transactions disclosed above is without considering Goods and Services Tax (wherever input credit has been availed) as charged by/to the counter party as part of the invoice/relevant document and also gross of withholding taxes (wherever applicable).
- The amount of payables/receivables indicated above is after deducting Tax (wherever applicable) and after including Goods and Services Tax (wherever applicable) as charged by/to the counter party as part of the invoice/relevant document.
- The Holding Company / certain other Related parties, incur certain common costs on behalf of the Company / other entities in the Group. These costs primarily relate to certain marketing, administration, infrastructure and other costs. Such costs have been accounted for in the financial statements of the Company based on and to the extent of actual debits received from the Group Companies. The Group Companies have confirmed to the Management that as at 31 March 2023 and 31 March 2022, there are no further amounts payable to / receivable from them, other than as disclosed in these financial statements.

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37 Leases

(a) The Company, at the inception of a contract assesses whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a Year of time in exchange for consideration.

In adopting Ind AS 116, the Company has applied the below practical expedients:

- (i) The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (ii) The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases".
- (iii) The Company has not applied the requirements of Ind AS 116 for leases of low value assets.
- (iv) The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition.

(b) The Company has taken buildings on leases having remaining lease terms of more than 1 year to 10 years, with the option to extend the term of leases. Refer Note 4 for carrying amount of right-to-use assets at the end of the reporting Year by class of underlying asset.

(c) The following is the breakup of current and non-current lease liabilities:

Particulars	As at 31 March 2023	As at 31 March 2022
Current	0.75	0.34
Non-current	1.86	1.11
Total	2.61	1.45

(d) The contractual maturities of lease liabilities on an undiscounted basis is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Not Later than One Year	0.98	0.48
Later than one year but not later than Five Years	1.88	1.28
Later than Five Years	0.44	-
Total	3.30	1.76

(e) Amounts recognised in the Statement of Profit and Loss:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities	0.29	0.17
Depreciation on right-of-use assets	0.67	0.33
Short term Leases	0.29	0.06
Total	1.25	0.56

(f) Amounts recognised in the Cash Flow Statement:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Total cash outflow for leases	0.90	0.49

The Company has used weighted average rate of 10.5% to recognise the present value of expected future lease payments as lease liabilities.

38 Earnings per share (EPS)

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Earnings		
Net profit attributable to equity shareholders for calculation of basic EPS (Rs in million)	158.65	119.21
Net profit attributable to equity shareholders for calculation of diluted EPS (Rs in million)	158.65	119.21
Shares		
Number of Equity shares at the beginning of the year	2,254,550	2,254,550
Total number of equity shares outstanding at the end of the Year	2,254,550	2,254,550
Face value per share (In Rs.)	10.00	10.00
Earning per share		
Basic (In Rs.)	70.37	52.88
Diluted (In Rs.)	70.37	52.88

39 Taxation

39.1 Tax Expense for the year:

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Current Tax:		
Current Income Tax Charge	53.11	42.00
Total	53.11	42.00
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	1.52	(0.41)
Total	1.52	(0.41)
Total tax expense recognised in Statement of profit and loss	54.63	41.59

39.2 Income Tax on Other Comprehensive Income

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Deferred Tax:		
Arising on income and expenses recognised in Other Comprehensive Income (OCI): Remeasurement of defined benefit obligation (Refer Note 34)	0.13	0.26
	0.13	0.26
Bifurcation of the income tax recognised in OCI into:		
Items that will not be reclassified to Statement of profit and loss	0.13	0.26
Items that will be reclassified to Statement of profit and loss	-	-

39.3 The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended 31 March 2023		For the year ended 31 March 2022	
	Amount	Tax Amount	Amount	Tax Amount
Profit Before tax from Operations	213.61		160.64	
Income Tax expense using the Company's Tax rate at 25.17%*	-	53.77	-	40.43
Tax Effect of :				
Effect of expenses that are not deductible in determining taxable profit	3.04	0.77	4.11	1.03
Others	0.39	0.10	0.49	0.12
		54.63		41.59

* The tax rate used w.r.t reconciliation above for the Year ended 31 March 2023 is the Corporate tax rate of 25.17%, including applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income Tax Act, 1961.

39.4 Following is the analysis of the deferred tax (asset) / liabilities presented in the Balance sheet.

Particulars	For the year ended 31 March 2023			
	Opening balance	Recognised in Profit & Loss	Recognised in OCI	Closing balance
Tax effect of items constituting deferred tax liabilities:				
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	(0.49)	0.86	-	0.36
Mark-to-Market Gain on financial instrument	-	1.06	-	1.06
Deferred Tax Liabilities (A)	(0.49)	1.92	-	1.42
Tax effect of items constituting deferred tax assets:				
Lease liability net of Right-of-use assets	0.06	0.02	-	0.08
Employee Benefits	0.52	0.38	0.13	1.03
Deferred Tax Assets (B)	0.59	0.40	0.13	1.11
Net Deferred Tax Liabilities / (Assets) (A-B)	(1.08)	1.52	(0.13)	0.31

Particulars	For the year ended 31 March 2022			
	Opening balance	Recognised in Profit & Loss - Charge / (Credit)	Recognised in OCI - Charge / (Credit)	Closing balance
Tax effect of items constituting deferred tax liabilities:				
Deferred Tax Liabilities (A)	-	-	-	-
Tax effect of items constituting deferred tax assets:				
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	0.42	0.07	-	0.49
Lease Liability net of Right of Use asset	-	0.06	-	0.06
Employee Benefits	-	0.26	0.26	0.52
Deferred Tax Assets (B)	0.42	0.40	0.26	1.08
Net Deferred Tax Liabilities / (Assets) (A-B)	(0.42)	(0.40)	(0.26)	(1.08)

40 Financial Instruments

40.1 Capital Management

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and borrowings (short term / long term).

Gearing Ratio :

Particulars	As at 31 March 2023	As at 31 March 2022
Debt*	1.73	2.53
Cash and Cash equivalents**	(53.29)	(145.79)
Net Debt	(51.56)	(143.26)
Total Equity	522.00	362.06
Net Debt to equity ratio (In times)#	NA	NA

*Debt is defined as long-term borrowings including current maturities of long term borrowings

**Cash and Cash equivalents includes other bank balances

Since the Net debt is negative. Gearing ratio is not applicable

40.2 Categories of Financial Instruments

Financial Assets :

Particulars	As at 31 March 2023				
	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Assets					
- Investment in Associate (Equity Method)	0.16	-	-	-	0.16
- Investment in Other Equity Instruments	-	-	-	9.75	9.75
- Security Deposits	-	0.26	-	-	0.26
	0.16	0.26	-	9.75	10.17
Current Financial Assets					
- Current investments	-	-	242.18	-	242.18
- Trade receivables	-	67.03	-	-	67.03
- Cash and Cash equivalents	-	51.76	-	-	51.76
- Other Bank Balances	-	1.53	-	-	1.53
- Other Financial Asset	-	0.95	-	-	0.95
	-	121.27	242.18	-	363.45
Total	0.16	121.53	242.18	9.75	373.62

Particulars	As at 31 March 2022				
	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Assets					
- Investment in Associate (Equity Method)	2.19	-	-	-	2.19
	2.19	-	-	-	2.19
Current Financial Assets					
- Current investments	-	-	64.41	-	64.41
- Trade receivables	-	42.27	-	-	42.27
- Cash and Cash equivalents	-	144.26	-	-	144.26
- Other Bank Balances	-	1.53	-	-	1.53
- Other Financial Asset	-	7.83	-	-	7.83
	-	195.89	64.41	-	260.30
Total	2.19	195.89	64.41	-	262.49

Financial Liabilities :

Particulars	As at 31 March 2023				
	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Liability					
- Borrowings	-	0.86	-	-	0.86
- Lease Liabilities	-	1.86	-	-	1.86
	-	2.72	-	-	2.72
Current Financial Liability					
- Borrowings	-	0.87	-	-	0.87
- Trade payables	-	44.55	-	-	44.55
- Lease liabilities	-	0.75	-	-	0.75
	-	46.17	-	-	46.17
Total	-	48.89	-	-	48.89

Particulars	As at 31 March 2022				
	At cost	Amortised cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets at fair value through OCI	Total carrying value
Non-Current Financial Liability					
- Borrowings	-	1.73	-	-	1.73
- Lease Liabilities	-	1.11	-	-	1.11
	-	2.84	-	-	2.84
Current Financial Liability					
- Borrowings	-	0.80	-	-	0.80
- Trade payables	-	65.72	-	-	65.72
- Lease liabilities	-	0.34	-	-	0.34
	-	66.86	-	-	66.86
Total	-	69.70	-	-	69.70

40.3 Financial Risk Management Framework:

The Company's Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk and other price risk) and credit risk.

The Company has not offset financial assets and financial liabilities.

40.4 Market Risk:

The Company's activities are exposed to finance risk and Credit risk. However, the Company is primarily exposed to the financial risks of changes in foreign currency exchange rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

40.5 Foreign Currency Risk Management:

The Company undertakes transactions denominated in foreign currencies and consequently exposures to exchange rate fluctuation arises. These exposures are reviewed yearly with reference to the risk management policy followed by the Company.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting Year are as follows :

A. Outstanding assets

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Foreign Currency in Million	Rs. in Million	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.04	3.63	0.04	2.85
Receivables (Net of Advance to customers)	USD	0.17	13.81	(0.02)	(2.06)

B. Outstanding liabilities

Particulars	Currency	As at 31 March 2023		As at 31 March 2022	
		Foreign Currency in Million	Rs. in Million	Foreign Currency in Million	Rs. in Million
Payables (including Payables on purchase of fixed assets and net of supplier advance)	USD	0.03	2.19	0.19	14.73
Payables (including Payables on purchase of fixed assets and net of supplier advance)	EUR	-	-	0.00	(0.20)

40.6 Foreign Currency sensitivity analysis :

The Company is mainly exposed to the currency of USD.

The following table details the Company's sensitivity to a 5% increase and decrease in the Indian Rupees against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the Year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Indian Rupees strengthens 5% against the relevant currency. For a 5% weakening of the Indian Rupees against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

Impact on Profit / (Loss) and Equity

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	0.57	(0.57)	(0.52)	0.52

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting Year.

40.7 Liquidity Risk Management

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the risk management policy of the Company. The Company invests its surplus funds in bank fixed deposits and mutual funds.

Liquidity and Interest Risk Tables :

The following table detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment Years. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table below represents principal and interest cash flows. To the extent that interest rates are floating, the undiscounted amount is derived from interest rate curves at the end of the reporting Year. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total contractual cash flows	Carrying Amount
31 March 2023					
Financial Liabilities - Borrowings	0.98	0.90	-	1.88	1.73
Lease Liabilities	0.98	1.88	0.44	3.30	2.61
Trade Payables	44.55	-	-	44.55	44.55
Total	46.51	2.78	0.44	49.73	48.89
31 March 2022					
Financial Liabilities - Borrowings	0.98	1.88	-	2.86	2.53
Lease Liabilities	0.48	1.28	-	1.76	1.45
Trade Payables	65.72	-	-	65.72	65.72
Total	67.18	3.16	-	70.34	69.70

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 (All amounts are in Million Indian Rupees unless otherwise stated)

40.8 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on a regular basis.

40.9 Fair Value Measurement

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, 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.

The following methods and assumptions were used to estimate the fair value / amortized cost:

(a) Long-term fixed-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables

(b) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

(c) Fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting Year. The own non-performance risk as at 31 March 2023 and 31 March 2022 was assessed to be insignificant.

(i) Financial Assets that are measured at fair value through OCI/Profit and loss

Particulars	Amount		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31 March 2023	As at 31 March 2022		
Investment in equity Shares - FVOCI	9.75	-	Level III	The fair value is calculated based on the inputs for the assets that are not based on observable market data.
Investments in mutual funds - FVTPL	242.18	64.41	Level I	The fair value is calculated based on the inputs for the assets that are based on observable market data

There are no transfer between level 1, level 2 and level 3.

(ii) Financial Assets and Financial Liabilities that are not measured at fair value:

Financial assets / Financial liabilities	Amount	
	As at 31 March 2023	As at 31 March 2022
Investment in associates	0.16	2.19

The aforesaid value represents the value carried in books under the equity method as per the accounting policy of the Company and includes the share of post acquisition profit / loss including Other Comprehensive Income of the associate accounted in these Consolidated Financial Statements of the Company amounting to loss of Rs. 0.33 Million and profit of Rs. 0.16 Million for the year ended 31 March 2023 and 31 March 2022 respectively.

Perfect ID India Private Limited
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 (All amounts are in Million Indian Rupees unless otherwise stated)

41 Note on Business Combinations

The Company acquired the business of M/s Perfect IOT Wireless Solutions LLP (Perfect IOT) on a Slump sale basis under the Business Transfer Agreement (BTA) dated 1st March 2023 entered into between the parties.

The Business of Perfect IOT comprises of manufacturing of RFID antenna. As a part of BTA, existing business of Perfect IOT including its assets & liabilities were taken-over by Perfect ID. The total cash consideration paid by the Company against the aforesaid slump sale was INR 0.30 millions.

The Company accounted for the Business Combinations in accordance with the requirement of IND AS 103 "Business Combination" which lays down the principles in respect of accounting for Business Combination of entities or businesses under Acquisition Method. Accordingly, the assets and Liabilities are reflected in the books of the Company at their fair value.

Disclosure Pursuant to IND AS 103 – Business Combination

Particulars	Disclosures
Name and Description of Acquiree	Business of Perfect IOT
Acquisition date	1st March 2023
The percentage of voting interests acquired.	NA - Slump Sale under BTA
The primary reasons for the business combination and a description of how the acquirer obtained control of the acquiree	A. Description of Business Acquired: The Business of Perfect IOT Wireless Solutions LLP comprised of manufacturing of RFID antenna. B. The business of M/s Perfect IOT Wireless Solutions LLP was acquired on a slump sale basis under a Business Transfer Agreement (BTA) dated 1st March 2023 entered into between the parties.

The statement of Net identified assets & liabilities and the consideration transferred (at Fair Value)

Particulars	Amount
Tangible assets	0.12
GST Credit Balance	0.49
Inventory	4.06
Liabilities Taken over	(1.02)
Net Assets Taken Over (A)	3.65
Cash Consideration (B)	0.30
Capital Reserve (A - B)	3.35

Further, the reconciliation between the Capital Reserve balance between the Standalone financial statements and the Consolidated financial statements is as follow:

Particulars	Amount
Capital Reserve in the Standalone financial statements on account of the business combination (A)	3.35
50% of the loss w.r.t slump sale transaction in Perfect IOT financial statements (Debited to Capital Reserve) (B)	1.68
Capital Reserve balance in the Consolidated Financial Statements of the Company (A - B)	1.67

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42 Additional regulatory information as required by Schedule III to the Companies Act, 2013

I. Ratio Analysis and its elements

The below Non-GAAP measures presented may not be comparable to similarly titled measures reported by other companies. Further, it should be noted that these are not a measure of operating performance or liquidity defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies.

(a) Current Ratio = Current Assets / Current Liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Current Assets	486.30	360.00
Current Liabilities	56.68	78.58
Ratio (In times)	8.58	4.58
% Change from previous year	87.28 %	

Reason for change more than 25%:

Due to higher sales and corresponding profits, the cash flows and liquidity has improved resulting in an improved current ratio.

(b) Debt Equity ratio

(1) As per Guidance note of ICAI Debt equity ratio = Total debt / Total shareholder's equity

Particulars	As at 31 March 2023	As at 31 March 2022
Total debt	1.73	2.53
Total equity	522.00	362.06
Ratio (In times)	0.00	0.01
% Change from previous year	(52.57)%	

Reason for change more than 25%:

The repayment of the existing borrowings along with increase in corresponding equity on account of current year profits has improved the Debt Equity Ratio.

(2) Company believes that the Debt equity ratio computed as Long term debt / Average shareholder's equity, is a more apt way of measuring performance

Particulars	As at 31 March 2023	As at 31 March 2022
Long term debt*	1.73	2.53
Average equity**	442.03	303.45
Ratio (In times)	0.00	0.01
% Change from previous year	(53.06)%	

*Long term debt includes current maturities of long-term borrowings

**Average Equity represents the average of opening and closing equity.

Reason for change more than 25%:

The repayment of the existing borrowings along with increase in corresponding equity on account of current year profits has improved the Debt Equity Ratio.

(c) Debt Service Coverage Ratio = Earnings available for debt services / total interest and principal repayments

Particulars	As at 31 March 2023	As at 31 March 2022
Profit after tax (A)	158.65	119.21
Add: Non cash operating expenses and finance cost		
- Depreciation and Amortisation (B)	11.68	10.50
- Finance cost (C)	0.49	0.46
Total Non cash operating expenses and finance cost (Pre-tax) (D=B+C)	12.17	10.96
Total Non cash operating expenses and finance cost (Post-tax) (E = D* (1-Tax rate))	9.11	8.20
Earnings available for debt services (F = A+E)	167.76	127.41
Expected interest outflow on long term borrowings* (G)	0.11	0.18
Leases payments (H)	0.98	0.48
Principal repayments * (I)	0.87	0.80
Total Interest and principal repayments (J = G + H + I)	1.96	1.46
Ratio (In times) (K = F / J)	85.47	87.12
% Change from previous year	(1.89)%	

* Expected interest outflow on long term borrowings and principal repayments represent the expected outflows until 31 March 2024 / 31 March 2023 (one year from the Balance Sheet date).

Perfect ID India Private Limited
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(d) Return on Equity Ratio = Net profit after tax / average equity

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit after tax	158.65	119.21
Average equity*	442.03	303.45
Ratio (in %)	35.89%	39.29%
% Change from previous year	(8.64)%	

*Average Equity represents the average of opening and closing equity.

(e) Inventory Turnover Ratio = Cost of materials consumed / average inventory

Particulars	As at 31 March 2023	As at 31 March 2022
Cost of materials consumed*	364.70	216.80
Average Inventory**	108.14	60.92
Ratio (In times)	3.37	3.56
% Change from previous year	(5.24)%	

*Cost of material consumed comprises of cost of raw materials consumed, consumption of stores and spares and changes in Inventories

**Average inventory represents the average of opening and closing inventory.

(f) Trade Receivables turnover ratio = Credit Sales / average trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Credit Sales*	752.16	508.04
Average Trade Receivables#	54.65	41.31
Ratio (In times)	13.76	12.30
% Change from previous year	11.90 %	

*Credit sales includes sale of products and GST component on such sales

Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing Trade Receivables.

(g) Trade payables turnover ratio = Credit purchases / average trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Credit Purchases*	514.66	382.55
Average Trade Payables#	55.14	58.73
Ratio (In times)	9.33	6.51
% Change from previous year	43.29 %	

*Credit purchases includes purchases of raw-material all other expenses including GST Input credit availed except cash and non-cash transaction like rates and taxes, bank charges, CSR, loss on sale of assets and Mark-to-Market loss.

Average Trade Payables represents the average of opening and closing Trade Payables.

Reason for change more than 25%:

Due to better liquidity positions, the Company has been able to discharge the liabilities towards creditors in a faster manner resulting in not a very high level of creditors despite the increase in volume of business resulting in higher net purchases/expenses.

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 (All amounts are in Million Indian Rupees unless otherwise stated)

(h) Net Capital Turnover Ratio = Net Sales / Working capital

Particulars	As at 31 March 2023	As at 31 March 2022
Sales* (A)	675.20	454.04
Current Assets (B)	486.30	360.00
Current Liabilities (C)	56.68	78.58
Net Working Capital (D = B-C)	429.62	281.42
Ratio (In times) (E = A/D)	1.57	1.61
% Change from previous year	(2.59)%	

* Sales represents Total Income

(i) Net profit ratio

(1) As per Guidance note of ICAI Net profit ratio = Net Profit after tax / Total Sales

Particulars	As at 31 March 2023	As at 31 March 2022
Net-profit after tax	158.65	119.21
Sales*	675.20	454.04
Ratio (in %)	23.50%	26.26%
% Change from previous year	(10.51)%	

*Sales represents Total Income

(2) Company believes that Net profit ratio computed as Net Profit before tax / Total Sales, is a more apt way of measuring performance.

Particulars	As at 31 March 2023	As at 31 March 2022
Net-profit before tax	213.61	160.64
Sales	675.20	454.04
Ratio (in %)	31.64%	35.38%
% Change from previous year	(10.58)%	

(j) Return on Capital employed (pre -tax)

(1) As per Guidance note of ICAI = Earnings before interest and taxes (EBIT) / Capital Employed

Particulars	As at 31 March 2023	As at 31 March 2022
Profit before tax (A)	213.61	160.64
Finance Costs (B)	0.49	0.46
EBIT (C) = (A)+(B)	214.10	161.10
Capital Employed * (D)	514.75	361.36
Ratio (In %)	41.59%	44.58%
% Change from previous year	(6.70)%	

(2) Company believes that Return on Capital employed (pre-tax) computed as Earnings before interest and taxes(EBIT) / Average Capital Employed, is a more apt way of measuring performance

Particulars	As at 31 March 2023	As at 31 March 2022
Profit before tax (A)	213.61	160.64
Finance Costs (B)	0.49	0.46
EBIT (C) = (A)+(B)	214.10	161.10
Average Capital Employed #	438.06	307.61
Ratio (In %)	48.88%	52.37%
% Change from previous year	(6.68)%	

* Capital employed has been computed as (Total assets excluding investments in Associates and intangible assets) - (Current liabilities excluding short term borrowings and lease liabilities) - (Long term provisions)

Average Capital employed represents the average of Opening and Closing Capital Employed.

(k) Return on Investment = Net profit after tax / average equity

The Company believes that Return on equity ratio as disclosed above is an apt measure of Return on investment ratio as well.

Particulars	As at 31 March 2023	As at 31 March 2022
Net profit after tax	158.65	119.21
Average equity*	442.03	303.45
Ratio (in %)	35.89%	39.29%
% Change from previous year	(8.64)%	

*Average equity represents the average of opening and closing total equity.

Perfect ID India Private Limited
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023

(All amounts are in Million Indian Rupees unless otherwise stated)

II. The ageing schedule of Trade receivables is as follows:

Particulars	As at 31 March 2023						Not due	Total
	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			
(i) Undisputed Trade Receivables – considered good	33.65	0.87	-	-	-	32.51	67.03	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	

Particulars	As at 31 March 2022						Not due	Total
	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			
(i) Undisputed Trade Receivables – considered good	36.36	0.37	0.02	-	-	5.52	42.27	
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	

III The ageing schedule of trade payables is as follows:

Particulars	As at 31 March 2023						Total
	Outstanding for following Periods from due date of payment				Not due		
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years			
(i) MSME	15.05	-	-	-	6.90	21.95	
(ii) Others	5.23	-	-	-	17.37	22.60	
(iii) Disputed dues - MSME	-	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	-	

Particulars	As at 31 March 2022						Total
	Outstanding for following Periods from due date of payment				Not due		
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years			
(i) MSME	14.70	1.95	-	-	4.76	21.41	
(ii) Others	13.50	1.64	0.29	-	28.88	44.31	
(iii) Disputed dues - MSME	-	-	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	-	-	

Perfect ID India Private Limited

Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023

(All amounts are in Million Indian Rupees unless otherwise stated)

IV. Other Statutory Information

- (a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (b) The Company did not have any transactions with Companies struck off.
- (c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory Year,
- (d) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial Year.
- (e) The Company has 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:
 - (i) 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)
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (f) The Company has 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:
 - (i) 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
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (g) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (h) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.
- (i) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.
- (j) Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable to the Company.
- (k) The Company has utilised the borrowing amount taken from financial institutions for the purpose as stated in the sanction letter.

Perfect ID India Private Limited

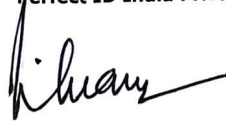
Notes forming part of Consolidated Financial Statements for the Year ended 31 March 2023

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43 Approval of Financial Statements

In connection with the preparation of the Consolidated financial statements for the Year ended 31 March 2023, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the Consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these Consolidated financial statements at its meeting held on 16 May 2023. The shareholders of the Company have the rights to amend the Financial Statements in the ensuing Annual general meeting post issuance of the same by the Board of directors.

For and on behalf of the Board of Directors of
Perfect ID India Private Limited



Vikram Chopra
Director
DIN: 00311827

Place : Mumbai

Date : 16 May 2023



Sanjiv Narayan
Director
DIN: 00198864

Place : Gurugram

Date : 16 May 2023

