B S R & Associates LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Mistral Solutions Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mistral Solutions Private Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

Registered Office:
14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Management's and Board of Directors Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its standalone financial statements - Refer Note 34 and 52 to the standalone financial statements.

   b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 24 and Note 45 to the standalone financial statements.

   c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 48 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the

Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 48 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Sagar Lulla

Sagar Lulla

Partner

Membership No.: 137645

ICAI UDIN:23137645BGZNOA9420

Place: Bengaluru

Date: 21 May 2023

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mistral Solutions Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and granted loans to companies, in respect of which the requisite information is as below. The Company has not made any investments in firms, limited liability partnership or any other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans as below:

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Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mistral Solutions Private Limited for the year ended 31 March 2023 *(Continued)*

Particulars	Loans
Aggregate amount during the year – Subsidiaries*	– INR 24.04 Lakhs
Aggregate amount outstanding as at the balance sheet date – Subsidiaries*	– (nil)

**As per the Companies Act, 2013*

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. The Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest are repayable on demand. As informed to us, the Company has demanded repayment of the loan and received it during the year. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of loans given to its subsidiary, the schedule for repayment of principal and payment of interest have not been stipulated and accordingly we are unable to comment on the amount overdue for more than ninety days. However, the said loan has been repaid during the year. Further, the Company has not given any advances in nature of loan to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

	All Parties	Related Parties
Aggregate of loan - Repayable on demand (A) - Agreement does not specify any terms or period of Repayment (B)	INR 24.04 Lakhs (nil)	INR 24.04 Lakhs (nil)
Total (A+B)	INR 24.04 Lakhs	INR 24.04 Lakhs

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mistral Solutions Private Limited for the year ended 31 March 2023 *(Continued)*

	All Parties	Related Parties
Percentage of loans to the total loans	100%	100%

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Employees State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount	Period to which the amount relates	Forum where dispute is pending
The Income tax Act 1962	Income tax and Interest	INR 145.99 Lakhs	Assessment year 2012-2013, 2016-17 to 2018-19	Commissioner of Income Tax (Appeals), Bangalore

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mistral Solutions Private Limited for the year ended 31 March 2023 *(Continued)*

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. Further, the Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2023.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Act. Further, the Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2023.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mistral Solutions Private Limited for the year ended 31 March 2023 *(Continued)*

(xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.

(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project.

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Mistral Solutions Private Limited for the year ended 31 March 2023 *(Continued)*

Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Sagar Lulla

Sagar Lulla

Partner

Membership No.: 137645

ICAI UDIN:23137645BGZNOA9420

Place: Bengaluru

Date: 21 May 2023

Annexure B to the Independent Auditor's Report on the standalone financial statements of Mistral Solutions Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Mistral Solutions Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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.

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 included obtaining an understanding of internal financial controls with reference to financial statements, 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 standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Annexure B to the Independent Auditor's Report on the standalone financial statements of Mistral Solutions Private Limited for the year ended 31 March 2023 *(Continued)*

Meaning of Internal Financial Controls with Reference to Financial Statements

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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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 the 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.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024

Sagar Lulla

Sagar Lulla

Partner

Membership No.: 137645

ICAI UDIN:23137645BGZNOA9420

Place: Bengaluru

Date: 21 May 2023

Mistral Solutions Private Limited
Standalone Balance Sheet

Rs. in lakhs

As at	Note	31 March 2023	31 March 2022
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	867.06	823.12
(b) Right of use assets	5	437.41	582.65
(c) Intangible assets	6	154.12	92.64
(d) Financial assets			
(i) Investments	7	960.39	513.34
(ii) Trade receivables	8	-	6.96
(iii) Loans receivable	9	-	426.87
(iv) Other financial assets	10	221.03	195.50
(e) Deferred tax assets (net)	33	120.03	88.98
(f) Income tax assets (net)	33	182.43	248.14
(g) Other non-current assets	11	6.03	8.60
Total non-current assets		**2,948.50**	**2,986.80**
(2) Current assets			
(a) Inventories	12	6,085.96	4,659.81
(b) Financial assets			
(i) Investments	13	2,453.21	809.69
(ii) Trade receivables	14	5,348.04	4,827.36
(iii) Cash and cash equivalents	15	1,222.68	872.30
(iv) Bank balances other than (iii) above	15	1,446.63	2,229.14
(v) Other financial assets	16	670.41	98.44
(c) Other current assets	17	5,747.77	5,265.35
Total current assets		**22,974.70**	**18,762.09**
Total assets		**25,923.20**	**21,748.89**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	18	203.39	190.27
(b) Instrument entirely equity in nature	18	1.90	1.90
(c) Other equity	19	16,359.92	13,791.17
Total equity		**16,565.21**	**13,983.34**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	35	169.26	246.65
(b) Provisions	20	203.02	229.33
Total non-current liabilities		**372.28**	**475.98**
(2) Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	35	297.95	347.24
(ii) Trade payables	21		
(a) total outstanding dues of micro and small enterprises ; and		135.84	189.82
(b) total outstanding dues of creditors other than micro and small enterprises		2,464.23	3,042.96
(iii) Other financial liabilities	22	1,066.34	380.13
(b) Other current liabilities	23	3,786.86	2,514.56
(c) Provisions	24	945.53	727.61
(d) Current tax liabilities (net)	33	288.96	87.25
Total current liabilities		**8,985.71**	**7,289.57**
Total liabilities		**9,357.99**	**7,765.55**
Total equity and liabilities		**25,923.20**	**21,748.89**
Significant accounting policies	3		

The Notes 1 to 52 are an integral part of these standalone financial statements.

As per our report of even date attached
for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

Sagar Lulla
Partner
Membership Number: 137645

Sagar lulla

Place: Bengaluru, India
Date: 21 May 2023

for and on behalf of the Board of Directors of
Mistral Solutions Private Limited
CIN : U72200KA1999PTC025232

Rajeev Ramachandra
Director
DIN: 00178796
Place: Bengaluru, India

Mujahid Alam
Director and Chief Executive Officer
DIN: 02651595
Place: Bali, Indonesia

Anoop Agarwal
Chief Financial Officer

Place: Goa, India
Date: 20 May 2023

Mistral Solutions Private Limited

Standalone Statement of Profit and Loss

Rs. in lakhs

For the year ended		Note	31 March 2023	31 March 2022
I.	Revenue from operations	25	27,012.00	18,737.28
II.	Other income	26	244.53	317.17
III.	**Total income (I+II)**		**27,256.53**	**19,054.45**
IV.	**Expenses**			
	Cost of materials consumed	27	10,018.65	7,499.65
	Purchase of stock-in-trade		3,205.57	1,126.87
	Changes in inventories of finished goods, stock-in-trade and work-in- progress	28	(204.00)	(1,049.76)
	Employee benefits expense	29	8,247.09	6,143.15
	Finance costs	30	78.29	70.00
	Depreciation and amortisation expense	31	678.13	600.01
	Other expenses	32	1,919.81	1,361.27
	Total expenses		**23,943.54**	**15,751.19**
V.	**Profit before tax (III-IV)**		**3,312.99**	**3,303.26**
VI.	**Tax expense**			
	(i) Current tax	33	1,168.76	861.65
	(ii) Deferred tax	33	(31.04)	(16.09)
			1,137.72	**845.56**
VII.	**Profit for the year (V-VI)**		**2,175.27**	**2,457.70**
VIII.	**Other comprehensive income**			
	Items that will not to be reclassified subsequently to statement of profit or loss:			
	Remeasurements of the net defined benefit liability / asset		(1.47)	(44.60)
	Income tax relating to items not to be reclassified subsequently to statement of profit or loss		0.37	11.22
	Other comprehensive income, net of tax		**(1.10)**	**(33.38)**
IX.	**Total comprehensive income for the year (VII+VIII)**		**2,174.17**	**2,424.32**
	Earnings per share (nominal value of Rs 5 each)			
	Attributable to equity holders of the Company			
	Basic [in Rs]	37	53.93	63.95
	Diluted [in Rs]	37	53.93	59.43
	Significant accounting policies	3		

The Notes 1 to 52 are an integral part of these standalone financial statements.

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DIN: 02651595
Place: Bali, Indonesia

Anoop Agarwal
Chief Financial Officer

Place: Goa, India
Date: 20 May 2023

Mistral Solutions Private Limited
Standalone statement of changes in equity

A. Equity Share Capital

Particulars	Note	Amount
Balance as at April 1, 2021	18	190.27
Changes in equity share capital during the year		-
As at March 31, 2022		190.27
Changes in equity share capital during the year		13.12
As at March 31, 2023		203.39

B. Instruments entirely equity in nature

Particulars	Note	Amount
Balance as at April 1, 2021	18	1.90
Changes in Equity Component of convertible preference shares during the year		-
As at March 31, 2022		1.90
Changes in Equity Component of convertible preference shares during the year		-
As at March 31, 2023		1.90

C. Other Equity

Rs. in lakhs

Particulars	Attributable to the equity shareholders of the Company								Total
	Reserves and surplus							Other comprehensive income	
	Securities premium	Equity contribution by preference and equity share holders on relinquishment of rights	Retained earnings	Capital redemption reserve	Capital reserve	General reserve	Share options outstanding account	Other items of OCI	
Balance as at 1 April 2021	888.19	941.65	8,988.09	45.73	-	55.30	183.57	(22.39)	11,080.14
Changes in equity for the year ended 31 March 2022									
Share based payment (refer note 44)	-	-	-	-	-	-	286.71	-	286.71
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	(33.38)	(33.38)
Profit for the year	-	-	2,457.70	-	-	-	-	-	2,457.70
Balance as at 31 March 2022	888.19	941.65	11,445.79	45.73	-	55.30	470.28	(55.77)	13,791.17

Particulars	Attributable to the equity shareholders of the Company								Total
	Reserves and surplus							Other comprehensive income	
	Securities premium	Equity contribution by preference and equity share holders on relinquishment of rights	Retained earnings	Capital redemption reserve	Capital reserve	General reserve	Share options outstanding account	Other items of OCI	
Balance as at 1 April 2022	888.19	941.65	11,445.79	45.73	-	55.30	470.28	(55.77)	13,791.17
Changes in equity for the year ended 31 March 2023									
Share based payment (refer note 44)	-	-	(289.91)	-	556.62	-	403.14	-	669.85
Option Premium on fair valuation of derivative (refer note 45)	-	-	(565.18)	-	-	-	-	-	(565.18)
Transfer from share options outstanding account (refer note 44)	305.51	-	-	-	857.82	-	-	-	1,163.33
Transfer to securities premium on issue of equity shares	-	-	-	-	-	-	(873.42)	-	(873.42)
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	(1.10)	(1.10)
Profit for the year	-	-	2,175.27	-	-	-	-	-	2,175.27
Balance as at 31 March 2023	1,193.70	941.65	12,765.97	45.73	1,414.44	55.30	-	(56.87)	16,359.92

The Notes 1 to 52 are an integral part of these standalone financial statements
As per our report of even date attached

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Anoop Agrawal
Chief Financial Officer
Place: Goa, India
Date: 20 May 2023

Mujahid Alam
Director and Chief Executive Officer
DIN: 02651595
Place: Bali, Indonesia

Mistral Solutions Private Limited
Standalone Statement of Cash Flows

Rs. in lakhs

For the year ended	31 March 2023	31 March 2022
Cash flow from operating activities		
Profit before tax	3,312.99	3,303.26
Adjustments for :		
Depreciation and amortisation expense	678.13	600.01
Share based payment expense	403.14	286.71
Payment by Holding Company for Cancellation of ESOPs promised but not granted	556.62	-
Option Premium on fair valuation of derivative	(565.18)	-
Net gain on financial asset measured at fair value through statement of profit and loss	(47.34)	(109.45)
Net Loss / (gain) on sale of property, plant and equipment	2.37	(0.52)
Provision no longer required, written back	-	(13.85)
Loss allowance on trade receivables	15.79	35.65
Provision for foreseeable loss on contracts	19.37	-
Advances written off	0.40	-
Unrealised foreign exchange loss (gain) / Loss	(4.73)	12.72
Interest income	(138.81)	(135.11)
Interest expense	78.29	70.00
	4,311.04	**4,049.42**
Changes in		
Inventories	(1,426.15)	(2,795.24)
Trade receivables	(525.82)	(1,559.85)
Loans, other financial assets and other assets	(628.89)	(3,316.10)
Liabilities and provisions	1,497.60	3,486.30
Cash generated / (used in) from operating activities	**3,227.78**	**(135.47)**
Income tax paid, net of refund	(900.97)	(790.93)
Net cash generated / (used in) from operating activities	**2,326.81**	**(926.40)**
Cash flow from investing activities		
Acquisition of property,plant and equipment	(435.91)	(793.40)
Proceeds from sale of property,plant and equipment	4.50	1.02
Purchase of investments	(8,650.11)	-
Sale of investments	6,606.88	2,738.71
Investment in fixed deposits	(55.86)	(496.41)
Redemption / maturity proceeds of fixed deposits	838.37	-
Interest received	136.66	134.30
Net cash (used in) / generated from investing activities	**(1,555.47)**	**1,584.22**
Cash flow from financing activities		
Interest paid	(7.91)	(6.38)
Repayment of lease liabilities	(413.05)	(378.31)
Net cash used in financing activities	**(420.96)**	**(384.69)**
Net change in cash and cash equivalents	**350.38**	**273.13**
Cash and cash equivalents at beginning of year	872.30	599.17
Cash and cash equivalents at end of year	**1,222.68**	**872.30**

Significant accounting policies (Refer Note 3)

The Notes 1 to 52 are an integral part of these standalone financial statements.

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

Sagar Lulla

Sagar Lulla
Partner
Membership Number: 137645

Place: Bengaluru, India
Date: 21 May 2023

for and on behalf of the Board of Directors of
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Director
DIN: 00178796
Place: Bengaluru, India

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Director and Chief Executive Officer
DIN: 02651595
Place: Bali, Indonesia

Anoop Agarwal
Chief Financial Officer
Place: Goa, India
Date: 20 May 2023

1 **Reporting Entity**

Mistral Solutions Private Limited (the 'Company') is a company domiciled in India, with its registered office situated at Bangalore. The Company was incorporated on 20th May 1999 under the provisions of the Indian Companies Act. The Company is primarily engaged in rendering end-to-end services for product design and development in the embedded space. The Company offers design and development services covering hardware and software, customizable product designs and IPs, system integration and other solutions that improve quality and accelerate time-to-market for a broad range of embedded systems.

2 **Basis of preparation**

A. Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015, as amended, notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on 20 May 2023.

Details of the Company's accounting policies are included in Note 3

B. Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs), which is also the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakhs, unless otherwise stated.

C. Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities	Fair Value
Share based payments	Fair Value
Net defined benefit (asset) / liablity	Fair value of plan assets less present value of defined benefit obligations

D. Use of estimates and judgements

In preparing these standalone 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. Actual results may differ from these estimates.

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

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note 25 - revenue recognition: whether revenue from professional engineering service is recognized over time or at a point in time.
- Note 35 - leases: whether an arrangement contains a lease. Whether the Company is reasonably certain to exercise extension options.
- Note 42 - measurement of defined benefit obligations - Key actuarial assumptions

Assumptions and estimation uncertainities

Information about assumptions and estimation uncertainities that have a significant risk of resulting in a material adjustment in the year ending 31 March 2023 is included in the following notes:

- Note 33 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 35 - leases: lease term and incremental borrowing rate
- Note 42 - measurement of defined benefit obligations: key acturial assumptions;
- Note 34 and 40 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 46 – fair value measurement of financial instruments
- Note 3 (a), (b), (c),(d) - useful life of property, plant and equipment and intangible assets, impairment and leases
- Note 7, 8 9, 10, 13, 14, 15 and 16 - impairment of financial assets

E. Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

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).

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 a different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Further information about the assumptions made in the measuring fair values is included in the following notes:

- Note 44 - share-based payment; and
- Note 46 - financial instruments

F. Current/ Non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to settle the liability in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

3 Significant accounting policies

(a) Property, plant and equipment

i. Recognition and measurement

The cost of an item of property, plant and equipment has to be recognised as an asset if an only if it is probable that future economic benefits.

Items of property, plant and equipment, are measured at cost (which includes capitalised borrowing costs, if any) less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, duties, taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials, direct labour and any other costs directly attributable to bringing the item to its intended working condition and estimated costs of dismantling, removing and restoring the site on which it is located, wherever applicable.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. 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.

iii Depreciation

Depreciation on property, plant and equipment is provided as per the written down value (WDV) method over the useful lives of assets estimated by the Management except for vehicles. Depreciation for assets purchased / sold during the year is proportionately charged. Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The range of estimated useful lives of items of property, plant and equipment are as follows:

Asset	Useful Life
Plant and equipment	15 years
Office equipment	5 years
Computer system (including testing equipment)*	6 years
Furniture and fixtures	10 years
Vehicles*	6 years

Leasehold improvement are amortized over the period of lease term or useful life, whichever is less.

* For these class of assets, based on internal assessment, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

iv. Capital work-in-progress

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

(b) Intangible Assets

Internally generated: Research and development

Expenditure on research activities is recognised in Statement of Profit and Loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Others

Other intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

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Intangible Assets (continued)

Amortisation:

Intangible assets are amortized on written down value method over their respective individual estimated useful lives commencing from the date the asset is available to the Company for its use

The estimated useful lives are as follows:

Asset	Useful Life
Computer Software	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(c) Impairment

i. **Financial Assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

ii. **Non - financial Assets**

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

(d) Leases

As a Lessee

The Company applies a single recognition and measurement approach for all leases except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease i.e. the date the underlying assets is available for use. Right-of-use assets are measured at cost less accumulated depreciation. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial cost incurred, and lease payments made at or before the commencement date. Right-of-use assets are depreciated on a straight-line basis over the lease term.

b) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payment which is expected to be paid over the tenure of the lease contract. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying assets.

c) Short-term leases

The Company applies the short-term lease recognition exemption to its short-term lease contracts (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).

Lease payments on a short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as finance leases.

(e) Inventories

Inventories are valued at the lower of cost (including prime cost, non-refundable taxes and duties and other overheads incurred in bringing the inventories to their present location and condition) and estimated net realisable value, after providing for obsolescence, where appropriate. The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of materials in process is determined with reference to the selling prices of related finished goods. Raw materials, packing materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined, and it is estimated that the cost of the finished products will exceed their net realisable value. The method of determination of cost is as follows:

Raw materials / components and traded goods are valued at first in first out method.

Finished goods / work in progress - Cost of materials including costs of conversion, where cost of material is determined under first in first out method. Cost of conversion is considered at actuals.

Goods in transit are valued at actual cost.

The Company periodically assesses the inventory for obsolescence and slow moving stocks.

(f) Financial instruments

i ***Recognition and initial measurement***

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Trade receivables that do not contain significant financing component are measured at transaction price. Regular way purchase and sale of financial assets are accounted for at trade date.

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Significant accounting policies (continued)

Financial instruments (continued)

ii Classification and subsequent measurement

Financial Assets

Financial assets carried at amortised cost

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

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

Investment in subsidiaries

Investment in subsidiaries is carried at cost in the financial statements.

Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby the 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.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

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 a new financial liability with modified terms is recognised in the Statement of Profit and Loss.

iv Offestting

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 realise the asset and settle the liability simultaneously.

(g) Foreign currencies

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

(h) Revenue Recognition

Effective 1 April 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue Recognition. The Company has adopted Ind AS 115 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018).

The Company recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue towards satisfaction of a performance obligation is measured at the amount of the transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company derives its revenue primarily from professional engineering services, sale of products and system engineering and traded sales.

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Significant accounting policies (continued)

Revenue Recognition (continued)

Revenue from professional engineering services is either on time-and-material basis or fixed price contracts. Revenue on time-and-material basis is recognised as the related services are rendered. Revenue from fixed price contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Revenue from sale of products and system engineering and traded sales is recognised upon transfer of control of promised goods. Revenue from the sale of goods and services is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue from sale of products, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

Maintenance revenue is recognized ratably over the term of the underlying maintenance arrangement.

Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.

Other operating income includes benefits arising out of transactions from the operations at the Company where payment is not done by the Company. The same is recognised when there is reasonable certainty about its realisation.

Revenue in excess of invoicing are classified as contract assets (referred as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (referred as deferred revenues).

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

Income from support services is recognized and accounted in accordance with the terms of the agreement for service.

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the Statement of Profit and Loss.

Dividend income is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Lease / sub-lease rental income is recognised when right to receive such income is established in accordance with the terms of the contract with the parties.

(i) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which it relates. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

(j) Income Tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

ii Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction.
- temporary differences related to investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets recognised or unrecognized are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Significant accounting policies (continued)

Income Tax (continued)

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the respective Company company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

(k) Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment, which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the Statement of Profit and Loss.

(l) Provision and contingent liabilities

i General

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. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

ii Contingent liabilities

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

iii Contingent assets

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Contingent asset is not recognised in standalone financial statements since this may result in the recognition of income that may never be realised.

iv Onerous contracts

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

(m) Employee benefits

i Defined contibution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Provident fund

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

ii Defined benefit plans

Gratuity

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 periods, discounting that amount and deducting the fair value of any plan assets.

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. 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, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period 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.

iii. Compensated leave

Compensated absences are provided for based on actuarial valuation carried out by an independent actuary as at the balance sheet date using the projected unit credit method.

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Significant accounting policies (continued)

(n) Share-based payments

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and / or service conditions are fulfilled in employee benefits expense. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(o) Segment reporting

Operating segments are reported in manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The director of the Company is responsible for allocating resources and assessing performance of the operating segments and accordingly is identified as the CODM.

(p) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

(q) Earnings per share

Basic Earnings Per Share ('EPS') is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for the share splits.

(r) Research and development

Expenditures on research activities undertaken with the prospect of gaining new technical knowledge and understanding are recognised in the statement of profit and loss when incurres.

Development activities involve a plan or desgin for the production of new or substantially improved products and processes.

(s) Share capital

Incremental costs directly attributable to the issued equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IND AS 12.

(t) Recent accounting developments

Ind AS 1 – Presentation of Financial Statements
The amendments require companies to disclose their 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. The Company does not expect this amendment to have any significant impact in its financial statements.

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 is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE ★

Mistral Solutions Private Limited
Notes on standalone financial statements (continued)

Note 4. Property Plant and Equipment and capital work in progress *

Reconciliation of carrying amount

Current year

Rs. in lakhs

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2022	Additions during the year	Disposals	As at 31 March 2023	As at 1 April 2022	Depreciation for the year	Disposals	As at 31 March 2023	As at 31 March 2023
Own assets									
Plant and equipment	331.11	10.15	-	341.26	65.29	46.15	-	111.44	229.82
Furniture and fixtures	70.46	7.82	-	78.28	37.23	16.73	-	53.96	24.32
Vehicles	375.39	144.15	28.83	490.71	138.71	58.42	22.91	174.22	316.49
Office equipment	48.33	18.71	-	67.04	33.34	11.37	-	44.71	22.33
Computer system	473.13	53.75	3.49	523.39	303.10	67.23	2.55	367.78	155.61
Test equipment	335.55	34.83	-	370.38	256.95	27.42	-	284.37	86.01
Leasehold improvements	51.81	38.09	-	89.90	28.04	29.38	-	57.42	32.48
	1,685.78	**307.50**	**32.32**	**1,960.96**	**862.66**	**256.70**	**25.46**	**1,093.90**	**867.06**

Previous year

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2021	Additions during the year	Disposals	As at 31 March 2022	As at 1 April 2021	Depreciation for the year	Disposals	As at 31 March 2022	As at 31 March 2022
Own assets									
Plant and equipment	27.12	304.53	0.54	331.11	12.97	52.76	0.44	65.29	265.82
Furniture and fixtures	34.32	36.14	-	70.46	23.41	13.82	-	37.23	33.23
Vehicles	152.84	223.33	0.78	375.39	112.29	27.13	0.71	138.71	236.68
Office equipment	31.80	16.53	-	48.33	25.75	7.59	-	33.34	14.99
Computer system	367.15	107.26	1.28	473.13	227.51	76.54	0.95	303.10	170.03
Test equipment	292.74	42.81	-	335.55	229.11	27.84	-	256.95	78.60
Leasehold improvements	28.75	23.06	-	51.81	15.01	13.03	-	28.04	23.77
	934.72	**753.66**	**2.60**	**1,685.78**	**646.05**	**218.71**	**2.10**	**862.66**	**823.12**

*Also refer note 15 for details on charge created.

Capital work-in-progress

Particulars	31 March 2023	31 March 2022
Carrying amount		
Opening carrying amount	-	-
Additions	21.08	58.36
Assets capitalised	21.08	58.36
Closing carrying amount	-	-

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Mistral Solutions Private Limited
Notes on standalone financial statements (continued)

Note 5. Right of use assets*

Current year

Rs. in lakhs

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2022	Additions during the year	Deletions end of lease period	As at 31 March 2023	As at 1 April 2022	Depreciation for the year	Deletions end of lease period	As at 31 March 2023	As at 31 March 2023
Own assets									
Buildings	887.86	224.79	5.61	1,107.04	331.18	348.81	5.61	674.38	432.66
Vehicles	173.45	-	145.03	28.42	147.48	21.22	145.03	23.67	4.75
	1,061.31	**224.79**	**150.64**	**1,135.46**	**478.66**	**370.03**	**150.64**	**698.05**	**437.41**

Previous year

Description	Gross carrying amount				Accumulated depreciation				Carrying amounts (net)
	As at 1 April 2021	Additions during the year	Deletions end of lease period	As at 31 March 2022	As at 1 April 2021	Depreciation for the year	Deletions end of lease period	As at 31 March 2022	As at 31 March 2022
Own assets									
Buildings	700.96	445.42	258.52	887.86	291.12	298.58	258.52	331.18	556.68
Vehicles	173.45	-	-	173.45	107.97	39.51	-	147.48	25.97
	874.41	**445.42**	**258.52**	**1,061.31**	**399.09**	**338.09**	**258.52**	**478.66**	**582.65**

*Also refer note 34

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Note 6. Other Intangible assets *

Reconciliation of carrying amount

Current year

Rs. in lakhs

Description	Gross carrying amount				Accumulated amortisation				Carrying amounts (net)
	As at 1 April 2022	Additions during the year	Disposals	As at 31 March 2023	As at 1 April 2022	Amortisation for the year	Disposals	As at 31 March 2023	As at 31 March 2023
Own assets									
Computer software	301.16	112.88	-	414.04	208.52	51.40	-	259.92	154.12
	301.16	**112.88**	-	**414.04**	**208.52**	**51.40**	-	**259.92**	**154.12**

Previous year

Description	Gross carrying amount				Accumulated amortisation				Carrying amounts (net)
	As at 1 April 2021	Additions during the year	Disposals	As at 31 March 2022	As at 1 April 2021	Amortisation for the year	Disposals	As at 31 March 2022	As at 31 March 2022
Own assets									
Computer software	265.04	36.12	-	301.16	165.31	43.21	-	208.52	92.64
	265.04	**36.12**	-	**301.16**	**165.31**	**43.21**	-	**208.52**	**92.64**

*Also refer note 15 for details on charge created.

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Mistral Solutions Pvt. Ltd. Bangalore

Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 7 - Non-current investments		
At cost		
Unquoted		
Investment in equity instruments (fully paid)		
Subsidiaries		
Mistral Solutions Inc., USA [1,000 equity shares without par value (31 March 2022: 1,000)]	307.42	307.42
Aero Electronics Private Limited * [70,688 equity shares of Rs 5 each (31 March 2022: 20,000)]	451.11	1.00
Mistral Technologies Private Limited [20,000 equity shares of Rs 5 each (31 March 2022: 20,000)]	1.00	1.00
Mistral Solutions Pte Limited** [Nil equity shares (31 March 2022: Nil)]	-	-

*During the year the Company has invetsed Rs 450.11 lakhs for accquring 50,688 equity shares of Rs. 5 each at a premium of Rs. 883 on 30 March 2023. The same was approved via board meeting dated 13 March 2023.

**During the year the Company has dissolved through Member's voluntary winding up where it's final meeting was held on 12 November 2021 at the Corporate office of the Holding Company, the notice of which was published in 4 local (Singapore) newspapers on 11 October 2021. The liquidators made the necessary filings with Accounting and Corporate Regulatory Authority (ACRA) on 19 November 2021 and the Company was dissolved on the expiration of 3 months from the date of filing i.e., 19 February 2022.

	31 March 2023	31 March 2022
At fair value through profit or loss		
Unquoted		
Investment in real estate fund	200.86	203.92
Total long-term investments	**960.39**	**513.34**
Aggregate amount of unquoted investments and market value thereof,	960.39	513.34
Aggregate amount of quoted investments	-	-
Aggregate amount of impairment in value of investment	-	-

	31 March 2023	31 March 2022
Note 8 - Trade receivables		
Non Current		
Unsecured		
Trade receivables, considered good	-	6.96
Less: Allowance for doubtful trade receivables	-	-
	-	6.96

Ageing for trade receivables - non current outstanding as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 years	More than 3 Years	
Undisputed trade receivables – considered good	-	-	-	-	-	-	-	-
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-	-	-
								-

Ageing for trade receivables - non current outstanding as at March 31, 2022 is as follows:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 years	More than 3 Years	
Undisputed trade receivables – considered good	-	6.96	-	-	-	-	-	6.96
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	6.96	-	-	-	-	-	6.96
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-	-	-
								6.96

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 9 - Loans receivable		
Non-current		
Unsecured		
Considered good:		
Loan to related party*	-	426.87
	-	**426.87**

* Forms a part of outstanding balances as disclosed under note 41

	31 March 2023	31 March 2022
Note 10 - Other financial assets		
Non Current		
Unsecured		
Considered good:		
Security deposit	221.03	195.50
	221.03	**195.50**
Note 11 - Other non-current assets		
Unsecured		
Considered good:		
Capital Advances	-	3.62
Prepayments	6.03	4.98
	6.03	**8.60**
Note 12 - Inventories*		
Raw material / components [including goods-in-transit of Rs.112.44 lakhs (31 March 2022: Rs.127.31 lakhs)]	4,496.11	3,273.96
Work-in-progress	818.08	793.51
Finished goods	624.00	417.63
Stock-in-trade [including goods-in-transit of Rs.28.96 lakhs (31 March 2022: Rs 59.71 lakhs)]	147.77	174.71
	6,085.96	**4,659.81**

* Refer note 3(e) for method of valuation of inventories and note 15 for details on charge created.
Inventories is net of provision for obsolescence in respect of raw material Rs. 500.43 lakhs (31 March 2022: Rs. 537.92 lakhs), finished goods Rs. 355.36 lakhs (31 March 2022: 204.32 lakhs) and stock-in-trade Rs 53.33 lakhs (31 March 2022: 115.98 lakhs)

	31 March 2023	31 March 2022
Note 13 - Investments *		
Current		
At fair value through profit or loss		
Unquoted		
Investment in mutual funds	-	257.65
At fair value through profit or loss		
Quoted		
Investment in mutual funds	2,453.21	309.34
Investment in other funds	-	242.70
Investment in equity shares	-	-
	2,453.21	**809.69**
Aggregate amount of unquoted investments and market value thereof;	-	257.65
Aggregate amount of quoted investments and market value thereof;	2,453.21	552.04
Aggregate amount of impairment in value of investment	-	-

*Also refer note 15 for details on charge created.

	31 March 2023	31 March 2022
Note 14 - Trade receivables *		
Current		
Unsecured		
Trade receivables, considered good - Billed	5,327.10	4,827.36
Trade receivables, considered good - Unbilled	20.94	-
Trade Receivables, which have significant increase in credit risk	56.22	40.43
	5,404.26	**4,867.79**
Less: Allowance for doubtful trade receivables	(56.22)	(40.43)
	5,348.04	**4,827.36**

The loss allowance on trade receivables has been computed on the basis of 'Ind AS 109 - Financial Instruments', which requires such allowance to be made even for trade receivables considerd good on the basis that credit risk exists even though it may be very low.
The Company's exposure to credit and currencies risks, and loss allowances related to trade receivables are disclosed in note 46.

* Includes receivable from related parties (refer note 41) and details on charge created (refer note 15)

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE ★

Note 14 - Trade receivables (continued)

Ageing for trade receivables - current outstanding as at March 31, 2023 is as follows:

Particulars	Unbilled	Not due	Outstanding for the following periods from due date of payment					
			Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 years	More than 3 Years	Total
Undisputed trade receivables – considered good	20.94	2,092.29	3,135.15	96.57	3.09	-	-	5,348.04
Undisputed trade receivables – which have significant increase in credit risk	-	0.12	22.64	0.16	10.86	22.44	-	56.22
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	**20.94**	**2,092.41**	**3,157.79**	**96.73**	**13.95**	**22.44**	**-**	**5,404.26**
Less: Allowance for doubtful trade receivables		-	-	-	-	-	-	(56.22)
								5,348.04

Ageing for trade receivables - current outstanding as at March 31, 2022 is as follows:

Particulars	Unbilled	Not due	Outstanding for the following periods from due date of payment					
			Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 years	More than 3 Years	Total
Undisputed trade receivables – considered good	-	1,883.19	2,875.43	64.94	3.80	-	-	4,827.36
Undisputed trade receivables – which have significant increase in credit risk	-	2.04	0.95	-	37.44	-	-	40.43
Undisputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-	-	-
Total	-	**1,885.23**	**2,876.38**	**64.94**	**41.24**	-	-	**4,867.79**
Less: Allowance for doubtful trade receivables		-	-	-	-	-	-	(40.43)
								4,827.36

Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 15- Cash and bank balances		
Cash and cash equivalents:		
- Cash on hand	0.30	0.41
Balances with banks :		
- Current accounts *	839.98	687.31
- Exchange Earners' Foreign Currency ("EEFC") accounts	382.40	184.58
	1,222.68	**872.30**
Other bank balance:		
- Deposit accounts**	1,446.63	2,229.14
	1,446.63	**2,229.14**

* includes debit balance in cash credit of Rs 836.32 lakhs (31 March 2022: Rs 474.01 lakhs)
- Total Limits sanctioned (including non working capital) is Rs 4730.00 lakhs (31 March 2022: Rs 4730.00 lakhs)
- first pari-pasu charge on receivables, current assets and fixed assets of the company
- Cash credit rate of interest - HDFC Bank Limited "1 year MCLR +1.2%", Axis Bank Limited "Repo + 3.75%", Kotak Mahindra Bank Limited "Repo + 3.75%"

**includes Rs 1,343.20 lakhs (31 March 2022: Rs 1,687.73 lakhs) on lien against guarantees, cash credit, packing credit etc.

	31 March 2023	31 March 2022
Note 16 - Other financial assets *		
Current		
Unsecured, considered good		
Earnest money deposit	4.00	4.90
Interest accrued but not due	32.01	29.86
Unbilled revenue	-	41.14
Others	34.40	22.54
Receivable from Related Party (Refer note 41)	600.00	-
	670.41	**98.44**

*Also refer note 15 for details on charge created

	31 March 2023	31 March 2022
Note 17 - Other current assets *		
Unsecured, considered good		
Advances other than capital advances		
- Advance for supply of goods	348.00	597.50
- Advance to employees	6.36	0.49
Capital advance	19.15	-
Others		
- Balance with government authorities	1,027.28	896.57
- Prepayments	197.23	98.48
- Export incentive receivable	72.79	76.14
- Deferred rent	0.96	0.79
- Contract assets	4,076.00	3,595.38
	5,747.77	**5,265.35**

*Also refer note 15 for details on charge created

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Mistral Solutions Pvt. Ltd. Bangalore

Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 18 - Share capital		
Authorised		
6,000,000 (31 March 2022: 6,000,000) equity shares of Rs 5/- each	300.00	300.00
1,000,000 (31 March 2022: 1,000,000) fully convertible cumulative participative preference shares of Rs 5/- each	50.00	50.00
Total	**350.00**	**350.00**
Issued, subscribed and fully paid up		
4,067,870 (31 March 2022: 3,805,370) equity shares of Rs 5/- each	203.39	190.27
38,000 (31 March 2022: 38,000) Series B mandatorily convertible cumulative participative preference shares of Rs 5/- each	1.90	1.90
Total	**205.29**	**192.17**

* Included within other equity (refer note 19)

Rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital:

(i) Equity shares of Rs. 5/- each

- The Company has only one class of shares referred to as equity shares having a par value of Rs 5/- each.
- Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholder meeting. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Series B preference shares of Rs. 5/- each

- The Company issued 515,172 Fully Convertible Cumulative Participative Preference Shares (FCCPS) of Rs 5 each at a premium of Rs 225 per share to two venture capital investors as per the Shareholders Agreement dated 7 January 2008 ('the Agreement'). The Company has 38,000 (31 March 2022: 38,000) FCCPS outstanding as at the end of the year.
- FCCPS carry a pre-determined cumulative rate of dividend of 0.01% per annum of the nominal value of the FCCPS. In addition, FCCPS are entitled to participate in the distribution of the profits of the Company to the other shareholders of the Company as per the Agreement.
- Conversion: As per the Agreement, FCCPS shall automatically be converted into equity shares upon the first occurrence of: (a) the majority investors consenting to such conversion; (b) the closing of an underwritten public offering of the Company's equity shares at a minimum valuation specified in the Agreement; or (c) on 30 June 2027.

Liquidation preference:

To the extent the FCCPS are not converted into equity shares and in the event of any liquidation event (defined in the Agreement), the holders of the FCCPS shall have a preference over the other shareholders of the Company (including the founders and the other shareholders and any remaining equity shareholders, including the investors' equity shares) for return of capital as set out in the Agreement. No other series of shares shall be entitled to a liquidation preference.

Notes:

(a) Shares in respect of equity in the Company held by its holding Company

	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Holding Company				
Axiscades Technologies Limited	23,56,200	117.81	16,32,718	81.64
	23,56,200	**117.81**	**16,32,718**	**81.64**

(b) Reconciliation of the number of equity and preference shares outstanding at the beginning and at the end of the reporting year.

	31 March 2023		31 March 2022	
Equity shares of Rs. 5/- each.	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the reporting year	38,05,370	190.27	38,05,370	190.27
Add: Shares issued on exercise of Employee Stock Option Plan	2,62,500	13.12	-	-
Closing balance at the end of the reporting year	**40,67,870**	**203.39**	**38,05,370**	**190.27**

	31 March 2023		31 March 2022	
Series B preference shares of Rs. 5/- each.	Number of shares	Amount	Number of shares	Amount
Opening balance at the beginning of the reporting year	38,000	1.90	38,000	1.90
Closing balance at the end of the reporting year	**38,000**	**1.90**	**38,000**	**1.90**

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Note 18 - Share capital (continued)

(c) Details of shareholders' holding more than 5% of the total number of equity shares and preference shares.

Name of the shareholders	31 March 2023		31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Equity shares of Rs.5/- each.				
Axiscades Technologies Limited	23,56,200	57.92%	16,32,718	42.91%
Anees Ahmed	-	0.00%	2,94,825	7.75%
Explosoft Tech Solutions Private Limited	16,79,359	41.28%	16,79,359	44.13%
Total number of shares holding more than 5%	**40,35,559**	**99.20%**	**36,06,902**	**94.79%**
Add: Others (individually holding less than 5%)	32,311	0.80%	1,98,468	5.21%
Total equity shares	**40,67,870**	**100.00%**	**38,05,370**	**100.00%**
Series B preference shares of Rs. 5/- each.				
Rajeev Ramachandra	-	0.00%	13,400	35.26%
Anees Ahmed	-	0.00%	24,600	64.74%
Axiscades Technologies Limited	38,000	100.00%	-	-
Number of preference shares classifed as other equity	**38,000**	**100.00%**	**38,000**	**100.00%**

(d) Disclosure of Shareholding of Promoters

Name of the Promoters	31 March 2023			31 March 2022		
	Number of shares	% holding	% change during the year	Number of shares	% holding	% change during the year
Equity shares of Rs. 5/- each.						
Axiscades Technologies Limited	23,56,200	57.92%	44.31%	16,32,718	42.91%	-
Anees Ahmed	-	0.00%	-100.00%	2,94,825	7.75%	-
Explosoft Tech Solutions Private Limited	16,79,359	41.28%	0.00%	16,79,359	44.13%	-
Rajeev Ramachandra	-	0.00%	-100.00%	1,46,299	3.84%	-
	40,35,559	**99.20%**		**37,53,201**	**98.63%**	
Series B preference shares of Rs. 5/- each.						
Rajeev Ramachandra	-	0.00%	-100.00%	13,400	35.26%	-
Anees Ahmed	-	0.00%	-100.00%	24,600	64.74%	-
Total equity shares	38,000	100.00%	100.00%	-	-	-
	38,000	**100%**		**38,000**	**100.00%**	

(e) Securities convertible into equity in the descending order

Particulars	Manner of conversion	Convertible into	Earliest date of conversion
Series B preference shares of Rs. 5 each	Mandatory	Equity	Refer note below

Note: As per the Agreement, FCCPS shall automatically be converted into equity shares upon the first occurrence of:
(a) the majority investors consenting to such conversion;
(b) the closing of an underwritten public offering of the Company's equity shares at a minimum valuation specified in the Agreement; or
(c) on 30 June 2027.

For employee stock options convertible into equity refer note 44.

(f) The Company has not allotted any fully paid up equity shares by way of bonus shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

(g) The Company has not bought back any shares during the period of five years immediately preceding the balance sheet date.

(h) Shares reserved for issue under options and contracts/ commitments for sale of shares/ disinvestment:

Rs. in lakhs

Particulars	31-Mar-23		31-Mar-22	
	Number	Amounts	Number	Amounts
Under Employee Stock Option Scheme, 2010: 2,62,500 equity shares of INR 5 each, at an exercise price of INR 5 per share (see Note 44)	-	-	2,62,500	13.12

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Note 19 - Other equity

Rs. in lakhs

Particulars	Capital redemption reserve	Capital reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Equity contribution by preference and equity share holders on relinquishment of rights	Other items of OCI	Total
Balance as at 01 April 2021	45.73	-	888.19	183.57	55.30	8,988.09	941.65	(22.39)	11,080.14
Additions:									
Share based payment (refer note 44)	-	-	-	286.71	-	-	-	-	286.71
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	(33.38)	(33.38)
Net profit after tax transferred from the statement of profit or loss	-	-	-	-	-	2,457.70	-	-	2,457.70
Balance as at 31 March 2022	45.73	-	888.19	470.28	55.30	11,445.79	941.65	(55.77)	13,791.17

Particulars	Capital redemption reserve	Capital reserve	Securities premium	Share options outstanding account	General reserve	Retained earnings	Equity contribution by preference and equity share holders on relinquishment of rights	Other items of OCI	Total
Balance as at 1 April 2022	45.73	-	888.19	470.28	55.30	11,445.79	941.65	(55.77)	13,791.17
Additions:									
Share based payment (refer note 44)	-	556.62	-	403.14	-	(289.91)	-	-	669.85
Option Premium on fair valuation of derivative (refer note 45)	-	-	-	-	-	(565.18)	-	-	(565.18)
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	(1.10)	(1.10)
Transfer from share options outstanding account (refer note 44)	-	857.82	305.51	-	-	-	-	-	1,163.33
Transfer to securities premium on issue of equity shares	-	-	-	(873.42)	-	-	-	-	(873.42)
Net profit after tax transferred from the statement of profit or loss	-	-	-	-	-	2,175.27	-	-	2,175.27
Balance as at 31 March 2023	45.73	1,414.44	1,193.70	-	55.30	12,765.97	941.65	(56.87)	16,359.92

Nature and purpose of other reserves

Capital redemption reserve

The Company had purchased its own shares and as per the provisions of the applicable laws, a sum equal to the nominal value of the shares so purchased is required to be transferred to the capital redemption reserve

Securities premium

Securitius premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Shares options oustanding account

The share options outstanding account is used to recognise the grant date fair value of options issued under Mistral Solutions Private Limited Employee Stock Option Plan.

Equity contribution by preference and equity share holders on relinquishment of rights

Represents the liability foregone by certain equity and preference share holders on relinquishment of buyback rights.

Capital reserve

Represents payment made by the Holding company for cancellation of ESOPs which were granted but not vested and ESOPs promised but not granted.

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Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 20 - Provisions		
Provision for employee benefits		
- Gratuity (refer note 42)	76.39	108.25
- Compensated absences	126.63	121.08
	203.02	229.33

Note 21 - Trade payables

Total outstanding dues of micro and small enterprises ("MSME") [refer note below]	135.84	189.82
Total outstanding dues of other than micro and small enterprises*	2,323.20	2,913.85
Accrued expenses	141.02	129.11
	2,600.06	3,232.78

*Includes dues to related party (refer note 41)

Ageing for trade payables outstanding as at 31 March 2023 is as follows:

Particulars	Unbilled dues	Not due	Outstanding for the following periods from due date of payment: Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade Payable							
MSME*	-	38.57	95.18	-	0.09	2.00	135.84
Others	141.02	1,586.53	651.17	85.50			2,464.22
Disputed dues- MSME*	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
Total	141.02	1,625.10	746.35	85.50	0.09	2.00	2,600.06

Ageing for trade payables outstanding as at 31 March 2022 is as follows:

Particulars	Unbilled dues	Not due	Outstanding for the following periods from due date of payment: Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Trade Payable							
MSME*	-	142.94	5.29	0.09	-	41.50	189.82
Others	129.11	1,871.07	1,042.74	0.04	-	-	3,042.96
Disputed dues- MSME*	-	-	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-	-	-
Total	129.11	2,014.01	1,048.03	0.13	-	41.50	3,232.78

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006

Note:

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.

	31 March 2023	31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
- Principal	135.84	189.82
- Interest	-	-
The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 alongwith the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	64.84	57.94
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 MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in note 45.

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Rs. in lakhs

As at	31 March 2023	31 March 2022
Note 22 - Other financial liabilities		
Payable to employees	491.50	370.47
Option premium on fair valuation of derivatives	565.18	-
Other payables	9.66	9.66
	1,066.34	380.13
Note 23 - Other current liabilities		
Advance from customers	2,575.65	1,986.14
Statutory liabilities	285.46	160.75
Unearned revenue	925.75	367.67
	3,786.86	2,514.56
Note 24 - Provisions		
Provision for employee benefits		
- Compensated absences	23.11	20.29
Provision for foreseeable loss on contract (refer note 40)*	22.97	3.59
Provision for warranty (refer note 40)**	125.44	74.65
Provision for liquidated damages (refer note 40)***	774.01	629.08
	945.53	727.61

* The provision is created to provide for expected losses in the project based on the expected cost overruns. These provisions are expected to be utilized over a period of one year.

** Provision for warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods. These provisions are expected to be utilized over the period of warranty.

*** Provision for liquidated damages relates to estimated outflow in respect of products sold by the Company and estimated to be incurred due to delay in delivery of products to customers. These provisions are expected to be utilized over a period of one year.

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Rs. in lakhs

For the year ended	31 March 2023	31 March 2022
Note 25 - Revenue from operations		
Product sales		
Sale of products	12,927.34	9,165.74
System engineering and traded sales	4,318.52	1,147.19
Sale of services		
Professional engineering services	9,092.41	8,250.97
Other operating revenue		
Export incentive	-	18.02
Other operating income *	673.73	155.36
	27,012.00	**18,737.28**

* Input availed on import of FOC materials shipped by cutomers and duty paid by them

A. Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by market or type of customers, timing of revenue recognition and geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

Primary Geographical Markets

Geography	31 March 2023	31 March 2022
India	13,419.18	9,711.00
USA	11,213.06	8,075.38
Turkey	640.00	9.71
Canada	407.89	84.11
France	364.49	435.47
Others	293.65	248.23
	26,338.27	**18,563.90**

Timing of revenue recognition

	31 March 2023	31 March 2022
Goods or services transferred at point in time	16,944.25	12,886.61
Goods or services transferred over time	9,394.02	5,677.29
	26,338.27	**18,563.90**

Note : The amount of Rs. 673.73 lakhs (31 March 2022: Rs. 173.38 lakhs) pertaining to other operating revenue has not been considered in the above revenue disclosure.

B. Revenue to be recognised for performance obligation(s) not satisfied or partially satisfied at the end of the year in respect of contracts with customer that are in place (i.e. signed agreements/ POs/WOs, etc) at the year end:

Time Band	31 March 2023	31 March 2022
< 1 year	5,881.12	4,873.71
>1 year but < 5 year	-	-
	5,881.12	**4,873.71**

C. Changes in unbilled revenue or contract assets are as follows:

	31 March 2023	31 March 2022
Opening balance	3,595.38	1,233.76
Additions during the year	9,913.32	5,867.83
Reclassification adjustments:		
- Billing from opening balance of contract assets to trade receivables	(1,377.58)	(234.79)
- Billing from contract assets transferred to trade receivables	(8,055.12)	(3,271.42)
Closing balance	**4,076.00**	**3,595.38**

D. Changes in deferred revenue or contract liabilities are as follows:

	31 March 2023	31 March 2022
Opening balance	2,353.81	1,452.01
Additions during the year	1,448.14	1,075.79
Reclassification Adjustments:		
- Transfer of opening balances of contract liabilities to revenue	(300.55)	(173.99)
Closing balance	**3,501.40**	**2,353.81**

Rs. in lakhs

For the year ended	31 March 2023	31 March 2022
Note 25 - Revenue from operations (continued)		
E. Reconciliation of revenue from contracts with customers		
Revenue from contracts with customers as per the contract price	27,839.93	19,899.22
Adjustments made to contract price on account of -		
a) Liquidated damages	(354.07)	(433.52)
b) Deferment of revenue	(1,448.14)	(1,075.79)
c) Recognition of revenue from contract liability out of opening balance of contract liability	300.55	173.99
Revenue from contracts with customers as per the Statement of Profit and Loss	26,338.27	18,563.90
Note 26 - Other income		
Interest income from financial assets carried at amortised cost	138.81	135.11
Profit on sale of property, plant and equipment	-	0.52
Net gain on financial asset measured at fair value through profit and loss	47.34	109.45
Income from support services	49.99	37.68
Provision no longer required, written back	-	13.85
Net gain on foreign currency transaction and translation	7.94	9.17
Miscellaneous income	0.45	11.39
	244.53	317.17
Note 27 - Cost of materials consumed		
Inventory of materials at the beginning of the year	3,273.96	1,528.48
Add: Purchases	11,240.80	9,245.13
Less: Inventory of materials at the end of the year	(4,496.11)	(3,273.96)
	10,018.65	7,499.65
Note 28 - Changes in inventories of finished goods, stock-in-trade and work-in-progress		
Opening inventory		
Finished Goods	417.63	185.63
Stock-in-trade	174.71	50.06
Work-in-progress	793.51	100.40
Closing inventory		
Finished Goods	(624.00)	(417.63)
Stock-in-trade	(147.77)	(174.71)
Work-in-progress	(818.08)	(793.51)
	(204.00)	(1,049.76)
Note 29 - Employee benefits expense		
Salaries, wages and bonus	7,219.76	5,367.82
Contribution to provident and other funds	418.35	346.40
Share based payment expense	403.14	286.71
Staff welfare expense	205.84	142.22
	8,247.09	6,143.15
Note 30 - Finance costs		
Interest expense on financial liability measured at amortised cost	1.43	0.39
Interest on lease liabilities	70.37	63.62
Others	6.49	5.99
	78.29	70.00

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Rs. in lakhs

For the year ended	31 March 2023	31 March 2022
Note 31 - Depreciation and amortisation expense		
Depreciation on property plant and equipment (refer note 4)	256.70	218.71
Depreciation on right of use assets (refer note 5)	370.03	338.09
Depreciation on other intangible assets (refer note 6)	51.40	43.21
	678.13	600.01
Note 32 - Other expenses		
Travelling and conveyance	303.99	92.55
Rent (refer note 35)	27.37	25.71
Legal and professional fees	491.85	412.81
Repairs and maintenance		
- Plant and machinery	166.32	107.10
- Others	180.91	145.61
Power and fuel	79.19	64.11
Equipment hire charges	242.14	85.07
Bank charges	43.00	24.42
Communication expenses	19.85	17.85
Advertisement and business promotion	51.47	17.98
Rates and taxes	16.00	7.55
Commission	118.37	229.02
Insurance expenses	33.74	15.01
Advances written off	0.40	-
Bad debts	-	1.82
Provision for foreseeable loss on contracts	19.37	-
Loss allowance on trade receivables	15.79	33.83
Clearing & forwarding charges	12.27	12.07
Corporate social responsibility expenses (refer note 39)	53.81	28.44
Loss on sale of property, plant and equipment	2.37	-
Miscellaneous expenses	41.60	40.32
	1,919.81	1,361.27

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Note 33- Income-tax

(a) Amounts recognised in Statement of Profit and Loss

Rs. in lakhs

For the year ended	31 March 2023	31 March 2022
Current tax	1,168.76	861.65
Deferred tax		
Attributable to origination and reversal of temporary differences	(31.04)	(16.09)
Tax expense for the year	**1,137.72**	**845.56**

(b) Amounts recognised in other comprehensive income

For the year ended	31 March 2023 Before tax	31 March 2023 Tax (expense) / benefit	31 March 2023 Net of tax	31 March 2022 Before tax	31 March 2022 Tax (expense) / benefit	31 March 2022 Net of tax
Items that will not be reclassified subsequently to statement of profit and loss						
Remeasurements of the defined benefit plans	(1.47)	0.37	(1.10)	(44.60)	11.22	(33.38)
	(1.47)	**0.37**	**(1.10)**	**(44.60)**	**11.22**	**(33.38)**

(c) Reconciliation of effective tax rate

For the year ended	31 March 2023		31 March 2022	
Profit before tax		**3,312.99**		**3,303.26**
Tax using the Company's domestic tax rate	25.17%	833.82	25.17%	831.36
Tax effect of:				
Expenditure disallowed incurred on cancellation of Employee stock option plan	7.29%	241.55	-	-
Others	1.88%	62.35	0.43%	14.20
	34.34%	**1,137.72**	**25.60%**	**845.56**

(d) Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax assets		Deferred tax liabilities		Deferred tax (liabilities) / asset, net	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Property, plant and equipment	56.65	59.98	-	-	56.65	59.98
Employee benefits	37.69	35.58	-	-	37.69	35.58
Other items	25.69	20.98	-	27.56	25.69	(6.58)
	120.03	**116.54**	-	**27.56**	**120.03**	**88.98**

(e) Movement in temporary differences

	As at 1 April 2022	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2023
Property, plant and equipment	59.98	(3.33)	-	-	-	56.65
Employee benefits	35.58	2.11	-	-	-	37.69
Other items	(6.58)	32.27	-	-	-	25.69
	88.98	**31.05**	-	-	-	**120.03**

	As at 1 April 2021	Recognised in statement of profit and loss	Recognised in OCI	Recognised directly in equity	Others	As at 31 March 2022
Property, plant and equipment	58.44	1.54	-	-	-	59.98
Employee benefits	42.39	(6.81)	-	-	-	35.58
Other items	(27.95)	21.37	-	-	-	(6.58)
	72.88	**16.10**	-	-	-	**88.98**

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2023 and 31 March 2022

As at	31 March 2023	31 March 2022
Income tax assets (net)	182.43	248.14
Current tax liabilities (net)	288.96	87.25
Net current income tax asset / (liability)	**(106.53)**	**160.89**

The gross movement in the current income tax asset / (liability) for the year ended 31 March 2023 and 31 March 2022 is as follows.

For the year ended	31 March 2023	31 March 2022
Net current income tax asset / (liability) at the beginning	**160.89**	**220.39**
Income tax paid	900.97	790.93
Current income tax expense	(1,168.76)	(861.65)
Income tax on other comprehensive income and others	0.37	11.22
Net current income tax asset / (liability) at the end	**(106.53)**	**160.89**

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Note 34 - Contingent liabilities and commitments

34.1 **Contigent liabilities**

Claims against the Company not acknowledged as debt.

(Rs. in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax matters (see Note (ii) below)	210.06	92.50
Other Matters *	79.81	79.81
	289.87	172.31

34.2 **Commitments**

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	26.22
	-	26.22

* Includes cumulative preference dividend not proposed by the Board of Directors amounted to Rs 0.01 lakhs (31 March 2022: Rs 0.01 lakhs)

Notes:

(i) The Supreme court of India in the month of February 2019 had passed a judgement relating to definition of wages under the Provident Fund Act, 1952. However, considering that there are numerous interpretative issues relating to this judgement and in the absence of reliable measurement of the provision for the earlier periods, the Company will evaluate its position and record provision, if required, on receiving further clarity on the subject. The Company does not expect any material impact of the same.

(ii) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 35 - Leases

35.1 **Amounts recognised in balance sheet**

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(i) Right-of-use assets	5		
Buildings		432.66	556.68
Vehicle		4.75	25.97
		437.41	582.65
(ii) Lease liabilities			
Non-current		169.26	246.65
Current		297.95	347.24
		467.21	593.89

35.2 **Amounts recognised in the statement of profit and loss**

Particulars	Note	As at March 31, 2023	As at March 31, 2022
(i) Depriciation and amortisation expense			
Buildings	5	348.81	298.58
Vehicle	5	21.22	39.51
(ii) Interest expense (included in finance cost)	30	70.37	63.62
(iii) Expense relating to short-term leases	31	27.37	25.71

(a) The total cash outflow for the year ended March 31, 2023 amounts to Rs. 413.05 lakhs (March 31, 2022 : Rs. 378.31 lakhs).

(b) Short-term lease has been accounted for applying paragraph 6 of Ind AS 116 - lease and accordingly recognized as expenses in the standalone statement of profit and loss.

The Company has discounted lease payments of new leases for the year ended March 31, 2023 using applicable incremental borrowing rate of 9.80% (March 31, 2022 : 8.40%) for measuring the lease liability.

35.3 **Reconcilation of Lease liability (in accordance with Ind AS 7)**

Particulars	Note	As at March 31, 2023	As at March 31, 2022
Opening balance	35	593.89	484.33
Payments made during the year		(413.05)	(378.31)
Non-cash changes		286.37	487.87
Closing balance	35	467.21	593.89

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Note 36 - i) Details of non current investments purchased and sold:

a) Non current investments purchased and sold during the current year

(Rs. in Lakhs)

	As at 1 April 2022	Purchased during the year	Sold during the year	Increase / (decrease) in fair value	Reclassification	As at 31 March 2023
Investments in real estate fund	203.92	-	(6.55)	3.49	-	200.86

b) Non current investments purchased and sold during the previous year

(Rs. in Lakhs)

	As at 1 April 2021	Purchased during the year	Sold during the year	Decrease in fair value	Reclassification	As at 31 March 2022
Investments in real estate fund	231.61	-	(19.66)	(8.03)	-	203.92
Investments in other fund	217.46	-	-	-	(217.46)	-

ii) Details of Current investments purchased and sold:

a) Current investments purchased and sold during the current year

	As at 1 April 2022	Purchased during the year	Sold during the year	Increase in fair value	Reclassification	As at 31 March 2023
Investments in other fund	242.70	-	(253.25)	10.55	-	-
Investments in equity shares	-	-	-	-	-	-

b) Current investments purchased and sold during the previous year

	As at 1 April 2021	Purchased during the year	Sold during the year	Increase / (decrease) in fair value	Reclassification	As at 31 March 2022
Investments in other fund	-	-	-	25.24	217.46	242.70
Investments in equity shares	77.76	-	(77.76)	-	-	-

iii) Details of inter corporate deposit during the year:

a) Terms and conditions on which inter-corporate loans have been given

Name of the borrower	Nature of relationship	Secured / Unsecured	Rate of Interest	Term	Purpose
Aero Electronics Private Limited	Subsidiary	Unsecured	9%	On demand	Purchase of land

b) Details of loan given and repaid during the year

	As at 1 April 2022	Amount given during the year (including accrued interest)	Repaid during the year	As at 31 March 2023
Aero Electronics Private Limited	426.87	24.04	450.91	-

c) Details of loan given and repaid during the previous year

	As at 1 April 2021	Amount given during the year (including accrued interest)	Repaid during the year	As at 31 March 2022
Aero Electronics Private Limited	407.51	19.36	-	426.87

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Note 37 - **Earnings per share**

A Computation of earnings per share is as follows

Rs. in lakhs

For the year	31 March 2023	31 March 2022
Net profit attributable to the equity shareholders	2,175.27	2,457.70
Less: Dividend on fully convertible cumulative participative preference shares (including tax attributable thereto)	0.01	0.01
Less: Profit attributable to fully convertible cumulative participative preference shares	20.49	24.30
Net profit for basic earnings per share	**2,154.77**	**2,433.39**
Add: Adjustment for the purpose of diluted earnings per share	20.50	24.31
Net profit for diluted earnings per share	**2,175.27**	**2,457.70**

B Reconciliation of basic and diluted shares used in computing earnings per share

For the year	31 March 2023	31 March 2022
Number of weighted average shares considered for calculation of basic earnings per share	39,95,647	38,05,370
Add: Effect of fully convertible cumulative participative preference shares	38,000	38,000
Add: Effect of potential equity shares on employee stock option outstanding	-	2,92,333
Number of weighted average shares considered for calculation of diluted earnings per share	40,33,647	41,35,703

For the year	31 March 2023	31 March 2022
Earnings per share:		
-Basic	53.93	63.95
-Diluted	53.93	59.43

Note 38 - **Auditor's remuneration (included in legal and professional fees, excluding applicable taxes)**

For the year	31 March 2023	31 March 2022
Audit fees	25.00	23.50
Other services	24.50	24.25
Out of pocket expenses	3.96	3.64
	53.46	**51.39**

Note 39 - **Corporate Social Responsibility**

Particulars	31 March 2023	31 March 2022
Amount required to be spent by the company during	46.62	39.11
Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset - -	-	-
(ii) On purposes other than (i) above *	47.43	30.40
Shortfall at the end of the year**	-	8.71
Total of previous years shortfall	-	-
Reason for shortfall	Not applicable	****Project in Progress
Nature of CSR activities	***	
Details of related party transactions in relation to CSR expenditure asper relevant Accounting Standard	-	-

* Includes overhead expense of Rs. 2.33 lakhs (March 31, 2022 Rs. 1.96 lakhs)

** The unspent amount has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act

*** Promoting health, education, paralympic sports & olympic sports & disaster management and to poverty alleviation

**** Project in progress includes school renovation

Note 40 - **Disclosure of provisions movement as required under the provisions of Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets:**

For the year ended 31 March 2023

Particulars	Provision for foreseeable losses on contracts	Provision for warranty	Provision for liquidated damages
Balance as at beginning of the year	3.59	74.65	629.08
Provisions made during the year	21.33	171.19	870.91
Reversal made during the year	-	-	(516.84)
Utilizations during the year	(1.95)	(120.40)	(209.14)
Provision at the end of the year	22.97	125.44	774.01

For the year ended 31 March 2022

Particulars	Provision for foreseeable losses on contracts	Provision for warranty	Provision for liquidated damages
Balance as at beginning of the year	6.36	74.65	322.49
Provisions made during the year	1.81	77.05	688.39
Reversal made during the year	-	-	(254.88)
Utilizations during the year	(4.58)	(77.05)	(126.92)
Provision at the end of the year	3.59	74.65	629.08

Provision for foreseeable losses on contracts

The provision is created to provide for expected losses in the project based on the expected cost overruns. These provisions are expected to be utilized over a period of one year.

Provision for warranty

Provision for warranty costs are estimated on the basis of a technical evaluation and past experience. Provision is made for estimated liability in respect of warranty costs in the year of sale of goods. These provisions are expected to be utilized over the period of warranty.

Provision for liquidated damages

Provision for liquidated damages relates to estimated outflow in respect of products sold by the Company and estimated to be incurred due to delay in delivery of products to customers. These provisions are expected to be utilized over a period of one year.

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Note 41 - Related parties

Relationships

1	Ultimate holding company	Jupiter Capital Private Limited
	Holding Company	Axiscades Technologies Limited
	Fellow subsidiary	AXISCADES Aerospace & Technologies Private Limited
		Explosoft Tech Solutions Private Limited
	Subsidiary companies	Mistral Solutions, Inc., USA
		Mistral Technologies Private Limited
		Aero Electronics Private Limited
		Mistral Solutions Pte Ltd*

*the Company is dissolved w.e.f 19 February 2022

2 Key Management Personnel (KMP)

Managing Director	Anees Ahmed *
Director	Rajeev Ramachandra **
Director	Mujahid Alam ***
Director	Shashidhar SK #
Director	Srinivas A ##
Director	Sharadhi Chandra B
Director	Ashok Radhakrishna Kamath ###
Director	Anuradha ^
Director	Mariam Mathew
Chief Financial Officer	Anoop Agarwal

* Resigned as a director on 22 December 2022.
** Resigned as a director on 22 December 2022 and reappointed as a director on 02 February 2023
*** Resigned as a director on 22 December 2022 and reappointed as a director on 02 February 2023
# Appointed as a director on 01 December 2022.
Resigned as a director on 30 November 2022.
Resigned as a director on 04 June 2022.
^ Appointed as a director on 03 June 2022.

3 The following are significant transactions with related parties by the Company

Rs. in lakhs

Particulars		31 March 2023	31 March 2022
Revenue from operations			
Sale of products			
Mistral Solutions Inc., USA	Subsidiary	275.23	41.21
Professional Engineering Services			
AXISCADES UK Limited	Fellow subsidiary	25.17	-
Other Income			
Income from support services			
Mistral Solutions Inc., USA	Subsidiary	49.99	37.68
Interest Income			
Aero Electronics Private Limited	Subsidiary	3.96	1.40
Reimbursement of expenses			
Mistral Solutions Inc., USA	Subsidiary	7.48	-
Axiscades Technologies Limited	Holding Company	600.00	-
Explosoft Tech Solutions Private Limited	Fellow Subsidiary	0.25	-
Purchase of goods			
Mistral Solutions Inc., USA	Subsidiary	589.24	1,007.14
Commission			
Mistral Solutions Inc., USA	Subsidiary	113.88	206.67
Professional Fees			
Mistral Technologies Private Limited	Subsidiary	128.22	146.60
Reimbursement of expenses			
Mistral Solutions Inc., USA	Subsidiary	12.63	2.98
Advertisement and business promotion			
Axiscades Technologies Limited	Holding Company	20.62	-
Insurance expenses			
Axiscades Technologies Limited	Holding Company	11.37	-
Cancellation & Settlement of ESOPs (refer note 44)			
Axiscades Technologies Limited	Holding Company	1,414.44	-
Option Premium on fair valuation of derivative (refer note 45)			
Axiscades Technologies Limited	Holding Company	565.18	-
Loans given			
Aero Electronics Private Limited	Subsidiary	20.08	18.10
Aero Electronics Private Limited (interest thereon)	Subsidiary	3.96	1.26
Loans repaid			
Aero Electronics Private Limited	Subsidiary	450.91	-
Investments			
Aero Electronics Private Limited	Subsidiary	450.11	-
Key management personnel compensation			
Short-term employee benefits	KMP	973.09	569.17
Post-employment defined benefit*	KMP	22.48	23.00

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4 The balance receivable from and payable to related parties are as follows

Rs in lakhs

Particulars		31 March 2023	31 March 2022
Trade receivables			
Mistral Solutions Inc., USA	Subsidiary	-	3.62
AXISCADES UK Limited	Fellow subsidiary	21.48	-
Trade Payables			
Mistral Solutions Inc., USA	Subsidiary	325.92	691.02
Unbilled revenue			
Mistral Solutions Inc., USA	Subsidiary	14.30	18.93
Recoverable for reimbursement of expenses			
Axiscades Technologies Limited	Holding Company	600.00	-
Loans Receivable			
Aero Electronics Private Limited	Subsidiary	-	426.87

*Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of acturial valuation for the Company as a whole and hence invidual cannot be determined

**All transactions with these related parties are priced on an arm's length basis and are to be settled in cash within six months of the reporting date. None of the balances are secured

Note 42 - Employee benefits

(a) Defined contribution plans - brief

The Company has recognised an amount of Rs 343.43 lakhs (31 March 2022: Rs 282.74 lakhs) as expenses under the defined contribution plans in the statement of profit and loss for the year.

(b) Defined benefit plans	31 March 2023	31 March 2022
1 Reconciliation of net defined benefit asset / (liability)		
(i) Reconciliation of present value of defined benefit obligation		
Obligations as at the beginning of the year	735.25	636.04
Current Service cost	68.96	62.01
Interest Cost	49.13	41.18
Benefits settled	(86.74)	(38.52)
Acturial (gain) / loss due to financial assumptions	(32.67)	(1.08)
Acturial (gain) / loss due to demographic assumptions	-	(4.96)
Acturial (gain) / loss due to experience adjustments	16.02	40.58
Obligations at the year end 31 March	**749.94**	**735.25**
(ii) Reconciliation of present value of plan asset		
Plan assets as at 1 April	627.00	588.82
Expected return on plan assets	43.17	39.53
Return on assets excluding interest income	(18.12)	(10.06)
Contributions	108.24	47.23
Benefits settled	(86.74)	(38.52)
Plan assets at 31 March at fair value	**673.55**	**627.00**
(iii) Reconciliation of net defined benefit asset / (liability)		
Present value of obligation as at 31 March	749.94	735.25
Plan assets at 31 March at fair value	673.55	627.00
Amount recognised in balance sheet asset / (liability)	**(76.39)**	**(108.25)**
Non-Current	76.39	108.25
2 Expenses recognised in the statement of profit and loss under		
Employee benefit expense		
Current service cost	68.96	62.01
Interest cost	5.96	1.66
Net cost	**74.92**	**63.67**
3 Remeasurements recognised in statement of Other comprehensive income		
Changes in financial assumptions	(32.67)	(1.08)
Changes in demographic assumptions	-	(4.96)
Experience adjustments	16.02	40.58
Actual returns on plan assets less interest on plan assets	18.12	10.06
Net Loss / (Gain) recognised in statement of other comprehensive income	**1.47**	**44.60**
4 Experience adjustment:		
On plan liabilities (gain) / loss	16.02	40.58
On plan assets gain / (loss)	(18.12)	(10.06)
5 Investment details	**% Invested**	**% Invested**
Insurer managed funds	100.00%	100.00%
Others	0.00%	0.00%

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Note 42 - Employee benefits (continued)

Rs in lakhs

	31 March 2023	31 March 2022
6. Principal actuarial assumptions		
Discount factor [Refer note (i) below]	7.45%	6.95%
Estimated rate of return on plan assets [Refer note (ii) below]	7.45%	6.95%
Attrition rate		
Age related (Service related)		
21-30 Years	20.00%	20.00%
31-34 Years	15.00%	15.00%
35-44 Years	5.00%	5.00%
45-50 Years	3.00%	3.00%
51-54 Years	2.00%	2.00%
55-59 Years	1.00%	1.00%
Salary escalation rate [Refer note (iii) below]	8.00% until years 3, inclusive then 7.00%	8.00% until years 3, inclusive then 7.00%
Retirement age (in years)	60	60
7 Maturity profile of defined benefit obligation		
Within 1 year	60.03	56.68
1-2 year	69.88	49.08
2-3 year	77.02	65.56
3-4 year	92.31	69.12
4-5 year	43.29	83.66
5-10 year and above	1,445.76	1,380.68

Notes:

(i) The discount rate is based on the prevailing market yield on Government Securities as at the balance sheet date for the estimated term of obligations.

(ii) The expected return on plan assets is determined considering several applicable factors mainly the composition of the plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.

(iii) The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Sensitivity analysis

The sensitivity analysis of significant actuarial assumption as of end of reporting period is shown below.

	31 March 2023	31 March 2022
A. Discount rate		
Discount rate -100 basis points	9.93%	10.61%
Discount rate +100 basis points	-8.53%	-9.07%
B. Salary escalation rate		
Salary rate -100 basis points	-4.42%	-4.66%
Salary rate +100 basis points	4.54%	4.81%
C. Morality Rate		
Morality rate -10% basis points	-0.10%	-0.09%
Morality rate +10% basis points	0.10%	0.09%
D. Leaving Service Ratio		
Attrition rate -50% basis points	-2.87%	-2.11%
Attrition rate +50% basis points	2.09%	1.70%

Note 43 - **Capital management**

The Company's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

The Company monitors capital on the basis of the following gearing ratio

Particulars	31 March 2023	31 March 2022
Total debt	467.21	593.89
Total equity	16,565.21	13,983.34
Debt to equity ratio	2.82%	4.25%

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Note 44 - **Share based payments**

Employee Stock Option Plan 2010

The Board of Directors of the Company approved the 'Mistral Solutions Private Limited Employee Stock Option Plan 2010' on 15 July 2010 and it is effective from 1 April 2010. The options granted have vesting period in the range of 1 to 4 years.

The movement in the options under the plan is set out below:

Rs. in lakhs

Particulars	31 March 2023	31 March 2022
Options outstanding as at beginning of the year	3,63,000	3,68,000
Options granted during the year	-	-
Options vested during the year	-	-
Options forfeited during the year	-	5,000
Options exercised during the year	2,62,500	-
Shares allotted against options exercised during the year	-	-
Options expired/relinquished during the year	1,00,500	-
Options outstanding at the end of the year	-	3,63,000
Options exercisable as at the end of the year	-	2,62,500
Weighted average price per option (Rs.)	5	5

Fair Value Measurement:

The fair value at grant date is determined using the Black Scholes valuation option-pricing model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The Company has granted Nil option (31 March 2022: Nil option) during the year.

During the year, the Board of Directors have approved cancellation of 100,500 ESOP's which were granted but not vested. Axiscades as a part of the acquisition has paid Rs 1,414.44 lakhs to the employees for the aforesaid cancelled ESOPs and 65,212 promised but not granted ESOP.

The Company in line with the Accounting Standards has recognized Rs 362.61 lakhs as an expense for the cancelled ESOPs which were granted but not vested comprising of the following

- Rs. 189.49 lakhs – Difference between the amount paid and fair value as on the date of settlement
- Rs. 173.12 lakhs – Accelerated vesting of cancelled ESOPs.

The difference between the settlement date fair value and grant date fair value of Rs.289.91 lakhs have been charged to other equity. Furthermore, the amount of Rs. 556.62 lacs paid by Axiscades for promised but not granted ESOP has also been recognized as an expense. The total amount paid by Axiscades amounting to Rs. 1,414.44 lacs has been recognized as a credit to capital reserve.

Note 45 - The holding company AXISCADES Technologies Limited ('AXISCADES') has issued Non-convertible debentures ('NCD') amounting to Rs. 14,500 lakhs to Grand Anicut Fund II ('Investor') for the purpose of completing the acquisition of Mistral Solutions Pvt. Ltd. ('Company'). Consequent to issuance of the NCDs, AXISCADES entered into an investment agreements with the Investor and the same has been ratified by the Board of directors of the Company in its 146th board meeting on 13 March 2023, whereby the Company has granted to Investor the right to subscribe ('warrants') to 4,14,039 partly paid compulsorily convertible preference shares ('CCPS') having a face value of Rs. 5.00/- each, at a price of Rs. 969.11/- at a pre-money equity valuation of Rs. 42,000 lakhs ('specified valuation')

As per the agreed terms of the CCPS, between the Company, Axiscades and Investor, approved by board of directors of the Company in its 146th board meeting on 13 March 2023, if the Investor has been able to liquidate the NCD within 36 months from the date of allotment, then at any time thereafter, the Investor/CCPS Holder, shall have the right to cause the Company to buy back the securities held by the Investors at fair market value (FMV)

The above warrants have been classified as a derivative financial liability in terms of Ind AS 32. Accordingly, the Company have valued the share warrants as at the transaction date at Rs.565.18 lakhs. The Company has determined the fair value of the option as at the balance sheet date as per the requirement of Ind AS 109. The Company has issued the right to the investor without any consideration since the holding company has issued NCD to the investor. Hence, the fair value of the derivatives on initial recognition has been recognised with a debit to Retained earning as deemed distribution. Subsequent changes in the value of the derivatives shall be recognised in the Statement of profit and loss.

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Note 46 - Financial instruments - fair values and risk management

Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2023, including their levels in the fair value hierarchy

Rs. in lakhs

Particulars	Note	Carrying amount						Fair value		
		FVTPL	FVOCI	Derivative instruments not in hedging relationship	Other financial assets -amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value										
Investment in real estate fund	7	200.86	-	-	-	-	200.86	-	200.86	-
Investment in other funds	13	-	-	-	-	-	-	-	-	-
Investment in mutual funds	13	2,453.21	-	-	-	-	2,453.21	2,453.21	-	-
		2,654.07	-	-	-	-	**2,654.07**			
Financial assets not measured at fair value										
Loans receivable	9	-	-	-	-	-	-			
Other financial assets	10, 16	-	-	-	891.44	-	891.44			
Trade receivables	8, 14	-	-	-	5,348.04	-	5,348.04			
Cash and cash equivalents	15	-	-	-	1,222.68	-	1,222.68			
Other bank balances	15	-	-	-	1,446.63	-	1,446.63			
		-	-	-	**8,908.79**	-	**8,908.79**			
Financial liabilities measured at fair value										
Other financial liabilities (Option premium on fair valuation of derivatives)	22	-	-	565.18	-	-	565.18	-	-	565.18
		-	-	**565.18**	-	-	**565.18**			
Financial liabilities not measured at fair value										
Lease liabilities	35	-	-	-	-	467.21	467.21			
Trade payables	21	-	-	-	-	2,600.07	2,600.07			
Other financial liabilities	22	-	-	-	-	501.16	501.16			
		-	-	-	-	**3,568.44**	**3,568.44**			

The following table shows the carrying amounts and fair values of financial assets and financial liabilities as at 31 March 2022, including their levels in the fair value hierarchy

Particulars	Note	Carrying amount						Fair value		
		FVTPL	FVOCI	Derivative instruments not in hedging relationship	Other financial assets -amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value										
Investment in real estate fund	7	203.92	-	-	-	-	203.92	-	203.92	-
Investment in other funds	13	242.70	-	-	-	-	242.70	-	242.70	-
Investment in mutual funds	13	566.99	-	-	-	-	566.99	309.34	257.65	-
		1,013.61	-	-	-	-	**1,013.61**			
Financial assets not measured at fair value										
Loans receivable	9	-	-	-	426.87	-	426.87			
Other financial assets	10, 16	-	-	-	293.94	-	293.94			
Trade receivables	8, 14	-	-	-	4,834.32	-	4,834.32			
Cash and cash equivalents	15	-	-	-	872.30	-	872.30			
Other bank balances	15	-	-	-	2,229.14	-	2,229.14			
		-	-	-	**8,656.57**	-	**8,656.57**			
Financial liabilities measured at fair value										
Other financial liabilities (Option premium on fair valuation of derivatives)	22	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-			
Financial liabilities not measured at fair value										
Lease liabilities	35	-	-	-	-	593.89	593.89			
Trade payables	21	-	-	-	-	3,232.78	3,232.78			
Other financial liabilities	22	-	-	-	-	380.13	380.13			
		-	-	-	-	**4,206.80**	**4,206.80**			

The fair value of cash and cash equivalents, bank balances, trade receivables, loans, trade payables, lease liabilities and other financial assets and liabilities approximate their carrying amount largely due to the short-term nature of these instruments. The Company's loans have been contracted at market rates of interest. Accordingly, the carrying value of such loans approximate fair value. Investments in equity shares in subsidiary is not appearing as financial asset in the table above being investment in subsidiaries accounted under Ind AS 27, Seperate Financial Statements is scoped out under Ind AS 109, Financial Instruments.

Investments in liquid and short- term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.

Investments in equity shares which are classified as FVTPL are measured using market price of share at the reporting date multiplied by the quantity held.

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Financial risk management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's management risk policy is set by the Board. The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. A summary of the risks have been given below.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Financial assets that are not credit impaired

The Company has financial assets which are in the nature of cash and cash equivalents, other bank balances, loans, security deposits, interest accrued on fixed deposits and other receivables which are not credit impaired. These are contractually agreed where the probability of default is negligible.

Financial assets that are credit impaired

Trade receivables

The Company's exposure to credit risk is influenced mainly by the type of each customer. Since, the receivables from Government entities are sovereign in nature and default rate will be remote, they are excluded from expected credit loss. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are into defense sector or non defense sector, industry, trading history with the Company and existence of previous financial difficulties.

The Company's exposure to credit risk for trade receivables by the type of counterparty is as follows: Rs. in lakhs

Carrying amount	31 March 2023	31 March 2022
Defence sector	3,865.97	3,542.72
Non defence sector	1,516.81	1,328.41
Related parties	21.48	3.62
	5,404.26	4,874.75

The Company has calculated the impairment loss arising on account of past trends in the default rate for time bucket.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Out of the total trade receivables of Rs. 5,404.26 lakhs (31 March 2022: Rs 4,874.75 lakhs) including unbilled billed receivables, the exposure considered for expected credit loss is Rs. 1,516.81 lakhs (31 March 2022: Rs. 1,328.41 lakhs). The balance which is not considered for impairment pertains to defence customers and related parties where default in collection as a percentage to total receivable is low.

The following table provides information about the exposure to credit risk and expected credit loss for trade and other receivables:

	Gross carrying amount	Weighted average loss rate	Loss allowance
31 March 2023			
Current (not past due)	983.37	0.01%	0.12
0-90 days	278.88	7.95%	22.17
91-180 days	204.71	0.23%	0.47
181-270 days	16.55	0.96%	0.16
271-365 days	-	0.00%	-
> 365 days	33.30	100.00%	33.30
	1,516.81		**56.22**

	Gross carrying amount	Weighted average loss rate	Loss allowance
31 March 2022			
Current (not past due)	998.68	0.20%	2.04
0-90 days	292.29	0.32%	0.95
91-180 days	-	0.00%	-
181-270 days	-	0.00%	-
271-365 days	-	0.00%	-
> 365 days	37.44	100.00%	37.44
	1,328.41		**40.43**

Movement in the allowance for impairment in trade receivables	31 March 2023	31 March 2022
Opening balance	40.43	6.60
Amount provided for	25.43	33.83
Amount reversal for	(9.64)	-
Amount utilised for	-	-
Net remeasurement of loss allowance	56.22	40.43

Note 46 - Financial instruments - fair values and risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The table below provides details regarding the contractual maturities of significant financial liabilities as at 31 March 2023.

Rs. in lakhs

Particulars	Carrying value	As at 31 March 2023		
		Less than 1 year	1-2 years	2 years and above
Dearvative financial liabilities				
Other financial liabilities (Option premium on fair valuation of derivatives)	565.18	-	-	565.18
	565.18	-	-	**565.18**
Non-derivative financial liabilities				
Lease liabilities	467.21	317.46	53.14	207.86
Trade payables	2,600.07	2,600.07	-	-
Other financial liabilities	501.16	501.16	-	-
	3,568.44	3,418.69	53.14	207.86
Total financial liabilities	4,133.62	3,418.69	53.14	773.04

Particulars	Carrying value	As at 31 March 2022		
		Less than 1 year	1-2 years	2 years and above
Dearvative financial liabilities				
Other financial liabilities (Option premium on fair valuation of derivatives)	-	-	-	-
	-	-	-	-
Non-derivative financial liabilities				
Lease liabilities	593.89	347.24	238.42	8.23
Trade payables	3,232.78	3,232.78	-	-
Other financial liabilities	380.13	380.13	-	-
	4,206.80	3,960.15	238.42	8.23
Total financial liabilities	4,206.80	3,960.15	238.42	8.23

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Company is exposed to market risk primarily related to foreign exchange rate risk. Thus, the exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows.

Particulars	31 March 2023		
	USD exposure	EURO exposure	GBP exposure
Trade and other payables	1,652.64	22.70	0.50
Trade and other receivables	1,223.30	34.70	-
Net exposure in respect of recognised assets and liabilities	**429.34**	**(12.00)**	**0.50**

Particulars	31 March 2022		
	USD exposure	EURO exposure	GBP exposure
Trade and other payables	2,214.87	10.47	177.04
Trade and other receivables	1,116.14	-	-
Net exposure in respect of recognised assets and liabilities	**1,098.73**	**10.47**	**177.04**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US Dollar, Euro or GBP against all other currencies as at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
31 March 2023	Strengthening	Weakening	Strengthening	Weakening
USD (for 1% movement)	4.29	(4.29)	3.21	(3.21)
EURO (for 1% movement)	(0.12)	0.12	(0.09)	0.09
GBP (for 1% movement)	0.01	(0.01)	0.00	(0.00)
	4.18	**(4.18)**	**3.12**	**(3.12)**

	Profit or loss		Equity, net of tax	
31 March 2022	Strengthening	Weakening	Strengthening	Weakening
USD (for 1% movement)	10.99	(10.99)	8.22	(8.22)
EURO (for 1% movement)	0.10	(0.10)	0.08	(0.08)
GBP (for 1% movement)	1.77	(1.77)	1.32	(1.32)
	12.86	**(12.86)**	**9.62**	**(9.62)**

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Mistral Solutions Private Limited
Notes on standalone financial statements (continued)

Note 47 - Ratios

The following are analytical ratios for the year ended 31 March 2023 and 31 March 2022

Particulars	Numerator	Denominator	31st March 2023	31st March 2022	Variance	Remarks
Current Ratio	Total current assets	Total current liabilities	2.56	2.57	-1%	
Debt equity ratio	Total debt consist of Lease liabilities	Total equity	0.03	0.04	-34%	*
Debt service coverage ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + finance cost	Debt service = Interest & lease payments	6.99	8.10	-14%	
Return on Equity (ROE)	Net Profit for the year	Avearge total equity	14%	19%	-27%	**
Inventory turnover ratio	Cost of goods sold	Average Inventory	2.42	2.32	4%	
Trade receivable turnover ratio	Revenue from operations	Average trade receivables	5.31	4.61	15%	
Trade payables turnover ratio	Net credit purchases	Average trade payable	4.95	4.82	3%	
Net capital turnover ratio	Revenue from operations	Working capital (i.e., Total current assets less total current liabilities)	1.93	1.63	18%	
Net profit ratio	Net Profit for the year	Revenue from operations	8%	13%	-39%	***
Return on capital employed (ROCE)	Profit before tax and finance cost	Capital employed = Net worth + Lease liabilities	20%	23%	-14%	
Return on investment (Other than investments in subsidiaries)	Income earned on the current investments	Weighted Average of Current Investments	2%	3%	-44%	****

* Debt equity ratio - The variation is majorly due to repayment of lease liabilities during the year, which has resulted in reduction of the closing debt

** Return on Equity (ROE) - The decrease in return on equity is on account of cancellation of ESOP charged to statement of Profit and loss account thereby reducing the net profit during the year. Refer Note 44 for impact of ESOP expenses.

***Net profit ratio - The decrease is majorly on account of cancellation of ESOP charged to statement of Profit and loss account which resulted in reduction of the net profit earned during the year. Refer Note 44 for impact of ESOP expenses.

**** Return on investment - The decrease is due to fresh investments in mutual funds made closer to the year end and also lower yield earned during the year.

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MISTRAL SOLUTIONS PVT. LTD. BANGALORE

Note 48 - Other statutory information

(i) The Company does not have any Benami property or any proceeding is pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The Company has not traded or invested in crypto currency or virtual currency during the financial year.

(v) 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:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) 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:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) None of the entities in the Company have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(viii) The Company has borrowings from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks and financial institutions are in agreement with the books of accounts.

(ix) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(x) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(xi) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Note 49 - In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company and no separate disclosure on segment information is given in these standalone financial statements.

Note 50 - The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under Sections 92-92F of the Income-tax Act, 1961. Since the law required existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international as well as domestic transactions entered into with the associated enterprise during the financial year and expects such records to be in existence as required by law. The Management is of the opinion that its international as well as domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

Note 51 - The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition owing to changes in pricing and impact on leases. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these standalone financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

Note 52 - The Company along with its promoters had entered into a Share Purchase Agreement ('SPA') on December 1, 2017 along with certain other agreements (collectively, 'Definitive Agreements'), whereby Axiscades Technologies Limited (formerly Axiscades Engineering Technologies Limited) ('Axiscades') agreed to acquire 100% stake in the Company along with its subsidiaries ('Group') in a phased manner. The Company, its shareholders and Axiscades are presently involved in arbitration proceedings owing to dispute over discharge of their respective obligations under the aforesaid agreement. Both parties have alleged that the other party should comply with their obligations under the aforesaid agreement. Additionally, both parties have demanded for interest and damages alleging the other party's failure to discharge its obligations under the aforesaid agreement. The Arbitral Tribunal vide its interim order dated August 28, 2020 has asked to maintain the status quo with respect to shareholding in the Company and existing constitution of the Board of Directors of the Company.

The Arbitral Tribunal vide its interim final order dated May 21, 2022 (Interim Award) directed the parties to execute the Definitive Agreements so long as certain pre-conditions, such as submission of unconditional bank guarantee, payment of 3rd and 4th phase payment with interest, Noncompete fee, etc., are fulfilled by Axiscades within prescribed timelines. Vide the Interim Award, the Arbitral Tribunal further directed the Parties to maintain the status quo with respect to shareholding in the Company and existing constitution of the Board of Directors of the Company. Further, the Arbitral Tribunal has directed that in case either party does not fulfill its obligations, the other party is entitled to seek for rescission of the Definitive Agreements and for all consequential reliefs including damages. The Company believes no significant effects on the Group are expected which may require any adjustments in the consolidated financial statement of the Company.

As per our report of even date attached

for **B S R & Associates LLP**
Chartered Accountants
Firm registration number: 116231W/W-100024

Sagar Lulla

Sagar Lulla
Partner
Membership Number: 137645

Place: Bengaluru, India
Date: 21 May 2023

for and on behalf of the Board of Directors of
Mistral Solutions Private Limited
CIN : U72200KA1999PTC025232

Rajeev Ramachandra
Director
DIN: 00178796
Place: Bengaluru, India

Mujahid Alam
Director and Chief Executive Officer
DIN: 02651595
Place: Bali, Indonesia

Anoop Agrawal
Chief Financial Officer
Place: Goa, India
Date: 20 May 2023