

HANSA CUSTOMER EQUITY PRIVATE LIMITED

CIN: U72501TN2008PTC066614

Regd. Office Address: Plot No.12, Old No.14, New No.19, Wheatcrofts Road
Nungambakkam Chennai 600034

E-mail: hansafinance@hansacequity.com **Phone No.:** 022-66077000

Website: www.hansacequity.com

Dear Members,

The Board of Directors has pleasure in presenting the Annual Report together with the Audited Accounts for the year ended 31st March,2021.

FINANCIAL SUMMARY AND STATE OF AFFAIRS

The financial performance of the Company for the financial year ended March 31, 2021 is summarized below:

Amount in Rs.	2020-2021	2019-2020
Particulars	STANDALONE	
Income	44,43,80,800/-	66,28,46,496/-
Less: Expenditure	43,42,20,661/-	66,01,53,829/-
Gross Profit/ (Loss) before Taxation	1,01,60,139/-	26,92,667/-
Less: Provision for taxation		
Current Tax	1,58,49,82/-	15,81,485/-
Deferred Tax	22,80,131/-	(1,59,736)/-
Excess provision of earlier Year	6,00,328/-	-
MAT Credit Entitlement	(14,36,396)/-	-
Profit/(Loss) after tax	71,31,094/-	12,70,918/-

FINANCIAL REVIEW:

During the year the company earned a Net Profit of Rs.71,31,094/- against a Net Profit of Rs. 12,70,918/- in the previous year. The Director's are confident of achieving better results in the forthcoming financial year.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED SINCE 31.03.2021 TILL THE DATE OF THIS REPORT

There are no material Changes and commitments affecting the financial position of the Company which has occurred since 31.03.2021 till the date of this report.

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CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of the business during the year.

DIVIDEND

The Company did not declare any interim dividend during the financial year 2020-2021 and also not proposing declaration of any final dividend in the forthcoming AGM.

TRANSFER TO RESERVES

No amount has been transferred to any specific reserves during the year.

DEPOSITS

The Company has not accepted any deposits during the financial year, nor has any outstanding unclaimed or unpaid deposits as on 31.03.2021.

AUDITORS

M/s. Walker Chandio & Co LLP, Chartered Accountants, (Firm Registration Number: 001076N/N500013) were appointed as the auditors of the company in the previous Annual General Meeting to hold office till the conclusion of the Annual General Meeting to be held in the year 2025. They have confirmed their eligibility to act as auditors of the company.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS:

For the financial year under review, the Auditor has not reported about any fraud by the company or any fraud on the company by its officers or employees.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITOR IN HIS REPORT

The Auditors have not made any qualification, reservation or adverse remark or disclaimer in their Report with respect to financial statements for the financial year under review.

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DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

There were no changes in the composition of the Board of Directors during the Financial Year under review except change in designation of **Mr. Sivaraman Swaminathan (DIN: 01881224)** from Whole time Director to Director on Board of the company with effect from 30.11.2020.

LOAN FROM DIRECTORS

No loan was received from the directors during the financial year 2020-2021.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of investments made, loans and advances given during the year are contained in notes to accounts of the financial statements.

NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

M/s. Hansa Direct Private Limited, M/s. Autosense Private Limited and M/s. Dsquare Solutions Private Limited continue to be the subsidiary companies of your company.

Detail of investment as on 31.03.2021 is as below:

Company Name	Country of Incorporation	Nature of relationship	Amount of Investment in INR	% of holding as at March 31, 2020
M/s.Autosense Private Limited	India	Wholly Owned Subsidiary Company	4,75,49,000/- (49,00,000 equity shares of Rs. 10/- each)	99.99%
M/s.Dsquare Solutions Private Limited	India	Subsidiary Company	5,50,00,052/- (1,17,700 equity shares of Rs. 10/- each)	60.36%

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Hansa Direct Private Limited	India	Wholly Owned Subsidiary Company	99,990/- (9999 equity shares of Rs. 10/- each)	99.99%
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HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES COMPANIES AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY

Performance of the Subsidiary Companies during the year is annexed to the financial statements in **Form AOC-1**.

NET WORTH OF THE COMPANY: (Amount in Rs.)

	As on 31.03.2021	As on 31.03.2020
Net-worth of the company	Rs.44,61,88,388/-	Rs.43,90,57,294/-

BOARD MEETINGS HELD DURING THE FINANCIAL YEAR

The company conducted Six board meetings in the financial year 2020-2021.

DATE	DIRECTORS PRESENT
16.07.2020	Mr. Narasimhan Krishnaswamy, Mr. Sivaraman Swaminathan, Mr. Ajay Kelkar
17.07.2020	Mr. Narasimhan Krishnaswamy, Mr. Sivaraman Swaminathan, Mr. Ajay Kelkar
29.09.2020	Mr. Srinivasan Krishnaswamy, Mr. Narasimhan Krishnaswamy, Mr. Sivaraman Swaminathan, Mr. Ajay Sharad Kelkar, Mr. Shivaprasad Krishnan
15.10.2020	Mr. Srinivasan Krishnaswamy, Mr. Narasimhan Krishnaswamy, Mr. Sivaraman Swaminathan
30.11.2020	Mr. Narasimhan Krishnaswamy, Mr. Sivaraman Swaminathan, Mr. Ajay Kelkar
19.03.2021	Mr. Narasimhan Krishnaswamy, Mr. Sivaraman Swaminathan, Mr. Ajay Sharad Kelkar

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EXTRACT OF ANNUAL RETURN

Pursuant to the Companies (Amendment) Act, 2017 notified with effect from 28th August, 2020, the requirement to annex the extract of Annual Return in form MGT-9 is done away with and accordingly the same is not annexed to the Board's report. Annual return is available on the website of the company www.hansacequity.com.

EMPLOYEES STOCK OPTIONS SCHEME

The Company has implemented Employee Stock Option Plans for the key employees of the Company. Details of ESOPs are tabled below:

ESOP Scheme	Date of adoption of Board/members	No. of options granted	Exercise price	Initial grant date	Exercise period
Employee stock option scheme 2015 -Growth	28 th October, 2015	1,90,944	81.00	23 rd March, 2016	48 Months
Employee stock option scheme 2015 -Thank you option	28 th October, 2015	5,220	81.00	23 rd March, 2016	12 Months
Employee stock option scheme 2015 -Growth	28 th June, 2017	66,300	102.37	28 th June, 2018	48 Months

Employee stock option plan - Employee Stock Option Scheme 2015

Particulars	31st March 2021	31st March 2020
Options outstanding at the beginning of the year	96452	121274
Options granted during the year	Nil	Nil
Options vested during the year	Nil	Nil

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Options exercised during the year	Nil	Nil
Less: Options lapsed/forfeited during the year	96452	24822
Options outstanding / in force at the end of the year	Nil	96,452
The total number of shares arising as a result of exercise of option during the year and money realized by exercise of options;	Nil	Nil
Variation of terms of options during the year	Nil	Nil
Employee wise details of options granted to:- (i) key managerial personnel; (ii) any other employee who received a grant of options during the year of option amounting to 5% or more of options granted during that year; (iii) identified employees who were granted option, during the year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant;	Nil	Nil

The Scheme was closed during the year and no options remain as at the year end.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, safeguarding of assets of the Company, adhering to the management policies besides ensuring compliance.

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SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the financial year under review there has been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards, i.e. SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

Details of related party transactions entered by the company during the year 2020-2021 are continued in financial statements and **form AOC 2** is enclosed to this report.

RISK MANAGEMENT

The board meets regularly to discuss on the business risks to which company is exposed and the measures and means to contain it and hence no separate policy is framed.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment.

The Company has not received any complaint on sexual harassment during the financial year ended 31.03.2021.

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DISCLOSURE ON MAINTENANCE OF COST RECORDS

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

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

Conservation of energy-

The Company had taken steps to conserve energy in its office use, consequent to which energy consumption has been minimized.

Technology absorption - NIL

Foreign Exchange Earning - NIL

Foreign Exchange Outgo- Rs.61,18,994/-

DIRECTORS' RESPONSIBILITY STATEMENT

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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ACKNOWLEDGEMENT

Your directors acknowledge with gratitude and express their appreciation for the assistance and co-operation received from the collaborator, advocates, company secretary, equity investors and members and wish to thank them for their co-operation, patience and dedication.

/For and On behalf of the Board/

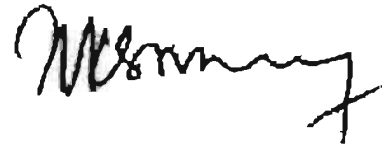
For HANSA CUSTOMER EQUITY PRIVATE LIMITED



SRINIVASAN KRISHNASWAMY

DIRECTOR

(DIN: 00505093)



NARASIMHAN KRISHNASWAMY

DIRECTOR

(DIN: 00219883)

PLACE: MUMBAI

DATE: 04.08.2021

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(Accounts) Rules, 2014)**Statement containing salient features of the financial statement of
subsidiaries/associate companies/joint ventures****PART "A": SUBSIDIARIES**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S.No.	Particulars			
1	Sl. No.	1	2	3
2	Name of the subsidiary	Hansa Direct Private Limited	Dsquare Solutions Private Limited	Autosense Private Limited
3	The date since when subsidiary was acquired	24.08.2009	14.07.2016	21.04.2016
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting period is same	Reporting period is same	Reporting period is same
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	NA
6	Share capital	1,00,000/-	19,50,000/-	4,90,00,000/-
7	Reserves & surplus	1,66,53,075/-	4,15,21,601/-	71,83,053/-
8	Total assets	2,80,84,386/-	4,86,19,365/-	8,61,98,707/-
9	Total Liabilities	2,80,84,386/-	4,86,19,365/-	8,61,98,707/-
10	Investments	262/-	1,45,84,742/-	88,972/-
11	Turnover	9,25,05,387/-	2,99,85,863/-	9,33,41,010/-
12	Profit before taxation	11,65,541/-	8,89,165/-	24,84,059/-
13	Provision for taxation	(1,67,183)/-	(13,24,208)/-	(17,63,412)/-
14	Profit after taxation	13,32,724/-	22,13,373/-	7,20,647/-
15	Proposed Dividend	-	-	-
16	% of shareholding	99.99%	60.36%	99.99%

1. Name of subsidiaries which are yet to commence operations- Nil

2. Name of subsidiaries which have been liquidated or sold during the year.-Nil

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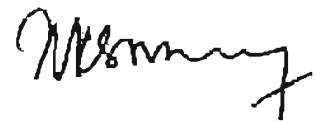
Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: Nil

	Name of Associates/ Joint Ventures	Name 1	Name 2	Name 3
1	Latest audited Balance Sheet Date			
2	Date on which the Associate or Joint Venture was associated or acquired			
3	Shares of Associate /Joint Ventures held by the company on the year end			
	No.			
	Amount of Investment in Associates /Joint Venture			
	Extend of Holding %			
4	Description of how there is significant influence			
5	Reason why the associate /joint venture is not consolidated			
6	Net-worth attributable to Shareholding as per latest audited Balance Sheet			
7	Profit / Loss for the year			
	i. Considered in Consolidation			
	i. Not Considered in Consolidation			

1. Name of associates or joint ventures which are yet to commence operations: Nil
2. Name of associates or joint ventures which have been liquidated or sold during the year: Nil

FOR WALKER CHANDIOK & CO LLP
CHARTERED ACCOUNTANTS
FRN: 001076N/N500013SUDHIR N.PILLAI
PARTNER
(MEMBERSHIP NO:105782)

FOR HANSA CUSTOMER EQUITY PRIVATE LIMITED

SRINIVASAN
KRISHNASWAMY
DIRECTOR
(DIN: 00505093)NARASIMHAN
KRISHNASWAMY
DIRECTOR
(DIN: 00219883)PLACE: MUMBAI
DATE: 04.08.2021

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Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis :
NIL

Name(s) of the related party and nature of relationship			
Nature of contracts/ arrangements/ transactions			
Duration of the contracts / arrangements / transactions			
Salient terms of the contracts or arrangements or transactions including the value, if any			
Name(s) of the related party and nature of relationship			

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Name(s) of the related party and nature of relationship	Hansa Direct Private Limited (Subsidiary Company)	Dsquare Solutions Private Limited (Subsidiary Company)	Autosense Private Limited (Subsidiary Company)	Kricon Capital Advisor LLP (Entity in which Director is Interested)
Nature of contracts/ arrangements/ transactions	Business support cost	Legal and Professional Fees Received	Purchase of Services	Professional Services
	Rent received	Legal and Professional Fees Charged	Rent Expenses Sale of Services	
Duration of the contracts / arrangements/ transactions	FY 2020-2021	FY 2020-2021	FY 2020-2021	FY 2020-2021
Salient terms of the contracts or arrangements or transactions including the value, if any:	9,25,05,387	11,13,200	12,32,716	1,50,000
	1,50,000	7,26,000	19,09,946 15,33,770	
Date(s) of approval by the Board, if any:	17.07.2020	17.07.2020	17.07.2020	17.07.2020
Amount paid as advances, if any:	Nil	Nil	NIL	Nil
Justification for entering into the contract / arrangement	All transactions are in the ordinary course of business and at arm's length basis for group synergies and expertise.			

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Name(s) of the related party and nature of relationship	Hansa Vision India Private Limited (Holding Company)	RK Swamy BBDOPrivate Limited (Company having common directors)	Sivaraman Swaminathan (Director)
Nature of contracts/ arrangements/ transactions	Professional Fees	Rent Expenses Sale of services	Legal and Professional Fees
Duration of the contracts / arrangements/ transactions	FY 2020-2021	FY 2020-2021	FY 2020-2021
Salient terms of the contracts or arrangements or transactions including the value, if any:	56,00,000/-	2,07,000 28,84,226	10,250,000/-
Date(s) of approval by the Board, if any:	17.07.2020	17.07.2020	17.07.2020
Amount paid as advances, if any:	Nil	Nil	Nil
Justification for entering into the contract / arrangement	All transactions are in the ordinary course of business and at arm's length basis for group synergies and expertise.		

/For and On behalf of the Board/

For HANSA CUSTOMER EQUITY PRIVATE LIMITED



SRINIVASAN KRISHNASWAMY
DIRECTOR
(DIN: 00505093)



NARASIMHAN KRISHNASWAMY
DIRECTOR
(DIN: 00219883)

Place: Mumbai

Date: 04.08.2021

Walker ChandioK & Co LLP

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One International Center,
S B Marg, Prabhadevi(W),
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Maharashtra, India
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Independent Auditor's Report**To the Members of Hansa Customer Equity Private Limited****Report on the Audit of the Consolidated Financial Statements****Opinion**

1. We have audited the accompanying consolidated financial statements of **Hansa Customer Equity Private Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at **31 March 2021**, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2021, and their consolidated profit, and their consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 11 of the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matters

4. We draw attention to note 36 to the accompanying Statement, which describes the effects of uncertainties relating to COVID - 19 pandemic outbreak on the Group's operations and management's evaluation of its impact on the accompanying Statement as at the balance sheet date, the impact of which is dependent on future developments.



Information other than the Consolidated Financial Statements and Auditor's Report thereon

5. The Holding Company's Board of Directors are responsible for the other information. The other information does not include the consolidated financial statements and our auditor's report thereon.

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

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

The Annual Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

6. The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated profit or loss and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
9. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;



Hansa Customer Equity Private Limited
Independent Auditor's Report on the Audit of the Consolidated Financial Statements

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

11. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of Rs. 134,818,072 and net assets of Rs. 99,654,654 as at 31 March 2021, total revenues of Rs. 123,326,873 and net cash inflows amounting to Rs. 14,293,877 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

Report on Other Legal and Regulatory Requirements

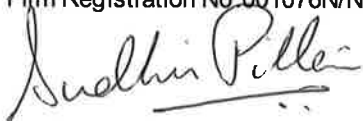
12. Based on our audit and on the consideration of the report of the other auditors, referred to in paragraph 2, on separate financial statements of the subsidiaries, we report that the provisions of Section 197 read with Schedule V to the Act are not applicable to the Holding Company and its subsidiaries companies, companies covered under the Act, since none of such companies is a public company as defined under Section 2(71) of the Act. Accordingly, reporting under Section 197(16) is not applicable.



Hansa Customer Equity Private Limited
Independent Auditor's Report on the Audit of the Consolidated Financial Statements

13. As required by Section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the report of the other statutory auditor of its subsidiary companies covered under the Act, none of the directors of the Group companies, companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary companies, companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure I'; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary
 - i. there were no pending litigations as at 31 March 2021 which would impact the consolidated financial position of the Group;
 - ii. Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary company, companies covered under the Act, during the year ended 31 March 2021 and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No:001076N/N500013



Sudhir N. Pillai
Partner
Membership No:105782

UDIN:21105782AAAAIA9012

Place: Mumbai
Date: 04 August 2021

Page 4 of 6

Annexure I to the Independent Auditor's Report of even date to the members of Hansa Customer Equity Private Limited on the consolidated financial statements for the year ended 31 March 2021

Independent Auditor's report on the internal financial controls with reference to the consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of **Hansa Customer Equity Private Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended **31 March 2021**, we have audited the internal financial controls with reference to financial statements of the Holding Company, which is a company covered under the Act, as at that date.

Responsibilities of Management for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, which is a company covered under the Act, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria ("IFC Criteria") established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. The audit of internal financial controls with reference to financial statements of the aforementioned subsidiaries, which are companies covered under the Act, and reporting under Section 143(3)(i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company as aforesaid.



Annexure I (Contd)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Holding Company, which is a company covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the IFC criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No:001076N/N500013



Sudhir N. Pillai
Partner
Membership No:105782

UDIN:21105782AAAAIA9012

Place: Mumbai
Date: 04 August 2021

Hansa Customer Equity Private Limited
Consolidated Balance Sheet as at 31 March 2021

	Notes	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Equity and liabilities			
Shareholders' funds			
Share capital	3	5,382,070	5,382,070
Reserves and surplus	4	454,565,006	443,167,028
Total shareholder's funds		459,947,076	448,549,098
Minority Interest			
		-	-
Non-current liabilities			
Long-term borrowing	5	6,147,167	-
Long-term provision	6	8,716,059	14,479,311
Deferred Tax liability	14	2,194,881	1,267,094
Total non-current liabilities		17,058,107	15,746,405
Current liabilities			
Short term borrowings	7	25,139,354	52,989,321
Trade payables	8	-	-
Total outstanding dues to Micro and Small Enterprises		-	-
Total outstanding dues to creditors other than Micro and Small		31,271,460	82,065,838
Other current liabilities	9	72,358,721	97,434,230
Short-term provisions	10	8,094,737	9,473,328
Total current liabilities		136,864,272	241,962,717
Total		613,869,455	706,258,220
Assets			
Non-current assets			
Property, plant and equipment	11	23,368,210	28,211,030
Intangible assets	12	36,487,594	39,769,512
Intangible assets under development		30,500,000	41,579,259
Long-term loans and advances	13	115,289,534	181,156,900
Deferred tax assets	14(a)	20,273,038	21,061,776
Total non-current assets		225,918,376	311,778,477
Current assets			
Current investment	15	27,486,771	34,024,787
Trade receivables	16	118,668,500	198,175,165
Cash and bank balances	17	87,815,991	63,123,095
Short-term loans and advances	18	107,378,012	67,757,835
Other current asset	19	46,601,805	31,398,861
Total current assets		387,951,079	394,479,743
Total		613,869,455	706,258,220

Notes 1 to 36 form an integral part of these financial statements

This is the Consolidated Balance Sheet referred to in our report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013



Sudhir N. Pillai
Partner
Membership no.: 105782

Place: Mumbai
Date : 04 August 2021



For and on behalf of the Board of Directors



Narasimhan Krishnaswamy
Director
DIN: 00219883

Place: Mumbai
Date : 02 August 2021



Sivaraman Swaminathan
Director
DIN : 01881224



Hansa Customer Equity Private Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2021

	Notes	Year ended 31 March 2021 Rs.	Year ended 31 March 2020 Rs.
Revenue			
Revenue from operations	20	546,920,868	800,119,382
Other income	21	17,791,546	16,885,958
Total revenue		564,712,414	817,005,340
Expenses			
Direct costs	22	49,014,811	123,325,099
Employee benefits expense	23	336,423,311	454,948,457
Finance costs	24	4,202,867	4,554,740
Depreciation and amortisation expenses	25	26,886,207	40,438,584
Other expenses	26	133,486,173	180,474,486
Total expense		550,013,369	803,741,366
Profit before tax		14,699,045	13,263,974
Tax expense:			
Current tax		2,602,430	4,523,007
Deferred tax		1,716,529	(1,014,909)
Tax Provision for Earlier Years		600,328	(1,755,874)
MAT Credit Entitlement		(1,618,220)	(1,344,912)
Profit after tax before minority interest		11,397,978	12,856,662
Minority interest		-	3,030,202
Profit for the year		11,397,978	9,826,460
Earnings per equity share of face value Re.1 each	31		
Basic		2.12	2.15
Diluted		2.12	2.10

Notes 1 to 36 form an integral part of these consolidated financial statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm Registration No. 001076N/N500013

Sudhir N. Pillai
Partner
Membership no.: 105782

Place: Mumbai
Date : 04 August 2021



For and on behalf of the Board of Directors

Narasimhan Krishnaswamy
Director
DIN: 00219883

Sivaraman Swaminathan
Director
DIN : 01881224

Place: Mumbai
Date : 02 August 2021



Hansa Customer Equity Private Limited
Consolidated Cash Flow Statement for the year ended 31 March 2021

	Year ended 31 March 2021 Rs.	Year ended 31 March 2020 Rs.
(A) Cash flow from operating activities:-		
Net profit before tax	14,699,045	13,263,974
Adjustments made for :		
Finance costs	4,202,867	4,554,740
Interest income	(13,187,626)	(281,568)
Depreciation and amortisation expenses	26,886,207	40,438,584
Dividend income	(923,540)	(3,034,815)
Bad debts	1,143,761	712,087
Provision for stock compensation expenses	-	(4,700,400)
Liabilities/ provisions written back	-	(101,315)
Deferred rent	1,094,633	(3,058,545)
Interest on Income Tax Refund	(2,561,967)	(8,723,882)
Changes in working capital:-		
(Increase) in trade receivables	78,362,904	33,009,151
Increase/(decrease) in other current liabilities	(25,075,509)	(6,497,041)
(Increase)/decrease in other assets	(15,202,944)	29,961,684
Increase/(decrease) in short term provisions	(1,378,591)	(5,622,366)
Increase in long term provision	(6,857,886)	3,922,839
(Increase) in long term loans and advances	(745,089)	4,995,600
Increase/(decrease) in trade payables	(50,794,378)	15,248,464
(Increase)/decrease in short term loans and advances	(39,620,178)	(49,717,765)
	<u>(29,958,291)</u>	<u>64,369,426</u>
income tax paid	67,589,883	(34,824,262)
Net cash from/(used in) operating activities	<u>37,631,592</u>	<u>29,545,164</u>
(B) Cash flow from investing activities:-		
Purchase of Property, plant and equipment	(7,266,050)	(6,864,641)
Purchase of Intangible assets	(11,495,418)	(19,787,475)
Intangible assets under development	11,079,259	(11,491,525)
Investment in subsidiaries	-	(23,000,000)
Dividend income received	923,540	3,034,815
Interest income received	13,187,626	281,568
Withdrawal/(investments) in fixed deposit	(14,720,679)	(2,115,345)
(Purchase)/redemption of mutual fund	6,538,016	75,965,185
Net cash (used in)/generated from investing activities	<u>(1,753,706)</u>	<u>16,022,582</u>
(C) Cash flow from financing activities:-		
Proceeds from term loan	6,147,167	-
Proceeds from working capital demand loan	(15,000,000)	-
Proceeds/(repayment) of cash credit	(7,908,278)	2,136,314
(Repayment) /proceeds from bill discounting	(4,940,464)	9,944,868
Finance costs paid	(4,202,867)	(4,554,740)
Net cash (used in)/generated from financing activities	<u>(25,904,442)</u>	<u>7,526,442</u>
Net cash and cash equivalents (A+B+C)	<u>9,973,444</u>	<u>53,094,188</u>
Cash and cash equivalents at the beginning of the year	60,398,732	7,304,544
Cash and cash equivalents taken over on acquisition	-	-
Cash and cash equivalents at the end of the year	<u>70,372,176</u>	<u>60,398,732</u>
Cash and cash equivalents comprise:		
Cash on hand	109,547	63,101
Balances with bank		
- In current accounts	70,262,629	60,335,631
	<u>70,372,176</u>	<u>60,398,732</u>

Notes:

- The above Cash Flow Statement has been prepared under "Indirect Method" as set out in Accounting Standard - 3 on "Cash Flow Statements" notified under Section 133 to the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- Figures in brackets indicate cash outflow except deferred tax and dividend income in adjustment to net profit

For Walker Chandio & Co LLP
Chartered Accountants
Firm Registration No. 001076N/N500013

Sudhir Pillai

Sudhir N. Pillai
Partner
Membership no.: 079597

Place: Mumbai
Date : 04 August 2021



For and on behalf of the Board of Directors

Narasimhan Krishnaswamy

Narasimhan Krishnaswamy
Director
DIN: 00219883

Place: Mumbai
Date : 02 August 2021

Sivaraman Swaminathan

Sivaraman Swaminathan
Director
DIN : 01881224



Hansa Customer Equity Private Limited
Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

1 General information

The consolidated financial statements relate to Hansa Customer Equity Private Limited and its subsidiary companies ("the Group"). The following subsidiary companies is considered in the consolidated financial statements.

Name of the subsidiary	Country of incorporation	% of holding either directly or through subsidiary as at 31 March 2021
Hansa Direct Private Limited	India	100%
Autosenses Private Limited	India	100%
Dsquare Solutions Private Limited	India	60.36%

2. Significant accounting policies and practices

2.1 Basis of consolidation

a Basis of preparation

The consolidated financial statements has been prepared in accordance with the generally accepted accounting principles (GAAP) in India under the historical cost convention on accrual basis. These consolidated financial statements have been prepared to comply in all material aspects with the Accounting Standards prescribed by the Central Government, in accordance with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and Section 133 of the Companies Act, 2013 (the "Act"). All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non current classification of assets and liabilities.

The preparation of consolidated financial statements in conformity with GAAP requires the management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the consolidated financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, provision for doubtful debts/ advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

2.2 Principles of consolidation

The consolidated financial statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances/ transactions and elimination of resulting unrealised profits, if any in accordance with Accounting Standard ('AS') - 21 'Consolidated Financial Statements' notified by Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) in respect of Section 133 of the Act. The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

2.3 Income recognition

Revenue from sale of service is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

2.4 Property, plant and equipment and depreciation

a) Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any cost attributable for bringing the asset to its working condition for its intended use.

b) The Group provides pro-rata depreciation on additions and disposals made during the year. Depreciation on property, plant and equipment is provided under the straight line method over the useful lives of assets as prescribed under Part C of Schedule II of the Act except for computers are depreciated over a period of six years, based on internal assessment and technical evaluation carried out by the management, 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 and maintenance support, etc.

2.5 Intangibles and amortisation

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives. The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Platforms and solutions are amortised over a period of 3 years/6 years as applicable.

Cost of intangible assets not ready for intended use before such date is disclosed under intangibles under development.

2.6 Foreign currency transactions

Initial Recognition: Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

Conversion: Monetary assets and liabilities denominated in foreign currency are converted at the rate of exchange prevailing on the date of the balance sheet.

Exchange differences: Exchange differences arising on the settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognised as income or as expenses in the year in which they arise.

2.7 Investments

Investments that are readily realisable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the consolidated financial statements at lower of cost and fair value.

Profit or loss on sale of investments is recorded on transfer of title from the Group and is determined as the difference between the sales price and the carrying value of the investment.



2.8 Retirement benefits

Defined contribution plan

Retirement benefits in the form of provident fund is charged to the consolidated statement of profit and loss of the year when the contribution to the fund is due. The Group makes ESIC contributions for qualifying employees. The contributions payable to the plan by the Group are at rates specified in the rules of the scheme.

Defined benefit plan

The Group provides for gratuity, a defined benefit plan covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The Group's liability is actuarially determined at the end of each year. Actuarial losses/ gains are recognised in the consolidated statement of profit and loss in the year in which they arise.

2.9 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition/ construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time the assets are substantially ready for their intended use. All other borrowing costs are recognised as an expense in Consolidated Statement of Profit and Loss in the period in which they are incurred.

2.10 Leases

As a lessee:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated statement of profit and loss on a straight-line basis over the period of the lease.

As a lessor:

Lease income on operating leases are recognised in the consolidated statement of profit and loss on a straight line basis over the lease term which is representative of the time pattern in which benefit derived from the use of the leased asset is diminished.

2.11 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.12 Taxation

a) Current tax

Provision for current tax is recognised based on the estimated tax liability computed after taking credit for allowances and exemptions in accordance with the Income Tax Act, 1961.

b) Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the consolidated financial statements' carrying amounts of existing assets and liabilities and their respective tax base. Deferred tax assets and liabilities are measured using the enacted tax rates or tax rates that are substantively enacted at the balance sheet dates. The effect on deferred tax assets and liabilities of a change in tax rates is recognised in the period that includes the enactment date. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in the future. Such assets are reviewed at each balance sheet date to reassess realisation.

c) Minimum alternate tax

Minimum alternate tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during the specified period.

2.13 Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. The recoverable amount of the assets (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. Impairment loss is recognised in the statement of profit and loss or against revaluation surplus where applicable.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation/amortisation if there were no impairment.

2.14 Provisions and contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2.15 Cash and cash equivalents

In the statement of cash flow, cash and cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.



	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
3 Share capital		
Authorised		
100,000,000 equity shares (Previous year : 100,000,000) of Re.1 each	100,000,000	100,000,000
2,000,000 preference shares (Previous year : 2,000,000) of Re.1 each	2,000,000	2,000,000
	102,000,000	102,000,000
Issued, subscribed and fully paid up		
5,382,070 equity shares of Re.1 each	5,382,070	5,382,070
	5,382,070	5,382,070

(a) Reconciliation of share capital

(i) Equity shares

	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	5,382,070	5,382,070	3,777,910	3,777,910
Add: Issued during the year	-	-	-	-
Add: Converted from OCPS (Refer note (b) (ii))	-	-	1,604,160	1,604,160
Less: Redeemed during the year	-	-	-	-
Balance at the end of the year	5,382,070	5,382,070	5,382,070	5,382,070

(ii) 0.01% optionally convertible preference shares

	As at 31 March 2021		As at 31 March 2020	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	-	-	1,604,160	1,604,160
Add: Issued during the year	-	-	-	-
Less: Converted into equity shares (Refer note (b) (ii))	-	-	1,604,160	1,604,160
Balance at the end of the year	-	-	-	-

(b) Terms/rights of shares:

- (i) The Company has only one class of equity share having a par value of Re.1 per share. Each holder is entitled to one vote per equity share. Repayment of capital will be in proportion to the number of equity shares held. The equity shares are entitled to receive dividend when declared. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, in proportion to the number of equity shares held.
- (ii) The Company has only one class of preference share as optionally convertible preference shares (OCPS) having a par value of Re. 1 per share. All OCPS are issued at a coupon rate of 0.01% p.a. The OCPS are entitled to the same economic rights as the equity shares of the Company, however, in priority to the economic rights attached to the equity shares of the Company. The OCPS are cumulative with respect to dividend. OCPS were eligible for conversion into equity shares at the option of the holders of OCPS, anytime within a period of 20 years from the date of issue. However, the shares are not redeemable. Pursuant to the approval of the Management Committee of the Board of Directors dated 03 October 2019, the Company approved the allotment for conversion of aforesaid OCPS into 1,604,160 equity shares of face value of Re. 1 each at a price of Re. 1 per equity share.

(c) Details of shareholders holding more than 5% shares in the Company

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding
Equity shares				
Hansa Vision India Private Limited	4,978,846	92.51%	3,149,896	58.53%
Prem Marketing Ventures LLP	-	0.00%	1,604,260	29.81%
Mr. Swaminathan Sivaraman	-	0.00%	340,000	6.32%
Mr. Ajay Kelkar	287,914	5.35%	287,914	5.35%

(d) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% holding	No. of shares	% holding
Hansa Vision India Private Limited	4,978,846	92.51%	3,149,896	58.53%

(e) The Company has neither issued bonus shares nor there has been any buy back of shares during the five years immediately preceding 31 March 2021.

	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
4 Reserves and surplus		
Securities premium reserves		
Balance at the beginning of the year	327,660,667	327,660,667
Add: premium on issue of shares	-	-
Balance at the end of the year	327,660,667	327,660,667
Surplus in the statement of profit and loss		
Balance at the beginning of the year	110,927,944	101,101,484
Add: transferred from statement of profit and loss	11,397,978	9,826,460
Add: Reserves transferred to minority interest during the year	-	-
Balance at the end of the year	122,325,922	110,927,944
Stock options outstanding		
Balance at the beginning of the year	-	4,700,400
Stock options expenses	-	(4,700,400)
Balance at the end of the year	-	-
Capital reserve		
Balance at the beginning of the year	4,578,417	2,605,750
Capital reserve on acquisition of shares	-	1,972,667
Balance at the end of the year	4,578,417	4,578,417
	454,565,006	443,167,028



	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
5 Long-term borrowing (Secure.) Working Capital Term Loan	6,147,167 <u>6,147,167</u>	- <u>-</u>
Nature of security and terms of repayment for secured borrowings		
Working Capital Term Loan under Emergency Credit Line Guarantee Scheme 2.0 Loan from Yes Bank of Rs. 6,706,000 received during year repayable in 36 equated installments (after moratorium of 12 Months) from January 2022 with interest of 8.55% per annum as at balance sheet date. The above loan is secured by exclusive charges on current assets financed through the addition working capital term loan. Second pari-passu charge on current assets and movable fixed assets of the Company with HDFC Bank and Second charge/lien on Mutual Fund units with minimum cover of 0.2*(MF-Aditya Birla Sun Life Liquid Fund- Daily Dividend- regular plan).		
6 Long-term provision Provision for gratuity (refer note 27) Lease Equalisation Reserve Provision for leave encashment	6,349,477 1,026,000 1,340,582 <u>8,716,059</u>	10,172,541 2,028,402 2,278,368 <u>14,479,311</u>
7 Short term borrowings (Secured) Cash Credit* Bill Discounting* Working Capital Drawing Limit*	5,136,175 5,003,179 15,000,000 <u>25,139,354</u>	13,044,453 9,944,868 30,000,000 <u>52,989,321</u>
* Cash credit facility having interest rate of base rate i.e EBLR plus 0.90% per annum during the financial year ended 31 March 2021 was availed from YES Bank. Cash credit, Working Capital Drawing Limit and Bill Discounting is primarily secured by way of hypothecation by way of exclusive charge on all present and future book debts, furniture and fixtures and other current assets. The secondary security Liquid Collateral to the extent of 20% to be maintained.		
Cash credit facility having interest rate of base rate plus 2.35% per annum during the financial year ended 31 March 2021 was availed from HDFC Bank. Cash credit is primarily secured by way of hypothecation by way of exclusive charge on all present and future book debts, furniture and fixtures and other current assets. The secondary security Liquid Collateral to the extent of 47% to be maintained.		
8 Trade payables Total outstanding dues to Micro and Small Enterprises (refer note 8.1) Dues to Related party (refer note 28) Dues to others	- - 31,271,460 <u>31,271,460</u>	- 644,217 81,421,621 <u>82,065,838</u>
8.1 As per the information available with the Company, there are no Micro or Small Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly, no additional disclosure has been made. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. There is no interest paid or payable during the year.		
9 Other current liabilities Current maturity of long-term debt Statutory dues Employee related payables Security deposits Provision for expenses Advance received from customers (refer note 28)	558,833 11,028,942 14,958,467 - 31,488,033 14,324,446 <u>72,358,721</u>	- 20,326,335 19,448,877 668,000 29,881,188 27,109,830 <u>97,434,230</u>
10 Short term provisions Rent equalisation reserve Provision for gratuity (refer note 27) Provision for tax Provision for leave encashment	1,872,737 5,138,000 - 1,084,000 <u>8,094,737</u>	2,279,550 4,126,486 1,722,466 1,344,826 <u>9,473,328</u>



(Signature)
Hansa Customer Equity Pvt. Ltd.
Mumbai

Hansa Customer Equity Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

11 Property, plant and equipment

	(Amount in Rs.)				
Gross block	Furniture and fixtures	Office equipments	Computers	Electrical equipments	Total
Balance as at 01 April 2019	17,154,595	12,262,080	66,284,566	3,168,130	98,869,371
Additions	1,705,896	1,173,465	3,985,280	-	6,864,641
Deletions	-	-	-	-	-
Balance as at 31 March 2020	18,860,491	13,435,545	70,269,846	3,168,130	105,734,012
Additions	3,669,032	455,580	3,166,444	-	7,291,056
Deletions	(25,005)	-	-	-	(25,005)
Balance as at 31 March 2021	22,504,518	13,891,125	73,436,290	3,168,130	113,000,063
Accumulated depreciation					
Balance as at 01 April 2019	12,123,005	9,582,817	41,899,154	2,961,972	66,566,949
Depreciation charge	1,488,662	1,226,880	8,240,492	-	10,956,034
Deletions/Adjustments	-	-	-	-	-
Balance as at 31 March 2020	13,611,667	10,809,697	50,139,646	2,961,972	77,522,982
Depreciation charge	1,368,473	1,300,512	9,439,886	-	12,108,871
Deletions/Adjustments	-	-	-	-	-
Balance as at 31 March 2021	14,980,140	12,110,209	59,579,532	2,961,972	89,631,853
Net block					
Balance as at 31 March 2020	5,248,824	2,625,848	20,130,200	206,158	28,211,030
Balance as at 31 March 2021	7,524,378	1,780,916	13,856,758	206,158	23,368,210

12 Intangible assets

Balance as at 01 April 2019	123,889,550	123,889,550
Additions	21,437,714	21,437,714
Deletions	(1,650,239)	(1,650,239)
Balance as at 31 March 2020	143,677,025	143,677,025
Additions	11,495,418	11,495,418
Deletions	-	-
Balance as at 31 March 2021	155,172,443	155,172,443
Accumulated amortisation		
Balance as at 01 April 2019	74,424,963	74,424,963
Amortisation charge	29,482,550	29,482,550
Deletions/Adjustments	-	-
Balance as at 31 March 2020	103,907,513	103,907,513
Amortisation charge	15,336,289	15,336,289
Deletions/Adjustments	(558,953)	(558,953)
Balance as at 31 March 2021	118,684,849	118,684,849
Net block		
Balance as at 31 March 2020	39,769,512	39,769,512
Balance as at 31 March 2021	36,487,594	36,487,594



	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
13 Long-term loans and advances (Unsecured, considered good unless stated otherwise)		
Security deposits	29,085,153	28,340,065
MAT Credit Entitlement	3,163,430	1,993,306
Advance income tax (net of provision for tax)	83,040,951	150,823,529
	115,289,534	181,156,900
14 Deferred tax (net)		
Deferred tax liability On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	2,194,881	2,539,443
Deferred tax assets Provision for gratuity	-	(1,272,349)
	2,194,881	1,267,094
14 (a) Deferred tax assets		
Provision for gratuity	3,333,976	4,104,219
Provision for bonus	2,643,160	2,262,000
Rent equalisation reserve	835,463	1,120,068
Provision for Doubtful Debts	-	584,843
Tax Losses Carried forward	5,486,271	4,647,588
Provision for Compensated Absences	-	342,210
On timing difference between book depreciation and depreciation as per Income Tax Act, 1961	7,974,168	8,000,848
	20,273,038	21,061,776
15 Current investment (Unquoted) (At lower of cost and fair value)		
Investment in mutual fund 272,745.96 units (previous year: 264,591.17 units) Aditya Birla Sun Life Liquid Fund Daily Dividend - Regular Plan (Formerly known as Aditya Birla Sun Life Cash Plus)* HDFC Cash Management Fund	27,397,537	33,938,477
	89,234	86,310
	27,486,771	34,024,787
* It is lien against bank loan		
16 Trade receivables (Unsecured, considered good unless stated otherwise)		
Outstanding for a period less than six months from the date they are due for payment	97,969,379	173,236,264
Outstanding for a period exceeding six months from the date they are due for payment	18,215,397	24,836,036
Due From Related Party (refer note 28)	2,483,724	102,865
Unsecured, considered doubtful	-	2,249,397
Less: Provision for doubtful debts	-	(2,249,397)
	118,668,500	198,175,165
17 Cash and bank balances		
Cash and cash equivalents Cash on hand	109,547	63,101
Balances with bank - In current accounts	70,262,629	60,335,631
Other bank balances Deposits with banks having maturity more the 3 months and less than 12 months*	17,443,815	2,724,363
	87,815,991	63,123,095
* It is lien against credit card		
18 Short-term loans and advances (Unsecured, considered good unless stated otherwise)		
Security deposits	525,000	3,284,322
Advance recoverable in cash or kind or for value to be receivable (refer note 28)	400,000	56,706,590
Loan to related party (refer note 28)*	104,303,590	-
Loans and advances to employees	553,849	583,418
Advances to Suppliers	572,076	7,183,505
Others	1,023,497	-
	107,378,012	67,757,835
*No loans are due from directors or other officers of the Company either severally or jointly with any other person. Loan of Rs. 104,303,590 (31 March 2020: Nil) is due from private company in which director is a director. (Refer note 28)		
Hansa Vision Private Limited Balance as at the year end	104,303,590	-
Maximum amount outstanding at any time during the year (The loan has been provided for business purpose (rate of interest : 9.5%))	127,300,000	-
19 Other current asset		
Unbilled revenue	31,057,434	21,513,578
Accrued Interest on loan to related party	11,299,050	-
Accrued Interest	-	5,859,292
Prepaid expenses	4,245,321	4,025,991
	46,601,805	31,398,861



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	Year ended 31 March 2021 Rs.	Year ended 31 March 2020 Rs.
20 Revenue from operations		
Revenue from rendering of services	546,920,868	800,119,382
	546,920,868	800,119,382
21 Other income		
Dividend income	923,540	3,034,815
Interest on bank deposit	1,888,576	281,568
Interest on income tax refund	2,561,967	8,723,882
Interest on loan given to related party (refer note 28)	11,299,050	-
Rent Income	209,000	-
Excess liabilities/ provisions written back	-	4,801,715
Other Miscellaneous Income	909,413	43,978
	17,791,546	16,886,958
22 Direct costs		
Campaign Services	32,644,211	87,959,432
Printing and Production Cost	2,926,909	21,019,064
Operating Expenses	5,887,078	1,515,993
Professional Services	1,915,806	2,962,089
Digital Media Services	1,223,888	6,767,388
Others	4,416,919	3,101,133
	49,014,811	123,325,099
23 Employee benefits expense		
Salaries and bonus	310,782,789	418,115,600
Contribution to provident and other funds	20,692,666	28,859,507
Contribution to gratuity (refer note 27 (a))	3,059,999	2,790,672
Staff welfare expenses	1,887,857	5,182,678
	336,423,311	454,948,457
24 Finance costs		
Interest expense	3,875,625	4,241,781
Bank charges	327,242	312,959
	4,202,867	4,554,740
25 Depreciation and amortisation expenses		
Depreciation on Property, plant and equipment (refer note 11)	12,108,871	10,956,034
Amortisation on intangible assets (refer note 12)	14,777,336	29,482,550
	26,886,207	40,438,584
26 Other expenses		
Information technology costs	17,212,154	27,755,012
Business support costs	-	962,905
Recruitment expenses	785,378	3,308,932
Sales, marketing and business development	2,549,442	1,699,965
Administrative expenses	9,030,679	14,458,651
Rent (refer note 30)	40,670,722	54,947,948
Rates and taxes	1,993,507	1,752,512
Power	7,164,073	13,291,038
Repairs and maintenance	873,447	1,240,798
Insurance	1,532,593	1,308,997
Printing and stationery	545,629	994,587
Auditors remuneration (Refer note a below)	1,740,000	1,000,000
Travelling and conveyance	2,564,400	8,174,205
Communication	1,211,704	2,687,317
Legal and professional fees	38,647,188	35,998,213
Subscription and membership fees	5,345,345	9,084,978
Bad debts written off	1,143,761	712,087
Loss on exchange fluctuation	-	102,336
Miscellaneous expenses	476,151	994,005
	133,486,173	180,474,486
a) Auditors remuneration (Excluding taxes)		
Statutory Audit	1,000,000	1,000,000
Others	-	-
Total	1,000,000	1,000,000



27 Employee benefit obligations (of the Company only)

a) Defined benefit plan

The following table set out the status of the gratuity plan as required under Accounting Standard (AS) - 15 - Employee Benefits and the reconciliation of opening and closing balances of the present value of the defined benefit obligation.

	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Reconciliation of defined benefit obligation		
Liability at the beginning of the year	8,626,000	8,032,000
Transfer in/(out)	-	-
Current service cost	1,187,000	1,638,000
Interest cost	416,000	530,000
Benefits paid	(5,160,000)	(844,000)
Past service cost	531,000	-
Actuarial loss	281,000	(730,000)
Liability at the end of the year	5,881,000	8,626,000
	Year ended 31 March 2021 Rs.	Year ended 31 March 2020 Rs.
Expenses recognised in the statement of profit and loss (net)		
Current service cost	1,187,000	1,638,000
Interest cost	416,000	530,000
Past service cost	531,000	-
Actuarial loss	281,000	(730,000)
Expense recognised in the statement of profit and loss	2,415,000	1,438,000
	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
Recognised in the balance sheet		
Present value of defined obligation	5,881,000	8,626,000
Fair value of plan assets	-	-
Net liability	5,881,000	8,626,000
Less: unrecognised past service cost	-	-
Net liability recognised in the balance sheet	5,881,000	8,626,000
Non current liability	3,160,000	5,476,000
Current liability	2,721,000	3,150,000
	As at 31 March 2021	As at 31 March 2020
Actuarial assumptions		
Salary growth rate	4% p.a.	4% p.a.
Discount rate	3.9% p.a.	4.8% p.a.
Withdrawal/attrition rate	50% p.a.	40% p.a.
Mortality rate	IALM 2012-14 (UIL)	IALM 2012-14 (UIL)
Expected average remaining working lives of employees	1 years	1.5 years
Experience adjustments		(Amount in Rs.)
	31 March 2021	31 March 2020
Defined benefit obligation	5,881,000	8,626,000
Fair value of plan assets	-	-
Deficit	(5,881,000)	(8,626,000)
Experience adjustment on plan liabilities: (gain)/loss	598,000	22,000
Experience adjustment on plan assets: (gain)/loss	NA	NA
	31 March 2019	31 March 2018
	8,032,000	7,046,000
	-	-
	(8,032,000)	(7,046,000)
	47,000	255,000
	NA	NA
	NA	NA

b) Defined contribution plan

The amount recognised as an expense during the year ended 31 March 2021 towards Provident Fund, National Pension Scheme, Maharashtra Labour Welfare and ESIC contribution is Rs. 8,863,091 (Previous Year Rs.12,292,751), Rs. 1,516,173 (Previous Year Rs. 2,106,662), Rs. 8,161 (Previous Year Rs. 15,012) and Rs.50,239 (Previous Year Rs.53,606) respectively.

28 Related party disclosures

a) As required under accounting standard 18 - List of related parties and relationships with whom transaction have taken place and relationships of control.

Relationship	Name of the Persons / Company
a) Holding Company	Hansa Vision Private Limited
b) Group Companies	R K Swamy BBDO
c) Key Managerial Personnel (KMP)	Swaminathan Sivaraman
d) Entity in which KMP of the Company is interested	Kricon Capital Advisor LLP

b) Transactions during year and amount outstanding at the year end

Name of the related party and relationship	Description of the nature of transactions	31 March 2021	31 March 2020
a) Holding Company Hansa Vision Private Limited	Loan Granted during the year	72,000,000	-
	Conversion of advance in loan	55,300,000	-
	Loan recovered	23,000,000	-
	Interest Income	11,299,050	-
	Professional Fees	5,600,000	-
	Amount outstanding at year end		
	Advance recoverable in cash or kind or for value to be receivable	-	55,303,590
	Outstanding loan balance	104,303,590	-
	Accrued interest	11,299,050	-
	Provision for Expense - Professional Fees	5,600,000	-
b) Group Company R K Swamy BBDO	Sale of services	2,884,226	-
	Amount repaid	23,000,000	-
	Rent expenses	207,000	-
	Amount outstanding at year end		
	Advance received from client	-	23,000,000
	Trade Receivable - Dues from related party	2,483,724	-



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Name of the related party and relationship	Description of the nature of transactions	31 March 2021	31 March 2020
d) Key Managerial Person (KMPs) Swaminathan Sivaraman	Remuneration Legal and professional Fees	4,144,531 10,250,000	9,549,692 -
e) Entity in which KMP of the Company is interested Kricon Capital Advisor LLP	Professional services Amount outstanding at year end Trade Receivable - Dues from related party Trade Payable - Dues from related party	150,000 - - -	9,078,000 102,865 644,217 -

	As at 31 March 2021 Rs.	As at 31 March 2020 Rs.
29 Expenditure in foreign currency (on accrual basis) Subscription and membership fees* Total	6,118,994 6,118,994	4,380,740 4,380,740

* Including prepaid expenses.

30 Disclosures in respect of non-cancellable operating leases

Payable not later than one year	34,081,536	23,871,324
Payable later than one year not later than five years	73,012,629	57,606,481
Payable later than five years		

Lease rental expense recognised in the statement of profit and loss for the year ended 31 March 2021 in respect of the operating leases is Rs. 40,670,722 (Previous year: Rs. 54,947,948).

31 Earnings per share

Net profit for the year for the calculation of basic earnings per share (Rs.)	11,397,978	9,826,460
Weighted average number of equity shares for basic earnings per share	5,382,070	4,573,398
Basic earnings per share	2.12	2.15
Net profit for the year for the calculation of diluted earnings per share (Rs.)	11,397,978	9,826,460
Weighted average number of ordinary equity shares for diluted earnings per share.	5,382,070	4,669,850
Diluted earnings per share (Rs.)	2.12	2.10
Nominal value per share (Rs.)	1	1

32 The Group has only one reportable segment i.e. income from marketing services which includes business of developing customer relationship management solutions using data analytics and providing other customer focused marketing services, per Accounting Standard 17 on Segment reporting as specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014 (as amended).

Secondary segment reporting : The Company does not have geographical distribution of revenue hence the secondary segmental reporting based on geographical location of its customers is not applicable to the Company.

33 Contingent liabilities

The Honourable Supreme Court, has passed a decision on 28 February 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, has been legally advised to wait for further clarification in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

Amount not
Determinable

Amount not
Determinable

34 The Company has implemented Employee Stock Option Plans for the key employees of the Company. All the options issued by the Company are equity share based options which have to be settled in equity shares only. The shares to be allotted to employees under the Employee Stock Option Scheme 2015 (the 'ESOP scheme') were through fresh issue of equity shares by the Company.

The Company accounts for Employee Share Based Payments using the fair value method. The fair value of the stock options issued by the Company to its employees for services rendered by them is measured as the amount by which the fair value of the Company's share as on the date of grant exceeds the exercise price of the stock option. Considering that the stock options have been issued with an exercise price that equals the fair value of Company's share price on the date of grant there is no compensation cost recognised in the financial statements using the fair value method for Employee Stock Option Scheme 2015. For the Employee Stock Option Scheme 2015, the Company has recognised cost based on the Guidance Note on Accounting for Employee Share-based Payments (the 'Guidance Note') issued by the Institute of Chartered Accountants of India, establishes financial accounting and reporting principles for employee share-based payment.

ESOP scheme	Date of adoption by board/ members	No of options granted	Exercise price	Initial grant date	Exercise period
Employee Stock Option Scheme 2015 - Growth	28-Oct-15	190,944	81.00	23-Mar-16	48 months
Employee Stock Option Scheme 2015 - Thank you Option	28-Oct-15	5,220	81.00	23-Mar-16	12 months
Employee Stock Option Scheme 2015 - Growth	28-Jun-17	66,300	102.37	28-Jun-17	48 months

Employee Stock Option Plan - Employee Stock Option Scheme 2015

Particulars	March 31, 2021	March 31, 2020
Options outstanding at the beginning of the year	96,452	121,274
Options granted during the year	Nil	Nil
Options exercised during the year	Nil	Nil
Less: Options lapsed/forfeited during the year	96,452	24,822
Options outstanding at the end of the year	-	96,452



Hansa Customer Equity Private Limited

Summary of significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

35 Statement of Consolidated net assets and Consolidated profit attributable to Owners and Minority Interest

a) For disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:
For 31 March 2021

Name of the entities	Country of incorporation	% of effective holding by Hansa Customer Equity Private Limited as at March 31, 2021	% of effective holding by Hansa Customer Equity Private Limited as at March 31, 2020	Net Assets, i.e. total assets minus total liabilities		Share in profit/(loss)	
				As % of consolidated net assets	Amount	As % of consolidated profit	Amount
Holding company:							
Hansa Customer Equity Private Limited	India			97%	446,188,388	63%	7,131,094
Subsidiaries:							
Indian							
Hansa Direct Private Limited	India	100%	100%	4%	16,753,075	12%	1,332,724
Dsquare Solutions Private Limited	India	60.36%	60.36%	9%	43,471,601	19%	2,213,373
Autosense Private Limited	India	100%	100.00%	12%	56,183,053	6%	720,647
Subtotal					562,596,116		11,397,838
Adjustments arising out of consolidation				-22%	(102,649,041)	0%	140
Total				100%	459,947,076	100%	11,397,978

For 31 March 2020

Name of the entities	Country of incorporation	% of effective holding by Hansa Customer Equity Private Limited as at March 31, 2020	% of effective holding by Hansa Customer Equity Private Limited as at March 31, 2019	Net Assets, i.e. total assets minus total liabilities		Share in profit/(loss)	
				As % of consolidated net assets	Amount	As % of consolidated profit	Amount
Holding company:							
Hansa Customer Equity Private Limited	India			98%	439,057,294	10%	1,270,918
Subsidiaries:							
Indian							
Hansa Direct Private Limited	India	100%	100%	3%	15,420,351	66%	8,455,830
Dsquare Solutions Private Limited	India	60.36%	60.36%	9%	41,258,228	-53%	(6,844,481)
Autosense Private Limited	India	100%	50.10%	12%	55,462,411	78%	9,973,309
Subtotal					551,198,284		12,855,576
Adjustments arising out of consolidation				-23%	(102,649,186)	0%	1,086
Total				100%	448,549,098	100%	12,856,662

b) The contribution of the subsidiaries acquired and incorporated during the year (before inter-company elimination) is as under
For 31 March 2021 - Not Applicable

For 31 March 2020

Name of Subsidiary	Revenue	Net Profit	Net Assets
Autosense Private Limited	138,213,667	(6,844,481)	(55,462,411)



36 In March 2020, the World Health Organisation (WHO) declared COVID-19 a global pandemic. Consequent to this, Government of India declared nation-wide lockdown on 24 March 2020, which has impacted normal business operations of the Company. The Group has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these consolidated financial statements, to determine the impact on the Group's revenue from operations and the consequent impact on liquidity position for the next year and the recoverability and carrying value of certain assets such as property, plant and equipment, other receivables and trade receivables. The impact of Covid-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Group's financial statements, which may differ from that considered as at the date of approval of these consolidated financial statements. As the situation is unprecedented, while the lockdown is gradually lifting, the Group is yet closely monitoring the situation as it evolves in the future. The Group has resumed its business activities by taking steps to strengthen liquidity position, in line with guideline issued by the Government authorities. The Group does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations.

As per our report of even date attached

For Walker Chandio & Co LLP
Chartered Accountants

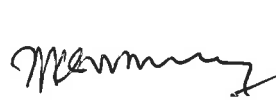


Sudhir N. Pillai
Partner
Membership no.: 105782

Place: Mumbai
Date : 04 August 2021



For and on behalf of the Board of Directors



Narasimhan Krishnaswamy
Director
DIN: 00219883



Swaminathan Sivaraman
Director
DIN : 01881224

Place: Mumbai
Date : 02 August 2021

