SENSEHAWK INDIA PRIVATE LIMITED

FINANCIAL STATEMENTS
2022-23

Sensehawk India Private Limited
Balance Sheet as at March 31, 2023
(All amounts in INR lakhs, except as otherwise stated)

	Note	As at '31st March, 2023	As at '31st March, 2022	As at '1st April, 2021
Assets				
Non-current assets				
Property, plant and equipment	3.1	62.92	40.89	48.95
Intangible assets	3.2	0.16	0.32	0.48
Income Tax Assets	5	25.72	45.36	17.57
Total non-current assets		**88.80**	**86.57**	**67.00**
Current assets				
Financial assets				
Trade receivables	6	60.19	88.96	82.90
Cash and cash equivalents	7	46.76	39.51	60.29
Bank balances other than cash and cash equivalents	8	5.00	5.00	5.00
Other financial assets	9	18.04	15.48	12.02
Other current assets	10	75.27	47.16	45.05
Total current assets		**205.26**	**196.11**	**205.26**
Total assets		**294.06**	**282.68**	**272.26**
Equity and liabilities				
Equity				
Equity share capital	11	181.94	181.94	181.94
Other equity	12	(52.47)	(122.84)	(188.68)
Total equity		**129.47**	**59.10**	**(6.74)**
Non-current liabilities				
Provisions	13	55.03	23.92	-
Total non-current liabilities		**55.03**	**23.92**	**-**
Current liabilities				
Financial liabilities				
Trade payables	14			
- Due to micro and small enterprises		-	-	-
- Due to creditors other than micro and small enterprises		63.64	25.54	30.44
Other current liabilities	15	41.53	174.10	248.56
Provisions	16	4.39	0.02	-
Total current liabilities		**109.56**	**199.66**	**279.00**
Total liabilities		**164.59**	**223.58**	**279.00**
Total equity and liabilities		**294.06**	**282.68**	**272.26**

See accompanying notes to the financial statements 1-38

For and on behalf of the Board of Directors of
Sensehawk India Private Limited

Swarup Ramapriya Mavanoor
Director
DIN : 02760483

Date: 14th June, 2023

Sensehawk India Private Limited
Statement of Profit and Loss for the year ended 31st March, 2023
(All amounts in INR lakhs, except as otherwise stated)

	Notes	2022-23	2021-22
Income			
Revenue from operations	17	1,281.85	1,426.33
Other income	18	3.07	0.37
Total income		**1,284.92**	**1,426.70**
Expenses			
Cost of Service rendered	19	178.03	219.19
Employee benefits expense	20	873.93	1,009.11
Finance costs	21	0.23	0.34
Depreciation and amortisation expense	3	23.57	21.29
Other expenses	22	145.74	110.93
Total expenses		**1,221.50**	**1,360.86**
Profit before tax		**63.42**	**65.84**
Tax expenses:			
Current tax	24	0.38	-
Deferred tax	24	-	-
Total tax expenses		0.38	-
Profit after tax		**63.04**	**65.84**
Other comprehensive income (OCI)			
Items that will not be reclassified to Statement of Profit and			
Re-measurement gain on defined benefit plan	23	7.33	-
Income tax effect on above		-	-
OCI for the year		**7.33**	**-**
Total comprehensive income for the year		**70.37**	**65.84**
Earnings per equity share of face value of Rs. 10 each			
Basic (INR)	25	**3.46**	**3.62**
Diluted (INR)	25	**3.46**	**3.62**
Significant accounting policies	2.2		

See accompanying notes to the financial statements 1-38

For and on behalf of the Board of Directors of
Sensehawk India Private Limited

Swarup Ramapriya Mavanoor
Director
DIN : 02760483

Date: 14th June, 2023

Sensehawk India Private Limited
Statement of Changes in Equity (SOCIE) for the year ended 31st March, 2023
(All amounts in INR lakhs, except as otherwise stated)

(a) Equity share capital

Balance at the beginning of the reporting period i.e. 01st April, 2021	Changes in Equity Share Capital during the year 2021-22	Balance at the end of the reporting period i.e. 31st March, 2022	Changes in Equity Share Capital during the year 2022-23	Balance as at 31st March, 2022
181.94	-	181.94	-	181.94

(b) Other equity

	Reserves and Surplus		
	Retained earnings	Other Comprehensive Income	Total
As on 31st March, 2021			
Balance at the beginning of the reporting period i.e 1st April, 2020	(131.63)	-	(131.63)
Total Comprehensive Loss for the year	(57.05)	-	(57.05)
Balance at the end of the reporting period i.e 31st March, 2021	**(188.68)**	**-**	**(188.68)**
As on 31st March, 2022			
Balance at the beginning of the reporting period i.e 1st April, 2021	(188.68)	-	(188.68)
Total Comprehensive Profit for the year	65.84	-	65.84
Balance at the end of the reporting period i.e 31st March, 2022	**(122.84)**	**-**	**(122.84)**
As on 31st March, 2023			
Balance at the beginning of the reporting period i.e 1st April, 2022	(122.84)	-	(122.84)
Total Comprehensive Profit for the year	63.04	7.33	70.37
Balance at the end of the reporting period i.e 31st March, 2023	**(59.80)**	**7.33**	**(52.47)**

For and on behalf of the Board of Directors of
Sensehawk India Private Limited

Swarup Ramapriya Mavanoor
Director
DIN : 02760483

Date: 14th June, 2023

Sensehawk India Private Limited
Cash Flow Statement for the year ended 31st March, 2023
(All amounts in INR lakhs, except as otherwise stated)

	As at '31st March, 2023	**As at '31st March, 2022**
A. Cash flow from operating activities		
Net Profit as per statement of profit and loss	63.42	65.84
Adjustments:		
Depreciation and amortisation expense	23.57	21.29
Interest Income	(3.08)	(0.33)
Finance costs	0.23	0.34
Operating profit before working capital changes	**84.14**	**87.14**
Movement in working capital:		
Change in trade receivables	28.78	(6.06)
Change in other current assets	(28.11)	(2.11)
Change in other financial assets	(2.57)	(3.46)
Change in trade payables	38.09	(4.90)
Change in provisions	42.81	23.94
Change in other current liabilities	(132.57)	(74.46)
Cash generated from operations	**30.57**	**20.09**
Income tax received/(paid)	19.27	(27.79)
Net cash generated/ (used in) operating activities (A)	**49.84**	**(7.70)**
B. Cash flow from investing activities		
Purchase of property, plant and equipment and intangible assets (including capital work in progress, capital advances and net of capital creditors and retention money)	(45.44)	(13.07)
Interest Income	3.08	0.33
Net cash used in investing activities (B)	**(42.36)**	**(12.74)**
C. Cash flow from financing activities		
Finance costs	(0.23)	(0.34)
Net cash used in financing activities (C)	**(0.23)**	**(0.34)**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	**7.25**	**(20.78)**
Cash and cash equivalents at the beginning of the year	39.51	60.29
Cash and cash equivalents at the end of the year	**46.76**	**39.51**
Components of cash and cash equivalents for the purpose of cash flow statement		
Cash on hand	-	-
With banks - on current accounts	46.76	39.51
Total cash and cash equivalents (note 7)	**46.76**	**39.51**

Significant accounting policies (refer note 2.2)

The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

See accompanying notes to the financial statements 1-38

For and on behalf of the Board of Directors of
Sensehawk India Private Limited

Swarup Ramapriya Mavanoor
Director
DIN : 02760483

Date: 14th June, 2023

1 Corporate information

Sensehawk India Private Limited (’the Company') is domiciled in India and was incorporated on August 23, 2018 as a private limited company under the provisions of the Companies Act, 2013. The Company's principal activity is to provide software services and data analytical services. The registered office of the Company is situated in Mumbai in the state of Maharashtra in India and a physical office in Bengaluru in the state of Karnataka in India.

The company is a subsidiary of Sensehawk, Inc . During the current year, Reliance Industries Limited (RIL) acquired 79.3982% stake in Sensehawk ,Inc. w.e.f 21st October 2022, thereby making the Company a subsidiary of RIL.

2.1 Significant accounting policies

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (“Ind AS”) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, as applicable. For periods up to and including the year ended 31st March, 2022, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India (‘previous GAAP’). These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 1st April, 2021. Refer Note 35 for the explanations of transition to Ind AS.

The financial statements have been prepared on a going concern basis.

(b) Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company’s functional currency. All amounts are in Indian Rupees lakhs except unless otherwise stated.

(c) Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which have been measured at fair values:

Defined Benefit Plan

The financial statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013, amended from time to time.

(d) Use of estimates and judgements

In preparing the 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 recognised prospectively.

Judgments, assumptions and estimation uncertainties

Information about judgments made in applying accounting policies, assumptions and estimation uncertainities that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 3 - Property, plant and equipment, Intangible Assets - timing of capitalisation and nature of cost capitalised
Note 29 & 30 - Financial instrumenents
Note 24 - Income taxes including deferred tax
Note 12 and 14 - Provisions
Note 27 - Employee benefits expense, wages and bonus; key actuarial assumptions

2.2 Summary of significant accounting policies

(a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is treated as current when :

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

The Company classifies all other liabilities as non-current.

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

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

(b) Property plant and equipment

Intangible assets
Application software purchased which is not an integral part of the related hardware is shown as intangible asset and depreciated on a straight-line basis over its useful life of one year and six months, as determined by management.

Tangible assets
Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation / amortisation and impairment loss, if any. Cost includes freight, duties, taxes (to the extent not recoverable from tax authorities) and expenses incidental to the acquisition/ construction and installation.

The Company provides depreciation on its tangible assets on the straight-line method ('SLM'), pro-rata to the period of use based on the useful life of the assets as estimated by the management and is charged to the Statement of profit and loss as per the requirement of Part C of Schedule II of the Act.

Useful life of assets followed by the Company is summarized below:

Category of assets	Useful life
Furniture and fixtures	10 years
Computers and accessories	3 years
Office equipment	10 years
Server and Networks	5 years

(c) Impairment of assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

(d) Leases

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

Company as a lessee

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred.

The requirements of Ind AS 116 is not applicable to short term and low value leases that have a lease term of 12 months or less. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

(e) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at Fair Value through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:
i) Financial assets at amortised cost
ii) Financial assets at fair value through other comprehensive income (FVTOCI)
iii) Financial assets at fair value through profit or loss (FVTPL)

(i) Financial assets at amortised cost
A 'financial asset' is measured at the amortised cost if both the following conditions are met:
a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of

(ii) Financial assets at fair value through other comprehensive income (FVTOCI)
A financial asset is measured at FVTOCI 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 represents solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss (FVTPL)
A financial asset which is not classified in any of the above categories are measured at FVTPL. Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

(iv)Derecognition

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109.

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL). Expected Credit Losses are measured through a loss allowance at an amount equal to:

(i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
(ii) Full lifetime expected credit losses expected credit losses that result from all possible default events over the life of the financial instrument).

For trade receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed. For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial liabilities
Initial recognition and measurement

All financial liabilities are recognised initially at fair value. Fees of recurring nature are directly recognised in the statement of profit and loss as finance cost.

The Company's financial liabilities comprises of trade payables.

Subsequent measurement

Financial liabilities are 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.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(f) Revenue recognition

Sale of Services
Revenue from sale of services is recognised as and when the services are rendered.

Interest Income
Interest income is recognised on accrual basis.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (i) Financial instruments – initial recognition and subsequent measurement.

(g) Foreign currency transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year. Monetary assets and liabilities in foreign currency, which are outstanding as at the year end, are translated at the year-end closing exchange rate and the resultant exchange differences are recognized in the Statement of profit and loss.

(h) Employee benefits

(a) Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, ex-gratia and compensated absences.

(b) Post-employment benefits

(i) Defined Contribution Plan
A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to a Government administered provident fund and insurance scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(i) Defined Benefit Plan
The Company operates a defined benefit plan for its employees for gratuity. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs are deducted. The calculation of the Company's obligation under the plan is performed annually by a qualified actuary using the projected unit credit method.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for, based on the actuarial valuation at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Termination benefits

Termination benefits are recognised as an expense when, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(i) Taxes

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to applyin the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

(j) Earnings Per Share (EPS)

The Basic EPS is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS amounts are calculated by dividing the profit attributable to equity shareholders of the Company (after adjusting for interest on optionally fully convertible debentures, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period,unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(k) Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs 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.

(l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months but less than twelve months, which are subject to an insignificant risk of changes in value.

(m) Segment accounting policies

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

(n) Cash flow statement

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

2.3 AMENDMENTS TO EXISTING ACCOUNTING STANDARDS

On 31st March, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to Company from 1st April, 2023.

Ind AS 101 – First-time Adoption of Indian Accounting Standards
Ind AS 102 – Share-based Payments
Ind AS 103 – Business Combinations
Ind AS 107 – Financial Instruments Disclosures
Ind AS 109 – Financial Instruments
Ind AS 115 – Revenue from Contracts with Customers
Ind AS 1 – Presentation of Financial Statements
Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
Ind AS 12 – Income Taxes
Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the Company's financial statements.

2.4 Critical Accounting Judgements and Key Sources Of Estimation Uncertainty

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

(A) Depreciation / Amortisation and Useful Lives of Property Plant and Equipment/ Intangible Assets

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment/Intangible Assets are depreciated/amortised over their estimated useful life, after taking into account estimated residual value. Management reviews the estimated useful life and residual values of the assets annually in order to determine the amount of depreciation/ amortisation to be recorded during any reporting period. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation/amortisation for future periods is revised if there are significant changes from previous estimates.

(B) Recoverability of trade receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

(C) Provisions
The timing of recognition and quantification of the liability (including litigations) requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

(D) Impairment Of Financial And Non-Financial Assets
The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.
In case of non-financial assets Company estimates asset's recoverable amount, which is higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use.
In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

(E) Recognition of Deferred Tax Assets
Deferred tax assets are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The company uses judgement to determine the amount of deferred tax that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

Notes to the financial Statements for the year ended 31st March, 2023
(All amounts in INR lakhs, except as otherwise stated)

3.1 Property, plant and equipment

Particulars	Gross block							Depreciation							Net block		
	As at 1 April 2021	Additions during the year	Disposals during the year	As at 31 March 2022	Additions during the year	Disposals during the year	As at 31 March 2023	As at 1 April 2021	For the year	Deductions	As at 31 March 2022	For the year	Deductions	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022	As at 1 April 2021
Property, Plant and Equipment																	
Tangible Assets																	
Furnitures and fixtures	6.18	-	-	6.18	-	-	6.18	-	0.95	-	0.95	0.95	-	1.90	4.28	5.23	6.18
Office Equipments	1.77	0.53	-	2.30	2.19	-	4.49	-	0.28	-	0.28	0.48	-	0.76	3.73	2.02	1.77
Computers	40.78	12.54	-	53.32	43.25	-	96.57	-	19.72	-	19.72	21.98	-	41.70	54.87	33.60	40.78
Server and network	0.22	-	-	0.22	-	-	0.22	-	0.18	-	0.18	-	-	0.18	0.04	0.04	0.22
Subtotal	**48.95**	**13.07**	**-**	**62.02**	**45.44**	**-**	**107.46**	**-**	**21.13**	**-**	**21.13**	**23.41**	**-**	**44.54**	**62.92**	**40.89**	**48.95**
Previous Year				**48.95**	**13.07**	**-**	**62.02**				**-**	**21.13**	**-**	**21.13**	**40.89**	**48.95**	

3.2 Intangible Assets

Particulars	Gross block							Depreciation							Net block		
	As at 1st April 2021	Additions during the year	Disposals during the year	As at 31st March 2022	Additions during the year	Disposals during the year	As at 31st March 2023	As at 1st April 2021	For the year	Deductions	As at 31st March 2022	For the year	Deductions	As at 31st March 2023	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Intangible Assets																	
Software, link and workspaces	0.48	-	-	0.48	-	-	0.48	-	0.16	-	0.16	0.16	-	0.32	0.16	0.32	0.48
Subtotal	**0.48**	**-**	**-**	**0.48**	**-**	**-**	**0.48**	**-**	**0.16**	**-**	**0.16**	**0.16**	**-**	**0.32**	**0.16**	**0.32**	**0.48**
Previous Year				**0.48**	**-**	**-**	**0.48**				**-**	**0.16**	**-**	**0.16**	**0.32**	**0.48**	

(All amounts in INR lakhs, except as otherwise stated)

4 Deferred Tax Assets (Net)

Component of Deferred Tax Assets/ (Liabilities)	**As at '31st March, 2023**	**As at '31st March, 2022**	**As at '1st April, 2021**
Deferred Tax Assets (Net)	9.42	29.88	45.21
Deferred Tax Liabilities (Net)	-	-	-
Net Deferred Tax Assets/ (Liabilities)	**-**	**-**	**-**

Component of Deferred Tax

The movement in deferred tax asset and liabilities:	**As at 1st April, 2021**	**Charge/(Credit) to Statement of Profit and Loss**	**(Charge)/Credit to Other Comprehensive Income**	**As at 31st March, 2022**	**Charge/(Credit) to Statement of Profit and Loss**	**(Charge)/Credit to Other Comprehensive Income**	**As at 31st March, 2023**
Deferred tax assets (Net) in relation to :			-			-	-
Carry Forward of Losses	34.30	(21.47)	-	12.83	(12.83)	-	-
Unabsorbed Depreciation	9.50	-	-	9.50	(9.50)	-	-
WDV of Fixed Assets	1.33	0.19	-	1.52	(1.04)	-	0.48
Provision for Gratuity	-	6.03	-	6.03	(4.21)	-	1.82
Provision for Expenses -40 (a)	0.08	(0.08)	-	-	-	-	-
Provision for Leave Encashment	-	-	-	-	7.12	-	7.12
Total	**45.21**	**(15.33)**	**-**	**29.88**	**(20.46)**	**-**	**9.42**
Deferred Tax	**-**	**-**	**-**	**-**	**-**	**-**	**-**
*** Net Deferred Tax Assets/**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

* The Company has recognised deferred tax asset in respect of temporary differences only to the extent of the deferred tax liability in accordance with Ind AS 12 “Income Taxes” in the absence of convincing evidence pertaining to the recoverability of the tax assets.

Sensehawk India Private Limited
Notes to the financial Statements for the year ended 31st March, 2023
(All amounts in INR lakhs, except as otherwise stated)

5 Income Tax Assets

(Unsecured and Considered Good)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Balances with government authorities			
TDS credit receivable for Assessment Year 2021-22	-	17.57	17.57
TDS credit receivable for Assessment Year 2022-23	-	27.79	-
TDS credit receivable for Assessment Year 2023-24	25.72	-	
	25.72	**45.36**	**17.57**

5.1 Income Tax Assets (Movement during the year)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
At start of year	45.36	17.57	29.22
Charge for the year	(0.39)	-	-
Taxes deducted at source	22.34	27.79	14.86
Tax paid during the year (net of refunds)	(41.59)	-	(26.51)
	25.72	**45.36**	**17.57**

6 Trade receivables*

(Unsecured and Considered Good)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Trade receivables	60.19	88.96	82.90
	60.19	**88.96**	**82.90**

* Trade receivables are non-interest bearing and are generally on terms of 30 days.

6.1 Trade Receivables Ageing Schedule

	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	60.19	-	-	-	-	**60.19**
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	60.19	**-**	**-**	**-**	**-**	**60.19**

(All amounts in INR lakhs, except as otherwise stated)

6.2 Trade Receivables Ageing Schedule

	Outstanding for following periods from due date of payment					
	Less than 6 Months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivables - considered good	87.61	-	0.95	0.41	-	**88.96**
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	87.61	**-**	**0.95**	**0.41**	**-**	**88.96**

6.3 Trade Receivables Ageing Schedule

	Outstanding for following periods from due date of payment					
	Less than 6 Months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Undisputed Trade Receivables - considered good	70.67	10.06	2.17	-	-	**82.90**
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-
	70.67	**10.06**	**2.17**	**-**	**-**	**82.90**

7 Cash and cash equivalents

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Balances with banks	46.76	39.51	60.29
Cash in hand	-	-	-
Cash and cash equivalents as per Balance Sheet	**46.76**	**39.51**	**60.29**
Cash and cash equivalents as per Cash Flow Statement	**46.76**	**39.51**	**60.29**

7.1 Cash and Cash Equivalents includes Happay Wallet Rs. 0.45 lakhs maintained by the Company.

8 Bank balances other than cash and cash equivalents

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Bank deposits with maturity more than 3 months but less than 12 months	5.00	5.00	5.00
	5.00	**5.00**	**5.00**

8.1 Bank balances other than cash and cash equivalents includes bank deposits Rs. 5 lakhs (31st March, 2022 - Rs.5 lakhs; 1st April, 2021 - Rs. 5 lakhs) maintained by the Company with banks with maturity more than three months but less than 12 months.

9 Other current financial assets (Unsecured considered good unless otherwise stated)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Interest accrued			
- on deposits	0.08	0.29	0.32
Advances to related parties (refer note 31)	6.21	3.44	-
Security Deposits	11.75	11.75	11.70
	18.04	**15.48**	**12.02**

10 Other current assets

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Balances with statutory / government authorities	37.56	26.85	27.58
* Others-Considered Good	0.13	-	0.00
Prepaid expenses	35.17	10.81	10.05
Advances to Employees	2.41	9.50	7.42
	75.27	**47.16**	**45.05**

* Includes Credit card receivable.

11 Share capital	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Authorised shares (No.)			
20,00,000 (March 31, 2022: 20,00,000 ; April 01, 2021: 20,00,000) equity shares of Rs. 10 each	200.00	200.00	200.00
	200.00	**200.00**	**200.00**
Issued, subscribed and fully paid-up shares (No.)			
18,19,355 (March 31, 2022: 18,19,355 ; April 01, 2021: 18,19.355) equity shares of Rs. 10 each	181.94	181.94	181.94
	181.94	**181.94**	**181.94**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No.	(Rs. In lakhs)	No.	(Rs. In lakhs)	No.	(Rs. In lakhs)
Shares outstanding at the beginning of the year	1,819,355	181.94	1,819,355	181.94	1,819,355	181.94
Issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	**1,819,355**	**181.94**	**1,819,355**	**181.94**	**1,819,355**	**181.94**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. 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 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.

(c) Shares held by Holding Company

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Equity shares of Rs. 10 each fully paid	No.	No.	No.
SenseHawk, Inc. (Holding Company)	1,819,354	1,819,354	1,819,354
	1,819,354	**1,819,354**	**1,819,354**

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

	As at 31st March, 2023		As at 31st March, 2022		As at 1st April, 2021	
	No.	%	No.	%	No.	%
SenseHawk, Inc. (Holding Company)	1,819,354	99.99%	1,819,354	99.99%	1,819,354	99.99%

(All amounts in INR lakhs, except as otherwise stated)

(e) Details of shares held by promoters

As at March 31, 2023

Sl no.	Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of INR 10 each fully paid up	SenseHawk, Inc. (Holding Company)	1,819,354	-	1,819,354	99.99%	0.00%

As at March 31, 2022

Sl no.	Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of INR 10 each fully paid up	SenseHawk, Inc. (Holding Company)	1,819,354	-	1,819,354	99.99%	0.00%

As at April 01, 2021

Sl no.	Promoter	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Equity shares of INR 10 each fully paid up	SenseHawk, Inc. (Holding Company)	1,819,354	-	1,819,354	99.99%	0.00%

Notes to the financial Statements for the year ended 31st March, 2023
(All amounts in INR lakhs, except as otherwise stated)

12 Other equity

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Retained earnings			
As per last Balance Sheet	(122.84)	(188.68)	(131.63)
Add: Profit /(Loss) for the year	70.37	65.84	(57.05)
Total	**(52.47)**	**(122.84)**	**(188.68)**

13 Provisions (Non-current)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Provision for Gratuity (refer note 27)	30.89	23.92	-
Provision for compensated absences	24.14	-	-
	55.03	**23.92**	**-**

14 Trade payables

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Total outstanding dues of creditors other than micro enterprises and small enterprises	63.64	25.54	30.44
	63.64	**25.54**	**30.44**

Ageing for trade payables as on 31st March, 2023 :

	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	63.64	-	-	-	63.64
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled and not due					
	63.64	**-**	**-**	**-**	**63.64**

(All amounts in INR lakhs, except as otherwise stated)

Ageing for trade payables as on 31st March, 2022 :

	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	25.54	-	-	-	**25.54**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled and not due					
	25.54	-	-	-	**25.54**

Ageing for trade payables as on 31st March, 2021 :

	Outstanding for following periods from due date of payment				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	30.44	-	-	-	**30.44**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Unbilled and not due					
	30.44	-	-	-	**30.44**

15 Other current liabilities

	As at 31st March 2023	**As at 31st March 2022**	**As at 1st April 2021**
Statutory liabilities	15.58	12.66	24.79
Other Payables	1.43	-	-
Accrued Expenses	8.40	5.96	6.52
Advance from customer (Refer Note 31)	16.12	155.48	217.25
	41.53	**174.10**	**248.56**

(All amounts in INR lakhs, except as otherwise stated)

16 Provisions (Current)

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Provision for Gratuity (refer note 27)	0.25	0.02	-
Provision for compensated absences	4.14	-	-
	4.39	**0.02**	**-**

17 Revenue from Operations

	2022-23	2021-22
Sale of Services		
Software Development Support and other services	1,052.00	1,142.50
Data analytical services	229.85	283.83
	1,281.85	**1,426.33**

18 Other income

	2022-23	2021-22
Interest income		
- on deposits with banks	0.08	0.33
Interest on income tax refund	2.99	-
Miscellaneous Income	0.00	0.04
	3.07	**0.37**

19 Cost of Service rendered

	2022-23	2021-22
Data Collection Charges	136.20	166.54
AWS/ Online Server Expense	41.83	52.65
Cost of Sales	**178.03**	**219.19**

19.1 The Company is carrying on the business of providing services in the field of software and other related services for solar asset life cycle management and hence there is no inventory and Cost of Sales as at the year ended March 31, 2023 and March 31, 2022 consists of only data collection charges and AWS Charges.

20 Employee benefits expense

	2022-23	2021-22
Salaries, wages and bonus	805.43	940.48
Contribution to provident and other funds	14.26	13.70
Gratuity expense (refer note-27)	14.53	23.94
Employee Insurance	17.76	14.41
Staff welfare expenses	21.95	16.58
	873.93	**1,009.11**

21 Finance costs

	2022-23	2021-22
Bank Charges	0.23	0.34
	0.23	**0.34**

(All amounts in INR lakhs, except as otherwise stated)

22 Other expenses

	2022-23	2021-22
Advertising and sales promotion	17.88	14.29
Communication costs	2.11	1.83
Contractor Fees	6.07	36.55
Dues and subscription charges	-	0.67
Power and fuel	2.33	1.67
Printing and stationery	0.57	-
Legal and professional fees	73.97	8.45
Payment to auditor (refer note 27.2)	3.00	5.79
Rates and taxes	1.61	0.76
Rent	14.64	14.40
Office Expenses	7.15	10.21
Repairs and maintenance	0.38	-
Security expense	3.79	3.53
Travelling and conveyance	1.10	3.48
Foreign exchange loss / (gain) (net)	10.16	7.88
Miscellaneous expenses	0.98	1.42
	145.74	**110.93**

22.1 Payment to auditors

	2022-23	2021-22
As auditor:		
Statutory Audit fees	3.00	1.00
Tax Audit Fees	-	1.60
Other Fees	-	3.19
	3.00	**5.79**

23 Other Comprehensive Income - Items that will not be reclassified to Statement of Profit and loss

	2022-23	2021-22
Remeasurement of Defined Benefits Plan	7.33	-
	7.33	**-**

Sensehawk India Private Limited
Notes to the financial Statements for the year ended 31st March, 2023
(All amounts in INR lakhs, except as otherwise stated)

24 Tax expense (net)

The major components of income tax expense for the period ended March 31, 2023 and March 31, 2022 are:

a) Statement of Profit and Loss

Profit or loss section

	2022-23	2021-22
Current income tax:		
Current tax	0.38	-
Deferred tax:		
Relating to origination and reversal of temporary differences	-	-
Total tax expense	**0.38**	**-**

b) Other comprehensive income/(loss)

Deferred tax related to items recognised in OCI during in the year:

	2022-23	2021-22
Net loss / (gain) on remeasurements of defined benefit plans	-	-
Tax (income) / expense charged to OCI	**-**	**-**

c) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023 and March 31, 2022:

	2022-23	2021-22
Accounting profit/ (loss) before income tax	63.42	65.84
Applicable tax rate in India	25.17%	25.17%
Computed tax charge	15.96	16.57
Tax Effect of:		
Additional allowances and disallowances	5.90	5.76
Losses carried forward	(21.47)	(22.33)
Income tax expense reported in the statement of profit and loss	**0.39**	**(0.00)**

d) Deferred tax relates to the following:

Deferred Tax Asset	2022-23	2021-22
Carry Forward Losses	-	12.83
Unabsorbed Depreciation	-	9.50
WDV of Fixed Assets	0.48	1.52
Provision for Gratuity	1.82	6.03
Provision for Leave Encashment	7.12	-
Deferred Tax Asset	**9.42**	**29.88**
Less: Deferred tax not recognised (Refer note (i) below)	**9.42**	**29.88**
Net Deferred tax	**-**	**-**

Notes:

(i) No deferred tax asset has been recognised in the absence of reasonable certainty that sufficient future taxable income will be available in the foreseeable future against which such deferred tax can be utilized.

25 **Earnings/(Loss) per share (EPS)**

The following reflects the basic and diluted EPS computations:

	2022-23	2021-22
Face Value per Equity Share (INR)	10	10
Basic Earnings per Share (INR)	3.46	3.62
Net Profit as per Statement of profit and loss	63.04	65.84
Weighted average number of equity shares used as denominator for calculating EPS	1,819,355	1,819,355
Diluted Earnings per Share (INR)	3.46	3.62
Net Profit as per Statement of profit and loss	63.04	65.84
Weighted average number of equity shares used as denominator for calculating EPS	1,819,355	1,819,355

26 **Contingent liabilities**

	2022-23	2021-22
(I) Contingent Liabilities	NIL	NIL
(II) Commitments	NIL	NIL

27 **Employee Benefits expense**

i) **Defined contribution plans**

As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below :

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised Rs. 14.26 lakhs (March 31, 2022: Rs. 13.70 lakhs) for Provident Fund Contributions, and Rs. 0.21 lakhs (March 31, 2022: Rs. 0.09 lakhs) for Employee State Insurance Scheme contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

ii) **Defined benefit plan**

The Company operates a gratuity benefit plan for its employees. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn salary for each completed year of service. The gratuity plan is unfunded.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plan.

a) **Reconciliation of Opening and Closing Balances of Defined Benefit Obligation**	2022-23	2021-22
Opening defined benefit obligation	23.94	-
Current service cost	12.70	23.94
Interest cost	1.83	-
Actuarial (gains)/ losses	(7.33)	-
Closing defined benefit obligation	**31.14**	**23.94**

b) **Reconciliation of Fair Value of Assets and Obligations:**	2022-23	2021-22
Fair Value of Plan Assets	-	-
Present Value of Obligations	-	-
Amount recognised in Balance Sheet Surplus /(Deficit)	**-**	**-**

(All amounts in INR lakhs, except as otherwise stated)

		2022-23	2021-22
c)	**Expenses recognised during the year**		
	Net employee benefit expense recognised in the statement of profit or loss		
	Current service cost	12.70	23.94
	Interest cost	1.83	-
	Component of defined benefit costs recognised in the Statement of Profit and Loss	**14.53**	**23.94**
d)	**Remeasurement on the net defined benefit liability:**		
	Actuarial (gains)/ losses	(7.33)	-
	Components of defined benefit costs recognised in Other Comprehensive income	**(7.33)**	-

e) The principal assumptions used in determining gratuity liability for the Company's plan are shown below. The assumptions as at the balance sheet date are used to determine the present value of defined benefit obligation at that date.

Assumptions	**As at 31st March 2023**	**As at 31st March 2022**
Discount rate (per annum)	7.54%	7.64%
Rate of Escalation in Salary (per annum)	10.00%	10.00%
Retirement age	60 Years	60 Years
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate	
Employee Attrition Rate	10%	10%

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

f) **Sensitivity analysis of the defined benefit obligation**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and withdrawal rate. Reasonably possible changes at the reporting date to one of the actuarial assumptions, holding all other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	2022-23			**2021-22**		
	1% Increase	**1% Decrease**	**10%UP**	**1% Increase**	**1% Decrease**	**10%UP**
Discount rate	(4.43)	5.58		(3.36)	4.22	
Salary escalation	3.89	(3.78)		2.77	(2.49)	
Employee Attrition Rate	(1.58)	1.79		(1.03)	1.15	
Mortality Rate			(0.03)			0.01

(All amounts in INR lakhs, except as otherwise stated)

28 Capital management

The Company adheres to a disciplined Capital Management framework, the pillars of which are as follows:

a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimise liquidity risk.
b)Manage financial market risks arising from foreign exchange and interest rates, and minimise the impact of market volatility on earnings.
c)Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of Balance Sheet. This framework is adjusted based on underlying macroeconomic factors affecting business environment, financial market conditions and interest rates environment.

The net gearing ratio at the end of each reporting period was as follows:

	As at 31st March 2023	As at 31st March 2022
Borrowings	-	-
Less: cash and cash equivalents (notes 7)	(46.76)	(39.51)
Net debt (A)	**(46.76)**	**(39.51)**
Total equity attributable to the equity share holders of the Company	129.47	59.10
Total capital (B)	**129.47**	**59.10**
Capital and net debt (C=A+B)	**82.71**	**19.59**
Gearing ratio (D=A/C)	**-57%**	**-202%**

(All amounts in INR lakhs, except as otherwise stated)

29 Fair value hierarchy

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following methods and assumptions were used to estimate the fair value:
- The fair value of the quoted mutual funds are at Level 1 of Fair value hierarchy and are measured based on Net Asset Value (NAV) in active markets at the reporting date.

- The fair value of the financial assets (other than mutual funds) and financial liabilities were based on amortised cost at the reporting date.

The following table provides the fair value measurement hierarchy of financial assets and liabilities of the Company:

Particulars	As at 31st March 2023		As at 31st March 2022		As at 1st April 2021	
	Carrying Amount	**Level of input used in Level-1**	**Carrying Amount**	**Level of input used in Level-1**	**Carrying Amount**	**Level of input used in Level-1**
Financial assets						
At Ammortised cost						
Trade Receivables	60.19	-	88.96	-	82.90	-
Cash and Bank Balances	46.76	-	39.51	-	60.29	-
Other Financial Assets	18.04	-	15.48	-	12.02	-
Total	**124.99**	**-**	**143.95**	**-**	**155.21**	**-**
Financial liabilities						
At Ammortised cost						
Trade payables	63.64	-	25.54	-	30.44	-
Total	**63.64**	**-**	**25.54**	**-**	**30.44**	**-**

30 Financial risk management

The company’s principal financial liabilities, comprise of trade payables. The company’s principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, credit risk and liquidity risk. The Company's management oversees the management of these risk and works towards minimizing the potential adverse effects, if any, on its financial performance.

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprises interest rate risk and currency rate risk. Financial instruments affected by market risk include loans and borrowings, payables and deposits. The sensitivity analyses in the following sections relate to the position as at the balance sheet date. The sensitivity of the relevant Profit and Loss item is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as as at the balance sheet date.

(i) Interest rate risk

The Company's fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.

(ii) Foreign Currency risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee. Apart from the below mentioned foreign currency exposure the Company does not have any foreign currency exposure outstanding as on 31 March 2023.

Particulars	Foreign Currency Denomination	As at 31st March 2023		As at 31st March 2022		As at 1st April 2021	
		Foreign Currency (In lakhs)	Equivalent (In INR lakhs)	Foreign Currency (In lakhs)	Equivalent (In INR lakhs)	Foreign Currency (In lakhs)	Equivalent (In INR lakhs)
Advance from Customers	USD	0.20	16.12	2.05	155.48	3.00	217.25
Advances to related parties	AED	0.28	6.21	0.17	3.44		-

B. Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments if a counterparty default on its obligations. The Company’s exposure to credit risk arises majorly from trade receivables and other financial assets.The Company ensure that sales of services are made to customers with appropriate creditworthiness. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

With respect to other financial assets, the Company has internal team to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities

(All amounts in INR lakhs, except as otherwise stated)

C. Liquidity risk

Liquidity risk arises from the Company’s inability to meet its cash flow commitments on the due date. The Company maintains sufficient stock of cash, marketable securities and committed credit facilities. The Company accesses local financial markets to meet its liquidity requirements. Treasury monitors rolling forecasts of the Company’s cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

The Company’s liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surpluses and arranges to either fund the net deficit or invest the net surplus in a range of short-dated, secure and liquid instruments including short-term bank deposits and similar instruments. The portfolio of these investments is diversified to avoid concentration risk in any one instrument or counterparty.

The table below summarises the maturity profile of the Company’s financial liabilities as below:

	As at 31st March 2023		
	Less than 1 year	**More than 1 year**	**Total**
Trade payables	63.64	-	63.64

	As at 31st March 2022		
	Less than 1 year	**More than 1 year**	**Total**
Trade payables	25.54	-	25.54

	As at 1st April 2021		
	Less than 1 year	**More than 1 year**	**Total**
Trade payables	30.44	-	30.44

(All amounts in INR lakhs, except as otherwise stated)

31 Related party disclosures

(1) Names of related parties and related party relationship

Related parties where control exists

Ultimate Holding Company	Reliance Industries Limited
Holding Company	SenseHawk, Inc., USA
Fellow Subsidiary	Sensehawk MEA Limited, UAE
Key management personnel	Mr. Rahul Sankhe (Director) Mr. Swarup Mavanoor (Director)
Enterprises owned or significantly influenced by key management personnel or their relatives	Sensehawk Technologies Private Limited Agami Engineering Consultants LLP

(2) Related party transactions

Details of transactions entered into with related parties along with balances as at year end are as given below:

A. Transactions during the year

	2022-23	2021-22
Sale of services - Software development and business development support services		
SenseHawk, Inc., USA	1,052.00	1,142.50
	1,052.00	**1,142.50**
Other Expenses		
Sensehawk Technologies Private Limited	2.29	(0.17)
	2.29	**(0.17)**
Other Income		
Sensehawk Technologies Private Limited	-	0.04
	-	**0.04**
Other Expenses-Recovery of Expenses (Including Foreign exchange gain/ (loss)		
Sensehawk MEA Limited, UAE	2.77	3.44
SenseHawk, Inc., USA	(7.32)	3.58
	(4.55)	**7.02**
Purchase of Drones		
Sensehawk Technologies Private Limited	8.76	-
	8.76	**-**
Data Collection Charges		
Sensehawk Technologies Private Limited	100.53	157.35
Agami Engineering Consultants LLP	16.48	7.99
	117.01	**165.34**

(All amounts in INR lakhs, except as otherwise stated)

Legal and Professional Fees		
Sensehawk Technologies Private Limited	-	0.04
	-	**0.04**

B. Balances outstanding

	As at 31st March 2023	As at 31st March 2022	As at 1st April 2021
Trade Payables/Advance Received			
Sensehawk Technologies Private Limited	51.99	10.03	22.16
Agami Engineering Consultants LLP	3.87	-	-
SenseHawk, Inc., USA	16.12	155.48	217.25
	71.98	**165.51**	**239.41**
Trade Receivable/Advance Recoverable			
Sensehawk MEA Limited, UAE	6.21	3.44	-
	6.21	**3.44**	**-**

32 Segment information:

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The chief operating decision maker reviews information presented in the financial statement for purposes of allocating revenue and evaluating financial performance.

33 Acounting ratios

i) Current ratio

The current ratio is used to assess a company's short term liquidity. It is calculated by dividing the current assets by current liabilities.

ii) Debt-equity ratio

“Net Debt” is defined as aggregate of non-current borrowings and current maturities of long term-borrowings less cash and cash equivalents and total equity includes issued capital and all other equity reserves.

iii) Debt service coverage ratio

The Debt Service Coverage Ratio (DSCR) measures the ability of a company to use its operating income to repay all its debt obligations, including repayment of principal and interest on both short-term and long-term debt. It is calculated by dividing net operating income by the total debt service (Interest and principal).

iv) Return on equity ratio

Profit for the year divided by the equity during that period, and is expressed as a percentage.

v) Inventory turnover ratio

Inventory turnover indicates the rate at which a company sells and replaces its stock of goods during a particular period. The inventory turnover ratio formula is the cost of goods sold divided by the average inventory for the same period.

vi) Trade receivables turnover ratio

Accounts receivable turnover ratio is calculated by dividing net credit sales by average accounts receivable. The ratio is used to measure how effective a company is at extending credits and collecting debts.

vii) Trade payables turnover ratio

This ratio is used to measure the number of times the business is paying off its creditors or suppliers in an accounting period. It is computed by dividing the net credit purchases by average accounts payable.

viii) Net capital turnover ratio

It is calculated by dividing annual sales by average stockholder equity (net worth). The ratio indicates how much a company could grow its current capital investment level.

ix) Net profit ratio

The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized.

(All amounts in INR lakhs, except as otherwise stated)

x) Return on capital employed

Return on Capital Employed is calculated by dividing earnings before interest and taxes (EBIT) during a given period by Capital Employed (tangible net worth, total debt, deferred tax liability) during that period.

xi) Return on investment

Return on investment (ROI) is a performance measure used to evaluate the efficiency or profitability of an investment or compare the efficiency of a number of different investments. To calculate ROI, the benefit (or return) of an investment is divided by the cost of the investment.

Ratio	**Numerator**	**Denominator**	**As at 31st March 2023**	**As at 31st March 2022**	**% change**
i) Current ratio (Note 1)	Current assets	Current liabilities	1.87	0.98	91%
ii) Debt-equity ratio	Total Debts	Total Equity	N/A	N/A	N/A
iii) Debt service coverage ratio	Earnings available for debt service= Net Profit after tax+ Non cash operating expenses+ Interest + Other adjustments like loss on sale of fixed assets, etc	Debt service= Interest & lease payments + Principal Repayments	N/A	N/A	N/A
iv) Return on equity ratio (Note 2)	Net Profit after tax	Average Shareholders equity	0.67	2.51	-73%
v) Inventory turnover ratio	Cost of Goods sold	Average Inventory	N/A	N/A	N/A
vi) Trade receivables turnover ratio	Net credit Sales	Average Accounts Receivable	17.19	16.60	4%
vii) Trade payables turnover ratio	Net credit Purchases	Average Trade Payables	N/A	N/A	N/A
viii) Net capital turnover ratio (Note 3)	Revenue from Operations	Avg. Working capital	27.82	(36.91)	175%
ix) Net profit ratio	Net Profit	Revenue from Operations	0.05	0.05	7%
x) Return on capital employed (Note 4)	Earnings before interest and taxes	Average Capital Employed	0.68	2.53	-73%
xi) Return on investment	Interest (Finance Income)	Investment	N/A	N/A	N/A

(All amounts in INR lakhs, except as otherwise stated)

Notes:

1 The current ratio has improved on account of decrease in Current Liabilities as during the year advance received from customers were low.

2 The Return on equity has reduced due to increase in average shareholders equity due to profit in FY 2022-23 and FY 2021-22 as compared to loss in FY 2020-21.

3 The Net capital turnover ratio has increased due to increase in average working capital of FY 2022-23 as compared to previous year.

4 The Return on capital employed has reduced due to increase in average capital employed as compared to previous year.

34 Events after reporting period

There were no subsequent events after the reporting date which requires disclosure or adjustment to the reported amounts. During the financial year 2022-23, Reliance Industries Limited (RIL) acquired 79.3982% of the shares of SenseHawk, Inc. w.e.f 21st October 2022, thereby making the company a subsidiary of RIL.

35 Adoption of Ind-AS

A. First time adoption

The first time adoption of Ind AS was carried out in accordance with Ind AS 101, using 1st April, 2020 as the transition date. Ind AS 101 requires that all Ind AS standards and interpretations that are effective for the first Ind AS financial statements for the year ended 31st March, 2022, be applied consistently and retrospectively for all fiscal years presented. All applicable Ind AS have been applied consistently and retrospectively wherever required. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under both Ind AS and previous GAAP as at the transition date have been recognized directly in equity at the transition date.

In preparing these financial statements, the Company has availed itself of certain exemptions and exceptions in accordance with Ind AS 101 as explained below:

(a) Exceptions from full retrospective application:
Estimates exception: Upon an assessment of the estimates made under previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by the previous GAAP.

(b) Exemptions from retrospective application:
Deemed cost : The Company has elected to apply the deemed cost exemption in Ind AS 101 whereby the Company has the option to carry all items and classes of property, plant and equipment on the date of transition to Ind AS per the carrying amounts prevailing as per previous GAAP. Pursuant to this exemption, no adjustment pertaining to property,plant and equipment is required on the date of transition for effects of retrospective application of other standards.

B. Reconciliation of total equity between previous GAAP and Ind-AS

i. Equity reconciliation

Particulars	Notes	As at 31st March 2022	As at 1st April 2021
Equity as reported under previous GAAP		**59.10**	**(6.74)**
Re-measurement of defined benefit obligation		-	-
Equity as per Ind-AS		**59.10**	**(6.74)**

(All amounts in INR lakhs, except as otherwise stated)

ii. Total comprehensive income reconciliation for the year ended March 31, 2022

Particulars	Notes	As at 31st March 2022
Net profit as reported under previous GAAP		**65.84**
Effect of transition to Ind-AS		-
Net profit after tax as per Ind-AS		**65.84**
Other comprehensive income (net of tax)		-
Re-measurement gain of defined benefit obligation (Note a)		-
Total comprehensive income as per Ind-AS		**65.84**

Notes to reconciliations between previous GAAP and Ind-AS

a) Gratuity expense [actuarial gain/(loss)]

Under previous GAAP, the Company had recognised provision for defined benefit obligation (gratuity) on full liability basis. Upon adoption of Ind AS, the Company has recognised the said gratuity provision on Projected Unit Credit Method as specified under Ind AS 19. The change in value of gratuity provision has been routed through Statement of Profit and Loss and Other Comprehensive Income, as applicable.

36 The comparatives given in the Ind-AS Financial Statements have been compiled after making necessary Ind-AS adjustments to the respective audited financial statements under Previous GAAP to give a true and fair view in accordance with Ind-AS.

37 MCA notification dated 24th March, 2021 for amendments to Schedule iii disclosures and other statutory information:

i. Title deeds of Immovable Property not held in name of the Company - Not applicable as there are no immovable properties other than lease hold properties.

ii. Details of Benami Property and its proceedings- Not applicable as there are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

iii. Wilful Defaulter - The Company has no loans from Banks or Financial Institution and hence the Company has not been classified as a wilful defaulter.

iv. Relationship with Struck off Companies - As per section 248 of the Companies Act, 2013, there are no balances outstanding with struck off companies.

v. Compliance with number of layers of companies - Not Applicable as the Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

vi. Compliance with approved Scheme(s) of Arrangements - Not Applicable as the Company has no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

vii. There were no whistle blower complaints received by the Company during the year.

viii. The Company does not have any such transaction which is not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. The Company does not have any intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

x. 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) Provided any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xi. 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) Provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38 These financial statements were adopted by the Board of Directors in their meeting held on 14th June 2023.

For and on behalf of the Board of Directors of
Sensehawk India Private Limited

Swarup Ramapriya Mavanoor
Director
DIN : 02760483

Date: 14th June, 2023