

INTEGRATED MARKETING COMMUNICATION
 ADVERTISING CREATIVE DIGITAL MEDIA
 EVENTS & ACTIVATION MEDIA PLANNING & BUYING
 DIGITAL CONTENT SOCIAL & RURAL COMMUNICATION
 HEALTHCARE COMMUNICATION BRAND CONSULTING
 CONTINUING MEDICAL EDUCATION
 CUSTOMER DATA ANALYTICS
 CUSTOMER EXPERIENCE – CX MARKETING TECHNOLOGY
 CUSTOMER RELATIONSHIP MARKETING – CRM
 MARKET RESEARCH QUANTITATIVE RESEARCH
 QUALITATIVE RESEARCH SYNDICATED STUDIES
 INTERNATIONAL
 INTEGRATED
 ADVERTISING

 **R K SWAMY**



THE FIRST INTEGRATED MARKETING
 SERVICES COMPANY
 TO BE LISTED ON THE MAIN BOARD
 OF THE BSE/NSE

PLANNING & BUYING
 RURAL COMMUNICATION
 ON BRAND CONSULTING
 UING MEDICAL EDUCATION
 KETING TECHNOLOGY
 NSHIP MARKETING – CRM
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ANNUAL REPORT 2023-24

DIGITAL CONTENT SOCIAL & RURAL COMMUNICATION
 HEALTHCARE COMMUNICATION BRAND CONSULTING
 CONTINUING MEDICAL EDUCATION
 CUSTOMER DATA ANALYTICS
 CUSTOMER EXPERIENCE – CX MARKETING TECHNOLOGY



Integrated Marketing Communication



Wholly Owned Subsidiaries



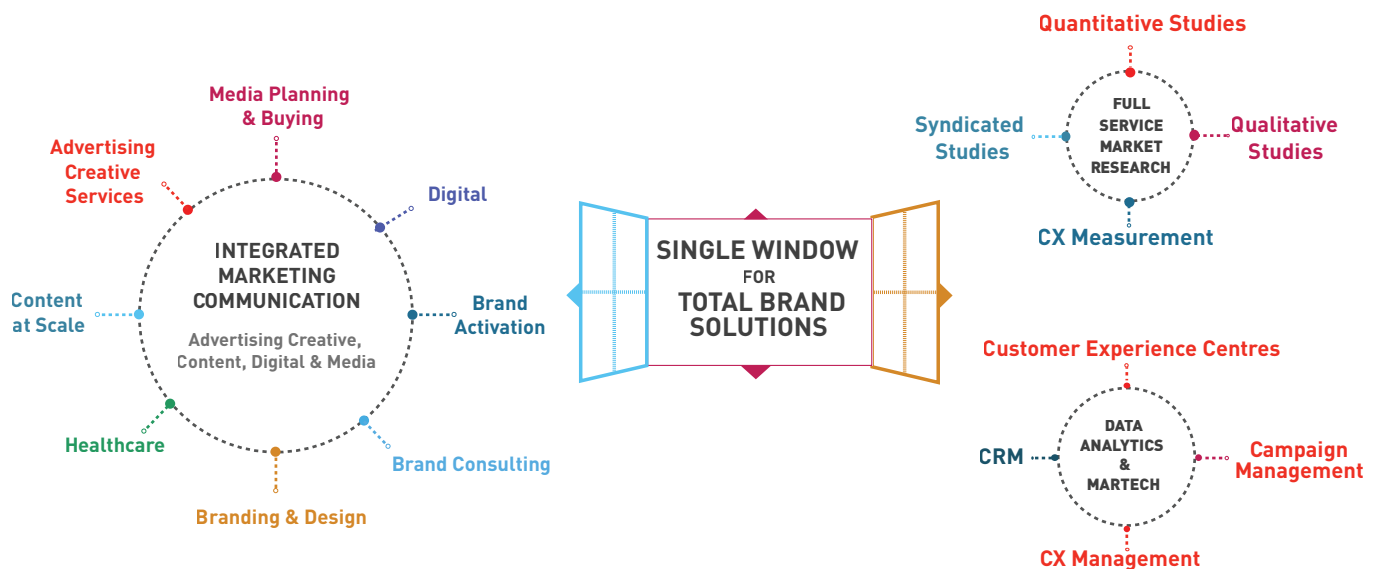
HANSA CUSTOMER EQUITY PVT. LTD.

Customer Data Analytics & Marketing Technology



HANSA RESEARCH GROUP PVT. LTD.

Full-Service Market Research



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Composition of Board

Srinivasan K Swamy - Executive Group Chairman*
(Also known as Sundar Swamy)

Narasimhan K Swamy - Managing Director & Group CEO*
(Also known as Shekar Swamy)

Sangeetha Narasimhan - Whole-time Director & CEO

Pattabhi K Raman - Nominee Director

Nalini Padmanabhan - Independent Director

Rajiv Vastupal Mehta - Independent Director

T T Srinivasaraghavan - Independent Director

Sunil Sethy - Independent Director

** The change in designation was approved by shareholders on July 11, 2024 through Postal Ballot*

Key Managerial Personnel

Rajeev Newar - Group CFO

Rajagopalan Desikan - Company Secretary

Registered Office

No.19, Wheatcrofts Road, Nungambakkam,
Chennai 600034

Corporate Office

Esplanade House 29, Hazarimal Somani Marg,
Fort, Mumbai 400001.

CIN: L74300TN1973PLC006304

Email ID - Secretarial@rkswamy.com

Telephone Number: +91 22 4057 6499

Auditors

Statutory Auditors: Deloitte Haskins & Sells,

Internal Auditors: ASA & Associates LLP

Secretarial Auditors: S. Dhanapal &
Associates LLP

Register and Share Transfer Agent

KFin Technologies Limited

Toll free no. : 1800 309 4001

Email: einward.ris@kfintech.com

Website: <https://www.kfintech.com>

Bankers - HDFC Bank Limited

July 21, 2024

Dear Shareholder,

A new journey has started

R K SWAMY Limited started operations on April 2, 1973. Over the past five decades, the company has served thousands of Clients, handled the most challenging assignments, built a reputation for professional excellence and carved out a space for itself in the competitive arena of Marketing Services.

We came out with an Initial Public Offer of shares to the public after 50 years, for three compelling strategic reasons. All three factors require a depth of financial resources, and hence the IPO:

1. Accelerate progress: The market is offering plenty of opportunities. Initiatives have to be undertaken concurrently. The financial foundation will facilitate this.
2. Belief in India: Our country represents perhaps the most interesting and inspiring marketing environment. It is a fact that publicly listed multinationals have bought out most of the major service providers in India, in our space. The IPO proceeds will help us compete with them effectively. We will pursue the agenda of being a home-grown world class player, placing the interests of India first, competing with the best.
3. Attracting the best of talent and clients: Good talent requires a platform to excel in. Thoughtful Clients are attracted to proven service providers with depth of resources. Both need the strength of an Institution with serious intent.

We are a group of serious professionals in business. We are not merely in business providing a set of services. We are confident that in our quest for professional excellence lies a profitable future.

Thank you for joining us on this journey.



Srinivasan K Swamy
Executive Group Chairman



Shekar Swamy
Managing Director & Group CEO

A RICH STREAM CALLED MARKETING

Companies routinely invest in Marketing activities to support their business objectives. These budgets are renewed every financial year.

R K SWAMY limited and its wholly-owned subsidiaries, Hansa Research Group and Hansa Customer Equity, derive their revenues from the Marketing budgets of companies and institutions, in several ways.

Helping build Brands & Businesses

The core activity of R K SWAMY since its inception 51 years ago has been Marketing Communications, connecting companies and organizations with their audiences. R K SWAMY has delivered outstanding value to its Clients in this regard, with exceptional Creative Content for all Media. In recent years, this has evolved to embrace the Digital medium which demands an endless stream of high-quality Content to connect to consumers. R K SWAMY is well positioned to meet this demand.

Nurturing brands across sectors

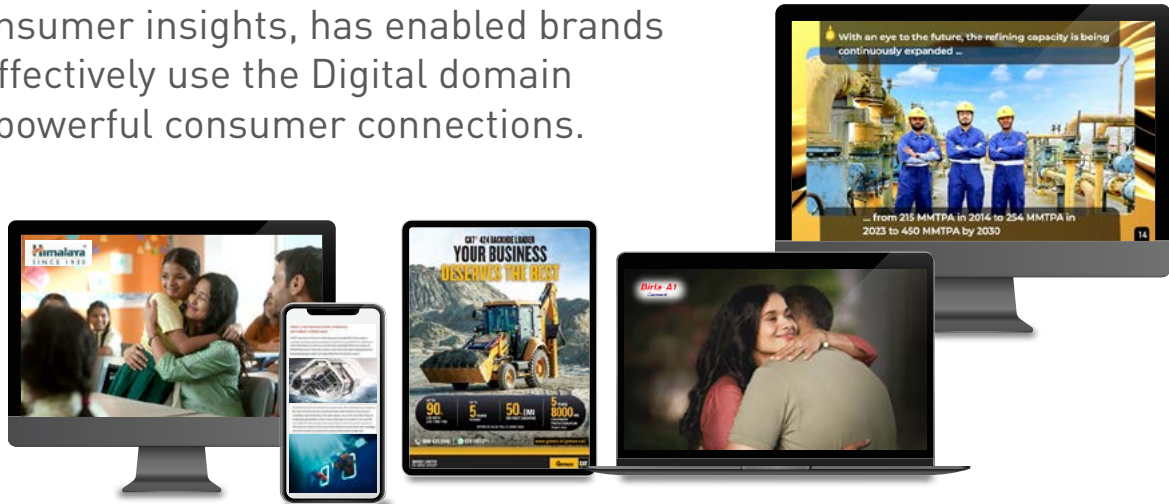
R K SWAMY's experience covers virtually all sectors. When it comes to connecting with consumers and moving the business needle, the Company has proved its mettle, over and over again.



Connecting with customers in the Digital domain

The Digital ecosystem offers brands the opportunity to connect regularly on topical subjects, highlight important social issues, or simply focus on relevant product communication.

R K SWAMY's creative talent, coupled with sharp consumer insights, has enabled brands to cost-effectively use the Digital domain to make powerful consumer connections.

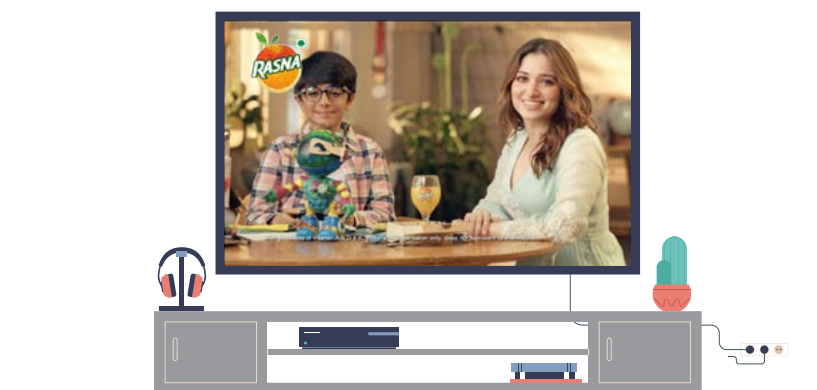


Managing Media investments, carefully

R K SWAMY has been planning and buying Media – Television, Print, Radio, Outdoor, Cinema, Digital et al – on behalf of its Clients, for over five decades, making it one of the most seasoned players in this space.

The Media is full of special opportunities for clients to connect with consumers.

R K SWAMY specializes in continuously staying alert and helping Clients derive great value from their Media spend.



Media is for Integration

When a brand is shown as an integral part of the programme content, the impact is heightened many times over. R K SWAMY has worked closely with Media partners and helped many of its Clients become part of the content of the channels. The value addition is significant.



Asking citizens to stay alert

The Nation's leading Regulator has a mission – to educate the citizens to be vigilant, protect themselves from digital fraud and be aware of their rights. Over the years, R K SWAMY has delved deep into the subject and produced numerous mass media campaigns across platforms in all major Indian languages.



Event is an experience

R K SWAMY is a pioneer in curating special Events for its clients, be it for new product launches, Foundation or Annual Day celebrations, employee involvement or consumer engagement. From concept to complete execution, R K SWAMY delivers the experiences that leave a lasting impression.



Assisting Pharma companies to connect with HCPs

The Healthcare sector is large and vibrant. The Sector has the challenging task of effectively and efficiently communicating its offerings to Healthcare Professionals, and building a meaningful relationship with them. With its team of specialist professionals focused on this vital segment, R K SWAMY has built deep domain expertise in Direct-to-doctors communication, Continuing Medical Education and Scientific Content writing. It serves the who's-who of the healthcare domain.



Know the Customer

It is a customer-centric world today, in the business of Marketing. More and more categories know their customers directly – be it Banking, Financial Services, Insurance, Auto, Telecom, Travel, Hospitality, Retail, e-Commerce, Real Estate, Consumer Durables and others.

Companies have copious volumes of transaction and customer data. Marketing Technology platforms have evolved to help companies analyse and understand customer behavior, and tailor marketing programs on this basis.

R K SWAMY's subsidiary, Hansa Customer Equity, is at the forefront of delivering Customer Data analytics and managed services for Customer Relationship Marketing.

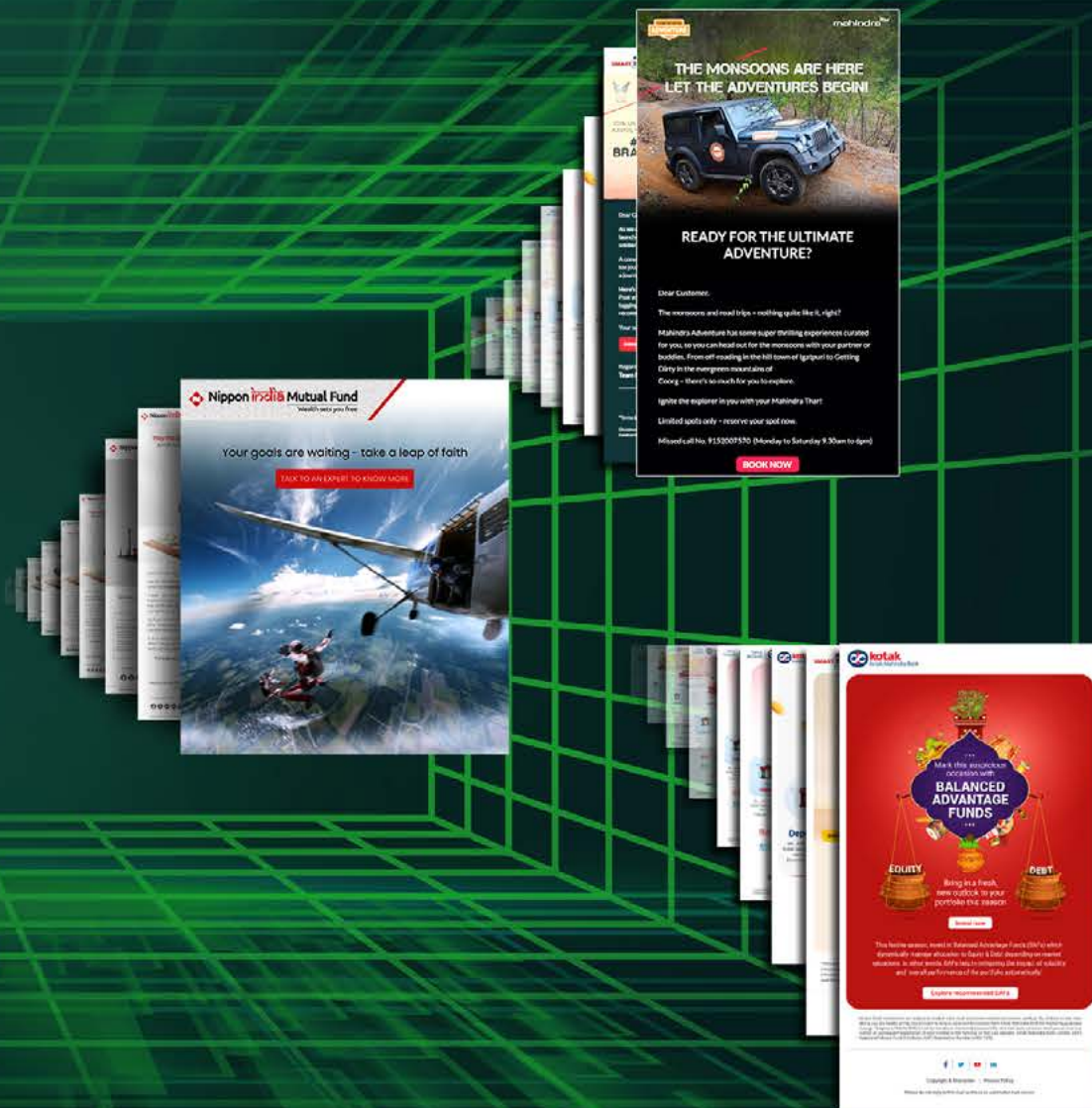
The Company's scores of data scientists are in demand to assist Clients in understanding their end customers better, and connecting with them in a relevant and effective manner.



Data flows, Analytics follows

Customers leave a trail of data when they interact with companies. They do so when they transact or purchase physically or online, browse websites, call for service, respond to offers, participate in loyalty programs and so on. Such data is valuable and requires careful tracking and analysis.

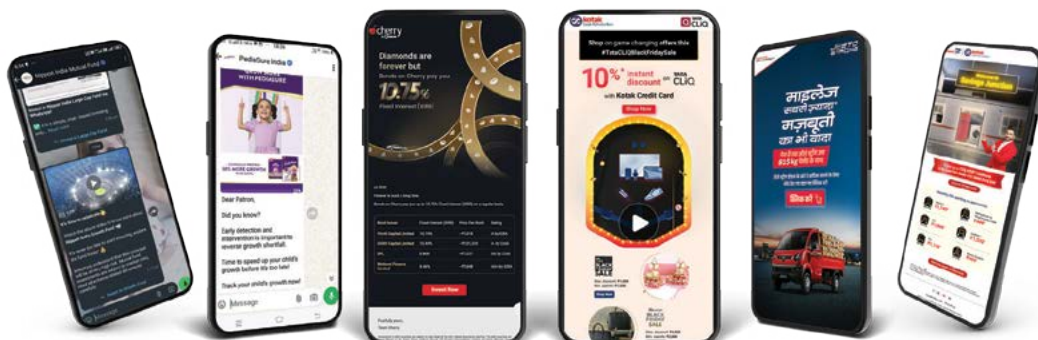
Hansa Customer Equity does this at scale for its clients. The data flow is continuous; the services are engaged with non-stop.



Be relevant to the Customer



Customers expect companies to know them, and deal with them appropriately. Hansa Customer Equity assists clients by building the Customer Data Platform, Journey Mapping, developing a Single View of the Customer, Segmentation, Contextual Messaging and other such activities.



Marketing Technology to the fore

Companies in today's world deal with millions of customer records. It is impossible to manage this volume of data without a Technology backbone. Hansa Customer Equity's services sit at the crossroads of Marketing and Technology. The Company has partnered with many platforms and the people are trained and certified across these platforms. This is the edge and capability that Clients look for.



Multi-channel interaction, Social listening

Customers interact with a company in many ways – online, over phone, on social media, through emails, apps, SMS, and other digital or physical formats. The ability to interact with customers, with a clear view of their past interactions and preferences, is a distinct advantage. Hansa Customer Equity provides this service to clients, with well-developed processes and team capacity.

ISO 27001 and 9001 certifications:



CX Management and Measurement

CX – Customer Experience – is an important area of Marketing. Companies are eager to set up simple processes to manage the customer experience. Equally they are keen to receive feedback from customers on their experience in dealing with companies. The better the customer experience, the more the likelihood of increased revenues from the customer, as well as recommendations to other customers. In this digitally connected world, such recommendations are often the most efficient source of business.



R K SWAMY is a leader, through its subsidiaries, Hansa Customer Equity and Hansa Research, in both management of CX and measurement of CX. Hansa Customer Equity has created Customer Experience Centres where data-driven applications are used to engage with the customers of Clients directly, and deliver a smooth experience.

Hansa Research excels in assessing the Customer Experience, with multiple offerings - measuring Net Promoter Score, Customer Satisfaction, Transaction Experience, Lost Customer, Employee Satisfaction, Vendor Satisfaction, Mystery/Price Audits, and User Experience.



Understanding the Consumer

Companies and Institutions need eyes and ears on their markets and consumers. Feedback is critical, as businesses grow larger and Management gets distanced from the people who buy their products and services. Understanding the Consumer – what she or he thinks and feels, and what motivates them – has evolved considerably, as the business-to-business service of Market

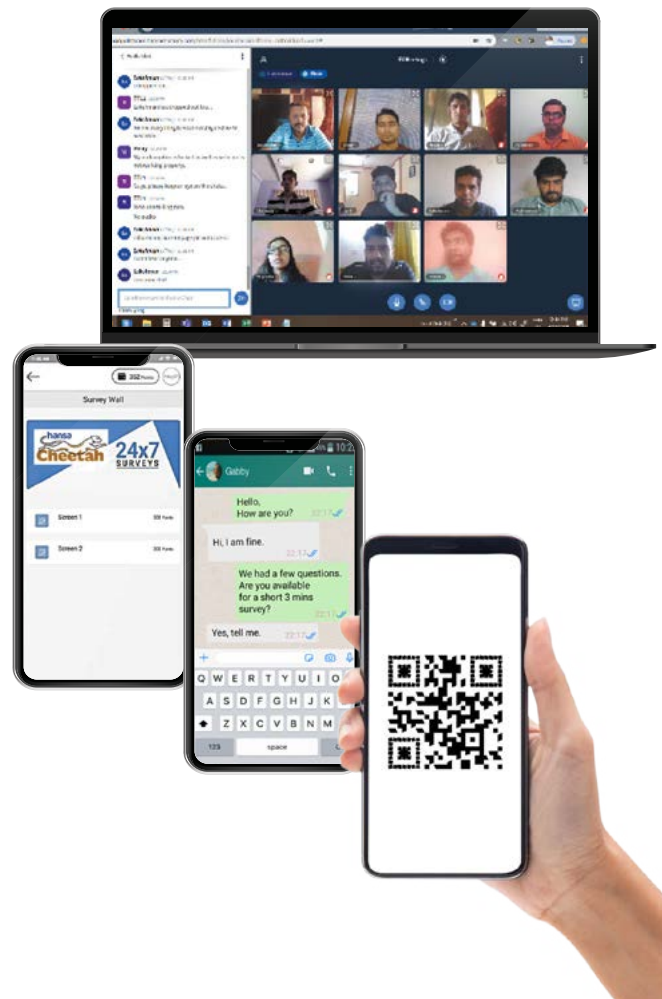


Research. Hansa Research Group, a pioneer in this, has built scale, sectoral expertise and advanced methodologies. Its depth of talent, coupled with a national infrastructure to collect primary data, handles large scale quantitative and qualitative projects for Clients across a wide range of sectors.

Digital to the fore

Hansa Research has innovated ways to elicit responses from consumers, using Digital methodologies.

It uses online and proprietary digital panels, particularly on Mobile. Effective data collection methods include: Digital Quantitative and Qualitative studies using conferencing platforms, facial coding and eye-tracking tools, and surveys using WhatsApp, QR codes and Social Media platforms.



Serving clients, globally

Hansa Research serves three types of global research requirements:

a) Clients based in the USA, Europe and Asia looking for primary data collection in India and Asia, b) Indian companies seeking consumer understanding in geographies outside India, and c) International clients seeking full-service research assistance for work in any part of the world. The dedicated International research team has rich experience and understanding of cross-cultural nuances.



Multi-client studies, efficient & affordable

Multiple companies are often interested in studying the same Event, Sector, Topic or Platform. To do this at scale can be expensive.

Hansa Research undertakes special studies with a relatively large sample, and several companies subscribe to them. The clients get the information they want at a fraction of the price of a custom report.



**DigiPay
CuES**



**Insurance
CuES
Report**



brand *ENDORSER*

Mapping viewer engagement on Cricket

Cricket is a very large Marketing platform. How does the TV/Digital viewer engage with this sport? Hansa Research mounted the largest study of cricket viewership during the 2023 ODI Cricket World Cup. The Company is well on course to creating the most robust insights on cricket viewing in the Country.



Collecting primary data is serious work

Hansa has one of the most extensive infrastructure for Data Collection in the Country – Computer Aided Personal Interviews (CAPI) with on-ground field force, Computer Aided Telephone interviews (CATI), online panels and mobile panels. The quality of data is ensured through a rigorous Field Management System. Clients often use Hansa exclusively for data collection, when they want to ensure quality field work.



Face-to-face Interviews



House tour - Video



Video calling Interface



Focus Group Discussion

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ADVERTISING CREATIVE DIGITAL MEDIA

STATUTORY REPORTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Fifty First Annual General Meeting of the Members of R K SWAMY LIMITED (the 'Company') will be held on Monday, August 19, 2024 at 3.00 p.m. (IST) through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2024, along with the Reports of the Board of Directors and Auditors thereon;
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2024 along with the Reports of the Auditors thereon;
3. To declare a dividend of Rs. 2 (40%) per equity share of the face value of Rs. 5 each for the financial year ended March 31, 2024.
4. To appoint a Director in place of Mr. Srinivasan K Swamy (DIN: 00505093), who retires by rotation and being eligible, offers himself for re-appointment.
5. To approve the appointment of M/s. CNK & Associates LLP (Firm Registration No. 101961W/W100036), Chartered Accountants as the Statutory Auditors of the Company and in this regard to consider and if thought fit, to pass, the following resolutions as Ordinary Resolutions.

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014, and such other rules made thereunder (including any statutory

modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. CNK & Associates LLP, Chartered Accountants, (ICAI Firm Registration No. 101961W/W-100036), be and is hereby appointed as Statutory Auditors of the Company in place of the retiring Statutory Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 008072S), to hold office for a term of five consecutive years from the conclusion of the Fifty First Annual General Meeting till the conclusion of the Fifty Sixth Annual General Meeting of the Company to be held in the year 2029 at such remuneration as may be mutually agreed by the Board of Directors of the Company and Statutory Auditors based on the recommendation of the Audit Committee from time to time;"

For R K SWAMY Limited
By Order of the Board of Directors

Sd/-
Rajagopalan Desikan
Company Secretary
Place: Mumbai
Date: May 24, 2024
Membership No.: A28348

Registered Office:

No. 19, Wheatcrofts Road, Nungambakkam,
Chennai 600034
CIN: L74300TN1973PLC006304,
Website: www.rkswamy.com,
E-mail: secretarial@rkswamy.com
Tel: +91 (22) 4057 6499

NOTES:

1. CONVENING OF 51ST ANNUAL GENERAL MEETING ("AGM"/ "MEETING") THROUGH VIDEO CONFERENCING OR OTHER AUDIO VISUAL MEANS ("VC"/"OAVM"):

In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular No. 09/2023 dated 25th September, 2023 read with MCA General Circular No. 10/2022, 02/2022, 20/2020, 17/2020 & 14/2020 dated 28th December, 2022, 5th May 2022, 5th May 2020, 13th April 2020 and 8th April 2020, respectively (collectively referred to as "MCA Circulars"), and Master Circular No SEBI/HO/CFD/PoD2/CIR/P/2023/120 and Circular No SEBI/HO/CFD/

CFD-PoD-2/P/CIR/2023/167 dated 11th July 2023 and 7th October 2023 respectively (Collectively referred to as "SEBI Circulars") (MCA Circulars and SEBI Circulars together referred to as "Circulars"), the Company will be conducting its 51st AGM through VC/OAVM.

KFin Technologies Limited, ("KFin" or "KFintech"), Registrar and Transfer Agent ("RTA") of the Company, shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. In accordance with the Secretarial Standard - 2 on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards 2 issued by the

ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM.

KFin Technologies Limited, ("KFin" or "Kfintech"), Registrar and Transfer Agent ("RTA") of the Company, shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM.

The procedure for participating in the meeting through VC/OAVM is provided at **Note No. 8-10** below.

2. PROXY & ATTENDANCE SLIP:

As the AGM will be conducted through VC/OAVM pursuant to the Circulars and physical attendance of members has been dispensed with, the facility for appointment of proxy by the members has not been made available. Accordingly, the proxy and the attendance slip including route map are not annexed to this Notice.

3. QUORUM:

The members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

4. EXPLANATORY STATEMENT:

Explanatory Statement is in terms of Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), along with disclosure, in terms of Section 102 of the Act for the Item No. 4 to be transacted at the AGM is annexed hereto.

5. REAPPOINTMENT OF DIRECTOR

Pursuant to the provisions of Regulations 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by ICSI, the relevant information in respect of the Director seeking re-appointment at the AGM is attached as an Annexure and forms an integral part of this Notice

6. CORPORATE/INSTITUTIONAL MEMBERS:

Corporate Members are requested to send duly certified scanned copy of the Resolution of the Board or governing body, authorizing their representative(s) to attend the Meeting through VC / OAVM, as required under Section 113 of the Act and vote through remote e-Voting on their behalf at the Meeting. The said resolution / authorization shall be sent to the Scrutinizer by email through registered email address to secretarial@csdhanapal.com with a copy marked to evoting@kfintech.com.

7. ELECTRONIC DISPATCH OF NOTICE & ANNUAL REPORT AND REGISTRATION OF EMAIL ID:

In compliance with the Circulars, Notice of the AGM along with the Annual Report for the financial year 2023-24 is being sent only through electronic mode to

those members whose email addresses are registered with the Company/Depository Participants ("DPs").

Members may note that the Notice and the Annual Report for the financial year 2023-24 will also be available on the Company's website at www.rkswamy.com, websites of the Stock Exchanges on which the equity shares of the Company are listed i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com, and on the website of KFin at <https://evoting.kfintech.com>.

Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s).

In respect of shares held in physical form, Members may register their email id by submitting ISR form along with relevant documents with the Company's Registrar and Share Transfer Agent, KFin Technologies Limited, Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India – 500 032.

ISR forms can be downloaded by following the URL <https://www.rkswamy.com/pdf/ISR-1.pdf> and also at <https://ris.kfintech.com/clientservices/isc/isrforms.aspx>

8. PROCEDURE FOR JOINING THE 51ST AGM THROUGH VC/OAVM:

- Members will be provided with a facility to attend the e-AGM through VC/OAVM or view the live webcast of e-AGM provided by KFin at <https://emeetings.kfintech.com> by using their remote e-voting login credentials and by clicking on the tab "video conference". The link for e-AGM will be available in members login, where the EVENT and the name of the Company can be selected.
- Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.
- Further, members registered as speakers may be required to turn camera on/enable video during e-AGM and hence are requested to use internet with good speed to avoid any disturbance during the meeting.
- Members may join the meeting using headphones for better sound clarity. While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. It is recommended to use a stable Wi-Fi or LAN connection to mitigate any kind of the aforesaid glitches.
- Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the

URL <https://emeetings.kfintech.com/> and clicking on the tab 'Speaker Registration' during the period starting from Friday, August 16, 2024 (9:00 a.m. IST) to Sunday, August 18, 2024 (5:00 p.m. IST)

- f) Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Only questions of the members holding shares as on the cut-off date will be considered.
- g) A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com/>, under the "How It Works" tab placed on top of the page. Members who need technical assistance before or during the e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

9. PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT AT THE ENSUING 51ST AGM:

- a) The Members holding shares as on the cut-off date i.e., Sunday, August 11, 2024 may also visit <https://evoting.kfintech.com/> and click on the tab "Post Your Queries Here" to post their queries/views/questions in the window provided, by mentioning their name, demat account number/folio number, E-mail ID and mobile number. The window shall be activated from commencement of the remote e-voting and shall be closed by 5.00 p.m. (IST) on Sunday, August 18, 2024.
- b) Members can also post their questions during AGM through the "Ask A Question" tab, which is available in the VC/OAVM Facility

10. PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

Only those members/shareholders, who will be present in the e-AGM and who have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote. Members who have voted through remote e-voting will still be eligible to attend the e-AGM.





Voting at e-AGM will be available at the end of the e-AGM and shall be kept open for 15 minutes. Members viewing the e-AGM shall click on the 'e-voting' sign placed on the left-hand bottom corner of the video screen. Members will be required to use

the credentials, to login on the e-Meeting webpage, and click on the 'Thumbs-up' icon against the unit to vote.

The instructions for attending the AGM electronically are as under

- a) Any person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the Monday, August 12, 2024 only shall be entitled to avail the facility of remote e-voting. The remote e-voting period commences on Friday, August 16, 2024 at 9:00 a.m. IST and ends on Sunday, August 18, 2024 at 5:00 p.m. IST. The remote e-voting module shall be disabled by KFin for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she/it shall not be allowed to change it subsequently.
- b) The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date.
- c) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations (as amended), and Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with KFin for facilitating voting through electronic means, as the authorized e-voting agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of the AGM will be provided by KFin.
- d) In order to increase the efficiency of the voting process, and pursuant to the SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated December 9, 2020, the demat account holders, are provided a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the E-voting Service Providers ("ESPs"), thereby facilitating seamless authentication and convenience of participating in e-voting process.

The procedure for remote e-voting is as under:**A. The detailed process and manner for remote e-voting for individual shareholders holding securities in Demat mode are explained herein below:**

| | |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website http://www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting their vote during the remote e-voting period or joining virtual meeting and voting during the meeting. Additionally, there is also links provided to access the system of all ESPs, so that the user can visit the ESPs' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all ESPs. |
| Individual Shareholders holding securities in Demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-Voting" under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. <p>NSDL Mobile app is available on</p> <div style="display: flex; align-items: center; justify-content: center;">   </div> <div style="display: flex; align-items: center; justify-content: center;">   </div> |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After successful login, you will be able to see e-voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting.</p> |

Important note: Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL:

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Shareholders facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 210 9911 & 022-6234 3000. |
| Individual Shareholders holding securities in Demat mode with NSDL | Shareholders facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000. |

B. Login method for e-voting and joining virtual meetings for shareholders holding shares in physical mode and non- individual shareholders holding shares in demat form:

- i. Shareholders should log on to the e-voting website: <https://evoting.kfintech.com>.

Enter the login credentials i.e., user id and password mentioned below:

For Members holding shares in Demat Form:-

- For NSDL: 8 Character DP ID followed by 8 Digits Client ID
- For CDSL: 16 digits beneficiary ID

For Members holding shares in Physical Form:

- **Event no.** i.e. **8183**, followed by Folio Number registered with the Company.
 - **Password:** If you are already registered for e-Voting, then you can use your existing password to login and cast your vote. If you are using Kfin's e-Voting system for the first time, you will need to retrieve the 'initial password' communicated to you by e-mail. Shareholders who have not registered their email addresses can follow the steps provided at serial no xiii below to obtain the User ID and password.
 - **Captcha:** Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.
- ii. After entering the details appropriately, click on LOGIN.
- iii. In case you are retrieving and using your 'initial password', you need to enter the 'initial password' and the system will force you to change your password. Once you reach the Password change menu you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case [A-Z], one lower case [a-z], one numeric value [0-9] and a special character. The system will prompt you to change your password and update any contact details like mobile, e-mail etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

You need to login again with the new credentials.

- On successful login, the system will prompt you to select the EVENT i.e., 8183.
- On the voting page, the number of shares as held by the shareholder as on the Cut-off Date will appear. If you desire to cast all the votes assenting/ dissenting to the Resolution, then enter all shares and click "FOR"/" AGAINST" as the case may be. You are not required to cast all your votes in the same manner. You may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option "ABSTAIN" in case you wish to abstain from voting. If you do not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each folio / demat account.
- Cast your vote by selecting an appropriate option and click on SUBMIT. A confirmation box will be displayed. Click OK to confirm else CANCEL to modify. Once you confirm, you will not be allowed to modify your vote.
- During the voting period, shareholders can login any number of times till they have voted on the resolution.
- Once you have cast your vote on a resolution you will not be allowed to modify it subsequently.
- The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e., Monday, August 12, 2024.
- Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date, may obtain the User ID and password in the manner as mentioned below:

If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may:

- Send SMS: MYEPWD <space>

E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL :

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

b) On the home page of <https://evoting.kfintech.com>, click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.kfintech.com> or contact KFin Technologies Ltd. at 1800 309 4001 (toll free). It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

11. SCRUTINIZER FOR E-VOTING AND VOTING RESULTS:

- a) The company has appointed Mr. N. Ramanathan and in his absence, Mrs. Smita Chirimar both Partners of M/s. S. Dhanapal & Associates LLP, Company Secretaries as the Scrutinizer (the "Scrutinizer") for conducting voting process in a fair and transparent manner.
- b) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of electronic voting for all those members who are present at the AGM but have not cast their votes by availing the remote e-Voting facility.
- c) The voting results shall be declared within two working days from conclusion of the AGM and the Resolutions shall be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared results along with the report of the Scrutinizer shall be placed on the website of the Company (www.rkswamy.com) and on the website of Kfin (<https://evoting.kfintech.com/>) immediately after the declaration of result by the Chairman or a person authorised by him. The results along with the report of the Scrutinizer shall also be immediately forwarded to BSE Limited and National Stock Exchange of India Limited.

12. INTIMATION OF DETAILS OF THE AGREEMENT, IF ANY UNDER THE SEBI LISTING REGULATIONS:

Shareholders are informed that in terms of the provisions of the Listing Regulations, the Company is required to intimate to the Stock Exchanges the details of the agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create

any liability upon the Company, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the Company is a party to such agreements.

Accordingly, it is hereby advised to the shareholders to the inform the Company about such agreement to which the Company is not a party, within two working days of entering into such agreements or signing an agreement to enter into such agreements. The Company will inform the details of such agreements to the Stock Exchanges on it becoming aware of it within the prescribed timelines.

[Explanation: For the purpose of this clause, the term "directly or indirectly" includes agreements creating obligation on the parties to such agreements to ensure that listed entity shall or shall not act in a particular manner.]

13. DOCUMENTS OPEN FOR INSPECTION:

- a) Members seeking any statutory information or any other matter/ documents/ registers, etc. in connection with the AGM, may please send a request to the Company via email at secretarial@rkswamy.com
- b) All documents referred to in this notice and the explanatory statement along with statutory records and registers/ returns including 'Register of Directors and Key Managerial Personnel and their shareholding', maintained under Section 170 of the Act, as required to be kept open for inspection under the Act, shall be made available for inspection by the members at the registered office of the Company during business hours except Saturday, Sunday and national holiday from the date hereof up to the date of this AGM.

14. DIVIDEND RELATED INFORMATION:

- a) The Board of Directors of the Company at their meeting held on May 24, 2024 have inter alia approved and recommended payment of final dividend of Rs. 2 (40%) per equity share of the face value of Rs. 5 each for the financial year ended March 31, 2024 ('final dividend'), subject to the approval of shareholders at the ensuing AGM.
- b) Final dividend for the financial year ended March 31, 2024, if approved by the members at the ensuing AGM, will be paid on or after Monday, August 19, 2024, to those members whose names appear on the Register of Members of the Company or Register of Beneficial Owners maintained by the Depositories as on the record date i.e., Sunday, August 11, 2024. Further, the register of Members and Share Transfer Book of the Company will be closed from Monday, August 12, 2024 to Monday, August 19, 2024 (both days inclusive)
- c) Members holding shares in physical/demat form are hereby informed that the bank particulars registered with RTA or their respective DP, as the case may be, will be considered by the Company for payment of final dividend.

- d) Members holding shares in physical/demat form are required to submit their bank account details, if not already registered, as mandated by the SEBI.

The Dividend will be paid electronically to those shareholders who have registered their bank account details. SEBI has made it mandatory to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to the shareholders electronically. The shareholders holding shares in physical form shall be paid dividend only through electronic mode subject to their folios being KYC compliant as per the SEBI requirements.

15. TDS ON DIVIDEND:

- As per the Income Tax Act, 1961, dividend paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to the shareholders. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof.
- A separate email communication was sent to the members on Saturday July 27, 2024 informing the relevant procedure to be adopted by them/documents to be submitted for availing the applicable tax rate. The said communication and draft of the exemption forms and other documents are available on the Company's website at www.rkswamy.com.
- The resident and non-resident shareholders should send the scanned copies of the requisite documents to KFin at einward.ris@kfintech on or before Monday, August 12, 2024 to enable the Company to determine the appropriate TDS/withholding tax rate, as may be applicable. The resident individual shareholders also have an option to upload the exemption documents directly at <https://ris.kfintech.com/form15/>.
- Members are requested to note that in case the tax on dividend is deducted at a higher rate in absence of receipt of the requisite details/documents, there would still be an option available to file the return of

income and claim an appropriate refund, if eligible. No claim shall lie against the Company for such taxes deducted.

16. UPDATION OF PAN, KYC AND NOMINATION DETAILS:

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023 (subsumed as part of the SEBI Master Circular dated 17th May 2023) read with Circular No SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17th November 2023, in supersession of earlier Circular(s) issued on the subject, has prescribed common and simplified norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC (contact details, bank details and specimen signature), and nomination details.

As per the said Circular, it is mandatory for the shareholders holding securities in physical form to, inter alia, furnish PAN, KYC, and nomination details. Physical folios wherein the PAN, KYC, and nomination details are not available would be eligible for lodging grievance or any service request only after registering the required details. Any payments including dividend in respect of such folios shall only be made electronically with effect from 1st April 2024 upon registering the required details.

If a shareholder holding shares in physical form desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in the prescribed form.

The members are advised to register their details with the RTA or DPs, in compliance with the aforesaid SEBI guidelines for smooth processing of their service requests and trading without any hindrance.

17. PROCESS FOR AVAILING VARIOUS INVESTOR SERVICE REQUESTS:

Members are requested to refer Part V of the SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 for common and simplified norms for processing any service requests before making an application to the Company/RTA. For more details, please refer RTA's website at <https://ris.kfintech.com/> for downloading the aforesaid circulars.

EXPLANATORY STATEMENT PURSUANT TO REGULATION 36(5) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4:

Background

M/s. Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 008072S), and completing their current tenure of 5 years upon the conclusion of the ensuing 51st AGM

The Audit Committee and Board of Directors have recommended the appointment of M/s. CNK & Associates LLP ("CNK"), Chartered Accountants, (Firm Registration

No. 101961W/W-100036), as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of 51st AGM till the conclusion of the 56th AGM of the Company to be held in the calendar year 2029 in place of the retiring Statutory Auditors.

CNK have conveyed their consent to be appointed as the Statutory Auditors of the Company and have confirmed that their appointment, if approved by the members, would be within the limits prescribed under the Act and that

they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder. They have also provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and holding a valid certificate issued by the 'Peer Review Board' of the ICAI.

The Board at its meeting held on May 24, 2024 had, considering the firm's experience and expertise and profile as stated below and on the recommendation of the Audit Committee, proposed the appointment of M/s CNK & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company.

Profile:

CNK is a Chartered Accountant Firm registered with The Institute of Chartered Accountants of India. The firm has pan India presence across seven key cities of India including all major cities. The Firm has been associated as Statutory Auditors of many listed and other large companies engaged in manufacturing and service sectors, Banks, NBFCs, PSUs (including a Fortune 500

company) for more than 5 decades, and is closely working with regulatory bodies in various capacities. Based on these credentials, the Audit Committee and the Board of Directors have recommended the appointment of CNK as Statutory Auditors of the Company.

The proposed remuneration to be paid to Auditors for the financial year 2024-25 is Rs. 21 Lakhs plus applicable taxes. There is no material change in the remuneration proposed to be paid to Auditors for the financial year 2024-25 and the remuneration paid to the Retiring Auditors for the financial year 2023-24.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested, financially or otherwise, in the said resolution.

In terms of Section 139 read with Sections 141, 142 of the Act, appointment of a Statutory Auditor is subject to approval of shareholders by way of Ordinary Resolution.

Based on the above, approval of members is being sought to appoint CNK as Statutory Auditors of the Company from the conclusion of 51st AGM till the conclusion of the 56th AGM of the Company to be held in the calendar year 2029.

ADDITIONAL INFORMATION ON DIRECTOR RECOMMENDED FOR APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36(3) OF SEBI LISTING REGULATIONS AND SECRETARIAL STANDARD - 2 AS PRESCRIBED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

| | |
|--|--|
| Name of Director | Srinivasan K Swamy |
| DIN | 00505093 |
| Date of Birth Age (years) | July 15, 1954 (69 Years) |
| Original date of appointment as Director | April 29, 1982 |
| Qualifications | Bachelor of technology in chemical engineering from the University of Madras, Master of management studies from the Jamnalal Bajaj Institute of Management Studies, Mumbai. |
| Experience and expertise in specific functional area | Advertising and Marketing Services |
| Remuneration Last Drawn (Excluding Sitting Fees) | Rs. 114.47 Lakhs for F.Y. 2023-24 |
| Number of Meetings of Board attended during the year i.e. F.Y. 2024-25 | 1 of 1 |
| Shareholding in R K SWAMY Limited including shareholding as a beneficial owner | 1,54,58,987 Equity Shares i.e. 30.63% of paid-up capital of the Company |
| Relationship with other Directors / KMPs | Brother of Narasimhan K Swamy (Managing Director and Group CEO) |
| Terms and conditions of re-appointment and remuneration | As per the Company's policy and approval of shareholders being sought as per the Postal Ballot dated May 24, 2024 available at https://www.rkswamy.com/regulatory-disclosure.html |
| Directorships held in other companies in India | Hansa Research Group Private Limited; Hansa Customer Equity Private Limited; Hansa Direct Private Limited; Dsquare Solutions Private Limited; Autosense Private Limited; Hansa Estates Private Limited; Hansa Vision India Private Limited; Audit Bureau of Circulations; India Chapter of International Advertising Association; IIM Udaipur Incubation Centre; Sri Visishtadvaita Research Foundation; C S Foundation; Advertising Agencies Association of India |
| Membership/ Chairmanship of committees in companies in India (Statutory Committee) | R K SWAMY Limited- Audit Committee (Member); R K SWAMY Limited- Stakeholder Relationship Committee (Member); R K SWAMY Limited- Corporate Social Responsibility Committee (Chairperson); Hansa Research Group Private Limited- Corporate Social Responsibility Committee (Chairperson); Hansa Customer Equity Private Limited- Corporate Social Responsibility Committee (Chairperson) |
| Listed entities from which the person has resigned in the past three years | Nil |

DIRECTORS' REPORT

To the Members,

It is our privilege to present the 51st Director's Report for R K SWAMY Limited for the financial year ended March 31, 2024.

The most significant and far-reaching event in 2023-24 was the listing of the Company's shares in the Stock Exchanges - BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on March 12, 2024. The Company is the first Integrated Marketing Services player to be listed on the Main Board of these Stock Exchanges. The offer for subscription to the Company's shares received an overwhelming response. The Board of Directors takes this opportunity to thank all the shareholders who have reposed confidence in the Company.

1. FINANCIAL PERFORMANCE AND OPERATIONAL HIGHLIGHTS:

The Company performed robustly in 2023-24, with double-digit percentage increases in revenue and profitability.

a. FINANCIAL RESULTS:

The Company's performance during the financial year ended March 31, 2024 as compared to the previous financial year is summarized below:

Amount in Rs. Lakhs

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 | For the financial year ended March 31, 2024 | For the financial year ended March 31, 2023 |
| Revenue from Operations | 16,213.62 | 14,405.30 | 33,151.56 | 29,261.31 |
| Other Income | 277.08 | 451.77 | 387.59 | 734.49 |
| Total Income | 16,490.70 | 14,857.07 | 33,539.15 | 29,995.80 |
| Operating Expenses | 5,643.53 | 5,572.42 | 9,886.88 | 9,303.36 |
| Gross Margin [^] | 10,570.09 | 8,832.88 | 23,264.68 | 19,957.95 |
| Earnings before interest, tax, depreciation & amortization (EBITDA) | 4,843.74 | 3,959.63 | 7,428.50 | 6,290.79 |
| Finance Costs, Depreciation and Amortization expenses | 1,296.63 | 1,082.49 | 2071.59 | 2,032.61 |
| Profit Before Tax | 3,547.11 | 2,877.14 | 5356.91 | 4,258.18 |
| Less: Tax | 896.50 | 722.69 | 1,384.43 | 1,132.18 |
| Profit After Tax | 2,650.61 | 2,154.45 | 3,972.48 | 3,126.00 |
| Earning per equity share: Basic & diluted | 5.91 | 4.85 | 8.86 | 7.03 |

[^]Gross margins is Revenue from Operations less Operating expenses

b. STATE OF AFFAIRS OF THE COMPANY AND FINANCIAL PERFORMANCE:

The Company is one of the leading Integrated Marketing Services groups in India, offering a single-window solution for Creative, Media, Data Analytics and Market Research Services.

During the year, the Company has undertaken innumerable projects for over 400 Clients operating in a wide range of categories. The nature of services rendered and work accomplished can be seen at www.rkswamy.com, www.hansaresearch.com and www.hansacequity.com.

PERFORMANCE OVERVIEW:

- Revenue from Operations for the financial year 2023-24 was Rs. 33,151.56 Lakhs, higher by 13.29% as compared to Rs. 29,261.31 Lakhs for financial year 2022-23.
- Total Income for the financial year 2023-24 was Rs. 33,539.15 Lakhs, higher by 11.81% as compared to Rs. 29,995.80 Lakhs for financial year 2022-23. The Other Income for the financial year 2023-24 was Rs 387.59 lakhs, which was lower as compared to Rs 734.49 lakhs in the previous year on account of lower credit write backs and interest on loans which was settled in the financial year 2022-23.

- Earnings before interest, tax, depreciation and amortization for the financial year 2023-24 was Rs. 7,428.50 Lakhs, higher by 18.09% as compared to Rs. 6,290.79 Lakhs for financial year 2022-23.
- Profit Before Tax for the financial year 2023-24 was Rs. 5,356.91 Lakhs, higher by 25.80% as compared to Rs. 4,258.18 Lakhs for financial year 2022-23.
- Profit after Tax for the financial year 2023-24 was Rs. 3,972.48 Lakhs, higher by 27.07% as compared to Rs. 3,126.00 Lakhs for financial year 2022-23. At a consolidated level, in the financial year 2023-24, the Company registered its highest profit after tax.

During the year under review, there was no change in the nature of business of the Company.

c. **MATERIAL EVENTS:**

CONVERSION OF THE COMPANY INTO A PUBLIC LIMITED COMPANY:

The Company was converted into a Public Limited Company under the Companies Act, 2013 ("Act") and consequently, the name of our Company was changed from 'R K SWAMY Private Limited' to 'R K SWAMY Limited' pursuant to the resolution passed by the Board of Directors on June 16, 2023 and a special resolution passed by the Shareholders of the Company on July 3, 2023. A fresh certificate of incorporation dated July 17, 2023 was issued by the Registrar of Companies, Chennai.

INITIAL PUBLIC OFFER ("IPO"):

During the year under review, the Company made its Initial Public Offer ('the Offer') comprising of an Offer for Sale and Fresh Issue, details of which are summarized below:

| | |
|------------------|---|
| Fresh Issue | 60,20,101 Equity Shares, aggregating to Rs. 17,300.00 Lakhs |
| Offer for Sale | 87,00,000 Equity Shares, aggregating to Rs. 25,056 Lakhs. |
| Total Issue Size | 1,47,20,101 Equity Shares, aggregating to Rs. 42,356 Lakhs |

The offer had been authorised by a resolution of the Board of Directors on August 7, 2023 and by the Shareholders on August 8, 2023.

The offer was open for public from March 4, 2024 to March 6, 2024. The Company completed its IPO successfully with participation of several leading domestic and global Institutional Investors as well as NRIs, HNIs and Retail Investors. The Offer was oversubscribed by ~26 times. The Board also places on record its appreciation for the support provided by various Authorities & Regulators, Lead Merchant Bankers, Stock Exchanges, Depositories, Counsels, Consultants, Auditors, Registrar & Transfer Agent and Employees of the Company for making the IPO of the Company a success.

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited effective from March 12, 2024.

d. **MANAGEMENT DISCUSSION AND ANALYSIS**

As required under Regulation 34 read with Schedule V(B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), report on Management Discussion and Analysis is given below: ("MD&A")

The Company is one of the leading Integrated Marketing Services groups in India, offering a single-window solution for Creative, Media, Customer Data Analytics and Market Research Services.

The Company has a track record of over five decades, and works with leading private companies/groups, major institutions of India, Public Sector Enterprises, Multinational companies and a host of ambitious Indian brands.

Driven by its Clients' continuous demand for more effective and efficient Marketing Services, the Company pursues a contrarian strategy by providing a comprehensive range of services in the following interrelated and complementary business segments under a unified management:

- Integrated Marketing Communications,
- Customer Data Analytics and Marketing Technology; and
- Full-Service Market Research (including Customer Experience measurement) and Syndicated Studies.

During financial year 2023-2024, the Company's Integrated Marketing Communications segment contributed to Rs. 16,048.77 lakhs (48.41%), Customer Data Analytics and MarTech segment contributed to Rs. 8,855.53 lakhs (26.71%) and Full-Service Market Research segment contributed to Rs. 8,247.26 lakhs (24.88%) in the revenue from operations. The Company's results of operations and key business metrics are subject to quarterly variations. Historically, the company records an increase in revenue from operations in third and fourth quarters (October to March).

The Company operates in a professional services space and recognizes that talent is critical to deliver a high level of services to its clients. The Company had employed over 2,500 associates as of March 31, 2024.

Opportunities and Threats

The addressable market for overall marketing services in India grew at a CAGR of 5.6% between FY 2019 and 2023, reaching Rs 1,936 billion in FY 2023, supported by growth in the marketing spends of Indian companies. The same is expected to reach a range of Rs 3,500-3,750 billion by the end of FY 2028 at a CAGR of 12.5%-14.5%. This provides the Company an opportunity to leverage its capability for growth.

At the same time the industry is significantly competitive with numerous established agencies (including multinational corporations) and major companies. Amid intense competition, it is crucial to attract, retain, and help grow talented employees, which can have an impact on profit margins.

Outlook

India has demonstrated economic resilience and emerges as a symbol of optimism, maintaining its position as the world's fifth-largest economy and expected to continue leading as the fastest-growing major economy. India's GDP remains strong and expected to grow by 6.5% as per IMF GDP forecasts.

Risk and concerns

The Company has constituted a Risk Management Committee as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details of which are provided in the Report on Corporate Governance.

Foreseeable risks that the Company may encounter and concerns have been addressed in a documented Risk Management Policy which is reviewed by the Risk Management Committee and the Board from time to time.

Internal control systems and their adequacy

The Company's Internal Control System is commensurate with the size and nature of its business and in line with the requirements of the regulations.

During FY 2023-24, the management has assessed the effectiveness of the Internal Control over Financial Reporting and has determined that this is effective.

Ratios

The required details of significant changes (25% or more) in the key financial ratios for the financial year 2023-24 as compared to the financial year 2022-23 are as follows:

| Ratio | Unit | FY 23-24 | FY 22-23 | Reason for change |
|----------------------------|------------|---------------------|----------|---|
| Current ratio | (in times) | 2.40 | 1.00 | The current ratio has improved on account of (i) Cash inflow post the Initial Public Offering and (ii) Improvement in Net receivables (Trade Receivables - Trade Payables). |
| Debt Equity ratio | (in times) | 0.08 | 0.76 | The Debt to Equity ratio of the company has improved due to (i) increase in total equity post the Initial Public Offering. (ii) Reduction in borrowings by Rs.411.25 lakhs and (iii) Reduction of lease liability to the extent of Rs.951.71 lakhs. |
| Return on Capital Employed | % | 16.94 (Post IPO) | 28.95 | This is due to increase in shareholder's equity post the Initial Public Offering. |
| Return on Net-worth | % | 11.79 (Post IPO) | 22.20 | This is due to increase in the Average shareholder's equity post Initial Public Offering. |

e. KEY PERFORMANCE INDICATOR (KPIs):

The Key financial metrics and Key operational metrics are shared below to help understand and analyse the business performance.

| Key financial metrics | Unit | As at / For FY 2024 | As at / For FY 2023 |
|---|----------------|---------------------|---------------------|
| Revenue from Operations | (in Rs. lakhs) | 33,151.56 | 29,261.31 |
| Revenue Growth | % | 13.29 | 24.83 |
| Total Income | (in Rs. lakhs) | 33,539.15 | 29,995.80 |
| Total Income Growth | % | 11.81 | 22.43 |
| EBITDA | (in Rs. lakhs) | 7,428.50 | 6,290.79 |
| EBITDA Margin on Total Income | % | 22.15 | 20.97 |
| Profit after tax | (in Rs. lakhs) | 3,972.48 | 3,126.00 |
| Profit after tax margin on Total Income | % | 11.84 | 10.42 |
| Return on Capital Employed (RoCE) | % | 16.94 (Post IPO) | 28.95 |
| Return on Net worth (RoNW) | % | 11.79 (Post IPO) | 22.20 |

| Key operational metrics | Unit | As at / For FY 2024 | As at / For FY 2023 |
|--|----------------|---------------------|---------------------|
| Top 10 Clients | | | |
| Revenue from Operations | % | 43.15 | 41.89 |
| Average revenue per Client | (in Rs. lakhs) | 1,430.33 | 1,225.8 |
| Top 50 Clients | | | |
| Revenue from Operations | % | 73.83 | 71.69 |
| Average revenue per Client | (in Rs. lakhs) | 489.51 | 419.54 |
| Revenue from Operations per FTE | (in Rs. lakhs) | 19.26 | 18.25 |
| | | | |
| Integrated Marketing Communications | | | |
| Release orders | (Number) | 7,472 | 7,284 |
| Campaigns | (Number) | 963 | 818 |
| Videos Produced | (Number) | 1,664 | 2,828 |
| Customer Data Analytics and MarTech | | | |
| Unique customer profiles | (Number) | 246,477,872 | 195,000,000 |
| Private cloud infrastructure | (Number) | 103.54 terabytes | 97.69 terabytes |
| One-to-one customer intelligence campaigns | (Number) | 3,862,190,284 | 2,264,000,000 |
| Voice calls | (Number) | 30,986,052 | 26,133,000 |
| Digital Queries (Online Reputation Management ("ORM")/Chat/E-Mail) | (Number) | 6,87,023 | 692,000 |
| Full-Service Market Research | | | |
| Depth interviews | (Number) | 4,766 | 4,016 |
| Group Discussions | (Number) | 2,702 | 3,594 |
| Quant Interviews | (Number) | 4,49,912 | 5,41,498 |
| Computer aided telephonic interviews ("CATI") | (Number) | 22,11,302 | 1,692,306 |
| Panel | (Number) | 65,317 | 1,31,728 |
| Total Interviews | (Number) | 27,33,996 | 23,73,142 |

f. DIVIDEND:

The Board of Directors at their meeting held on May 24, 2024, have recommended payment of Rs. 2 (40%) per equity share having a face value of Rs. 5 each as final dividend for the financial year 2023-24. This recommendation is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company and will be payable to those shareholders whose names appear in Register of Members/Beneficiary Position statement as on the Record date.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, the dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source as per applicable tax rates.

Pursuant to Regulation 43A of the SEBI Listing Regulations, the Company has adopted Dividend Distribution Policy. The Dividend Distribution policy is available on the website of the Company at https://www.rkswamy.com/pdf/03_Dividend_Distribution_Policy.pdf

g. UNPAID DIVIDEND & IEPF:

The Company was not required to transfer any amount to the Investor Education & Protection Fund (IEPF) as there were no Unpaid Dividend balances with the Company.

h. TRANSFER TO RESERVES:

During the year under review, no amount was transferred to any reserves by the Company.

i. CORPORATE GOVERNANCE REPORT:

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India. The Report on Corporate Governance as stipulated under the SEBI Listing Regulations forms part of this Annual Report.

A certificate from M/s S. Dhanapal & Associates, Company Secretaries, confirming compliance with corporate governance norms, as stipulated under the SEBI Listing Regulations, is annexed to the Corporate Governance Report.

j. SHARE CAPITAL:

During the year under review, Company increased its authorised capital from Rs. 10 Crores to Rs. 30 Crores and also simultaneously sub-divided its authorized share capital, such that 3,00,00,000 equity shares of Rs. 10 each aggregating to Rs. 30 Crores were sub-divided into 600,00,000 equity shares of Rs. 5 each, aggregating to Rs. 30 Crores.

During the year under review, there were changes in the paid up share capital of the Company, which are summarized below:

| Date | Particular | Face Value Rs. | Issue Price Rs. | Number of Shares |
|----------------|---|-------------------|--------------------|---------------------------|
| | Opening Balance | 10 | | 44,45,714 |
| July 25, 2023 | One fully paid-up equity share of the Company of Rs.10 each was sub-divided into two fully paid-up equity shares of Rs. 5 each. | 5 | NA | 88,91,428 (Post-split) |
| July 28, 2023 | Bonus shares were issue at par in proportion of 4 new equity shares of Rs. 5 each for every one existing fully paid up equity share of Rs. 5 each | 5 | NA | 35,565,712 |
| March 08, 2023 | Fresh Issue of 60,20,101 by way of an Initial Public Offer | 5 | 288* | 60,20,101* |
| | Closing Balance | 5 | | 5,04,77,241 |

**This includes 1,40,350 equity shares which were allotted to eligible employees who submitted Bids under the Employee Reservation Portion and who were allotted shares at a discounted offer price of Rs. 261 per share.*

k. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company has the following wholly owned subsidiaries/step down subsidiaries as on March 31, 2024:

- Hansa Research Group Private Limited;
- Hansa Customer Equity Private Limited;
- Hansa Direct Private Limited;
- Autosense Private Limited;
- Dsquare Solutions Private Limited;
- Hansa Marketing Services L.L.C and (Dubai, UAE)
- Hansa Marketing Services Private Limited (Dhaka, Bangladesh)

Out of the above, Hansa Research Group Private Limited which is engaged in the business of providing Full Service Market Research and Hansa Customer Equity Private Limited which is engaged in the business of Customer Data Analytics and MarTech are the material subsidiaries of the Company.

The Company's Policy for determining material subsidiaries is available on the Company's website at https://www.rkswamy.com/pdf/08_Policy_for_Determining_Material_Subsidaries.pdf

A separate statement containing the salient features of financial statements of subsidiaries of the Company in the prescribed Form AOC-1 forms a part of Consolidated Financial Statements, in compliance with Section 129(3) and other applicable provisions, if any, of the Act read with the Rules issued thereunder.

In accordance with Section 136 of the Act and the SEBI Listing Regulations, copies of the standalone and consolidated financial statements of the Company and the separate audited financial statements in respect of each of the subsidiary companies are open for inspection and are also available on the website of the Company at <https://www.rkswamy.com/regulatory-disclosure.html>

Further, contribution of subsidiary companies to the overall performance of the Company is outlined in Note No. 41 of the Consolidated Financial Statements.

The Company did not have any joint venture or associate companies during the year or at any time after the closure of the year and till the date of the report.

l. PUBLIC DEPOSITS:

During the year, the Company had not accepted any deposits within the meaning of the provisions of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

m. LOANS FROM DIRECTORS OR DIRECTORS' RELATIVES:

During the year, the Company had not obtained any loan from any of the Directors or their relatives.

n. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

In line with the requirements of the Act and SEBI Listing Regulations, the Company has formulated a Policy on Materiality of and dealing with Related Party Transactions ("RPT Policy"), which is available on the website of the Company at https://www.rkswamy.com/pdf/09_Policy_on_Materiality_of_and_dealing_with_Related_Party_Transactions.pdf

All contracts, arrangements and transactions entered by the Company with related parties during financial year 2023-24 were in the ordinary course of business and at arm's length. Certain transactions, which were repetitive in nature, were approved through the omnibus route.

During the year, the Company did not enter into any related party transactions, which could be considered material, in accordance with the Company's RPT Policy. Accordingly, the disclosure of related party transactions in Form AOC-2 is not applicable.

All applicable related party transactions were presented before the Audit Committee/Board on a regular basis as required under the Act and SEBI Listing Regulations. The disclosure on related party transactions as per IND AS 24 has been provided under Note No. 37 of the standalone financial statements and Note No. 36 of the consolidated financial statements of the Company.

o. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as below:

(A) Conservation of energy:

| | |
|--|--|
| Steps taken or impact on conservation of energy | Being a service company, the expenditure on energy is minimal. |
| Steps taken by the Company for utilizing alternate sources of energy | The company has endeavored to create an internal awareness on energy conservation. |
| Capital investment on energy conservation equipment | No capital investment has been made on energy conservation equipment. |

(B) Technology absorption:

| | |
|--|--|
| Efforts made towards technology absorption | The Company has been progressively embracing technology and digitization to create content and automate its processes. |
| Benefits derived like product improvement, cost reduction, product development or import substitution | |
| In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): | |
| Details of technology imported | Nil |
| Year of import | Not Applicable |
| Whether the technology has been fully absorbed | Not Applicable |
| If not fully absorbed, areas where absorption has not taken place, and the reasons thereof | Not Applicable |
| Expenditure incurred on Research and Development | Nil |

(C) Foreign exchange earnings and Outgo:

Amount in Rs Lakhs

| Particular | FY 2022-2023 | FY 2023-2024 |
|----------------------------------|--------------|--------------|
| Actual Foreign Exchange earnings | 117.41 | 215.11 |
| Actual Foreign Exchange outgo | 80.22 | 166.14 |

p. ANNUAL RETURN:

Pursuant to the provisions of Section 92(3) read with Section 134(3)(a) of Act, the draft Annual Return as on March 31, 2024 is available on Company's website https://www.rkswamy.com/pdf/Form_MGT_7_2023-24.pdf

q. PARTICULARS OF INVESTMENTS, LOANS, GUARANTEES AND SECURITIES:

The particulars of investments, loans, guarantees and securities covered under Section 186 of the Act are set out in Note no 8 and 9 of the standalone financial statements of the Company.

r. MATERIAL CHANGES AFTER END OF FINANCIAL YEAR:

There were no material changes and commitments which affected the financial position of the Company, between the end of the financial year March 31, 2024 and date of this Report.

s. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

The Company has laid down adequate internal financial controls commensurate with the scale, size and nature of the business of the Company. The Company has in place adequate policies and procedures for ensuring the orderly and effective control of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures. Effectiveness of internal financial controls is ensured through management reviews, controlled self-assessment and independent testing by the internal and statutory auditors of Company.

2. MATTERS RELATED TO DIRECTORS, KEY MANAGERIAL PERSONNEL & SENIOR MANAGEMENT:

a) BOARD OF DIRECTORS:

During the year under review, Narasimhan K Swamy, the whole-time Director of the Company was designated as Group CEO of the Company on July 21, 2023, Pattabhi K Raman was appointed as Non-Executive, Nominee Director of the Company representing Evanston Pioneer Fund LP on June 6, 2023. Further, during year Nalini Padmanabhan, Rajiv Vastupal Mehta, T T Srinivasaraghavan and Sunil Sethy were appointed as Independent Directors of the Company on July 3, 2023 by the shareholders of the Company. There was no resignation by any Directors during the financial year.

As on March 31, 2024, the Board of Directors of the Company comprised of the following:

| Sr. No. | Name of Director | Designation |
|---------|--|----------------------------------|
| 1. | Srinivasan K Swamy (Also known as Sundar Swamy) | Chairperson & Managing Director* |
| 2. | Narasimhan K Swamy (Also known as Shekar Swamy) | Group CEO & Whole-time Director* |
| 3. | Sangeetha Narasimhan | Whole-time Director |
| 4. | Pattabhi K Raman^ | Nominee Director |
| 5. | Nalini Padmanabhan | Independent Director |
| 6. | Rajiv Vastupal Mehta | Independent Director |
| 7. | T T Srinivasaraghavan | Independent Director |
| 8. | Sunil Sethy | Independent Director |

* Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at their meeting held on May 24, 2024 considered and approved the change in the designation of Srinivasan K. Swamy from Chairman & Managing Director to Executive Group Chairman, Narasimhan K. Swamy from Whole-time Director & Group CEO to Managing Director & Group CEO of the Company and appointed Sangeetha Narasimhan as CEO of the Company in addition to her existing position as Whole-time Director of the Company effective from July 1, 2024. This is subject to approval of the shareholder through postal ballot of the Company.

^ Nominee of Evanston Pioneer Fund L.P.

b) KEY MANAGERIAL PERSONNEL & SENIOR MANAGERIAL PERSONNEL:

The Key Managerial Personnel (KMP) of the Company (other than Directors) and Senior Managerial Personnel (SMP) as of March 31, 2024 are listed below:

| Sr. No. | Name | KMP/SMP | Designation |
|---------|---------------------|---------|-----------------------|
| 1. | Rajeev Newar | KMP | Group CFO |
| 2. | Rajagopalan Desikan | KMP | Company Secretary |
| 3. | S. Narasimhan | SMP | Chief Digital Officer |
| 4. | Aparna Bhat | SMP | Compliance Officer |

** During the year under review Aparna Bhat was appointed as Compliance Officer of the Company.*

There was no resignation of KMP/ SMP during the financial year.

c) RETIREMENT BY ROTATION:

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Srinivasan K Swamy (DIN: 00505093) whose office is liable to retire by rotation at the forthcoming AGM and being eligible, offers himself for reappointment. The Board of Directors on the recommendation of the Nomination and Remuneration Committee ("NRC") recommends his reappointment.

Appropriate resolution for reappointment of Srinivasan K Swamy as the Director of the Company is being placed for the approval of the shareholders of the Company at the ensuing AGM.

3. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**a. BOARD MEETINGS:**

The Board of Directors met 10 times during the financial year ended March 31, 2024 and the meetings held, were in compliance with the provisions of the Act and rules made thereunder.

The Company has complied with the applicable Secretarial Standards in respect of the Board meetings and General Meetings.

| Name of Director | No. of Board Meetings Entitled to attend | No. of Board Meetings attended |
|-----------------------|--|--------------------------------|
| Srinivasan K Swamy | 10 | 10 |
| Narasimhan K Swamy | 10 | 10 |
| Sangeetha Narasimhan | 10 | 9 |
| Pattabhi K Raman | 8 | 7 |
| Nalini Padmanabhan | 7 | 7 |
| Rajiv Vastupal Mehta | 7 | 7 |
| T T Srinivasaraghavan | 7 | 7 |
| Sunil Sethy | 7 | 7 |

b. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received the certificate of independence from all the Independent Directors pursuant to Section 149 of the Act and Regulation 16 of the SEBI Listing Regulations, confirming and certifying that they have complied with all the requirements of being an Independent Director of the Company.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct. The Company has also received declarations under Regulation 25(8) of SEBI Listing Regulations from the Independent Directors confirming that there was no existing or anticipation of any circumstances during the year that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, skills, experience and expertise and they hold highest standards of integrity and fulfils the conditions specified in the Act and SEBI Listing Regulations.

c. BOARD EVALUATION:

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The Board evaluation exercise for FY 2023-24 was carried out after the closure of financial year through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

The Directors in their evaluation were of the opinion that the affairs of the Board, the conduct of the Board members, the functioning of the Board and Committee, and the conduct of the individual Directors including the Chairperson were effective and satisfactory.

d. REMUNERATION OF DIRECTORS AND EMPLOYEES:

Disclosure comprising particulars with respect to the remuneration of directors and employees and other details, as required to be disclosed in terms of the provisions of Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as Annexure-I and forms a part of this Report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. However, the Report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to Secretarial@rkswamy.com

e. BOARD COMMITTEES:

During the year under review and pursuant to the SEBI Listing Regulations, the Board had reconstituted certain existing committees and constituted certain new Committees and amended / adopted the terms of reference of the said Committees.

As on the date of this report, the Board has the following committees:

- a. Audit and Compliance Committee
- b. Nomination and Remuneration Committee
- c. Corporate Social Responsibility Committee
- d. Risk Management Committee
- e. Stakeholders' Relationship Committee

The IPO Committee was constituted specifically for the purpose of IPO. Pursuant to the listing of equity shares of the Company on the Stock Exchanges, the IPO related matters had concluded and therefore the IPO Committee was dissolved w.e.f. March 26, 2024.

During the year, all recommendations of the Committees of the Board have been accepted by the Board.

The composition and terms of reference of all the Committees of the Board of Directors of the Company is in line with the provisions of the Act and the SEBI Listing Regulations.

A detailed note on the composition of the Board and its Committees, meetings held during the year and its terms of reference is provided in the Corporate Governance Report forming part of this Annual Report.

f. NOMINATION REMUNERATION & BOARD DIVERSITY POLICY:

The Board has framed and adopted a Nomination Remuneration and Board Diversity Policy ("NRC Policy") in terms of the Section 178 of the Act. The NRC Policy, inter-alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of Directors, Key Managerial Personnel and Senior Management employees and other matters as provided under Section 178 of the Act. The NRC Policy was amended during the year under review to align with the provisions of SEBI Listing Regulations. The remuneration paid to the Directors is as per the terms laid out in the NRC Policy of the Company.

The extract of the terms of reference of the NRC Policy of the Company are provided in the Corporate Governance Report forming part of this Annual Report. The Policy is also available on the website of the Company at https://www.rkswamy.com/pdf/19_Nomination_Remuneration_and_Board_Diversity_Policy.pdf

g. RISK MANAGEMENT:

The Company recognises that risk is an integral and inevitable part of business and is fully committed to manage the risks in a proactive and efficient manner.

The Board of Directors of the Company had formed a Risk Management Committee to frame, implement and monitor the risk management plan of the Company. Further the Company has adopted a Risk Management Policy which provide guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and is working on a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. The Audit Committee has additional oversight in the areas of financial risk and controls.

The Risk Management Policy has been uploaded on the website of the Company on website of the company at https://www.rkswamy.com/pdf/04_Risk_Management_Policies.pdf

h. CORPORATE SOCIAL RESPONSIBILITY POLICY:

During the financial year 2023-24, the Company has spent Rs. 27.42 Lakhs towards Corporate Social Responsibility (CSR) expenditure, in terms of the CSR annual action plan approved by the CSR Committee and the Board of Directors. The CSR initiatives of the Company were towards protection of culture and eradicating hunger, poverty and malnutrition.

During the year Board reconstituted the CSR Committee of the Company. As on March 31, 2024 the CSR Committee of the Company consists of the following members:

- i. Srinivasan K. Swamy- Chairperson
- ii. Narasimhan K. Swamy- Member
- iii. Nalini Padmanabhan- Member

The CSR annual action plan of the Company for the financial year and CSR policy of the Company is available on the website of the Company at https://www.rkswamy.com/pdf/RKS_Annual_Action_Plan_2024-25.pdf

The CSR Committee confirms that the implementation and monitoring of the CSR Policy was done in compliance with the CSR objectives and Policy of the Company. During the financial year ended March 31, 2024, 1 (One) meeting of the CSR Committee was held.

The Report on Corporate Social Responsibility is annexed herewith as Annexure- II and forms a part of this Report.

i. VIGIL MECHANISM/WHISTLE-BLOWER:

The Company has established a Vigil Mechanism/ Whistle-blower policy at group level covering subsidiary Companies in accordance with the provisions of the Act and the SEBI Listing Regulations. Vigil Mechanism/ Whistle blower policy has been formulated with a view to provide a mechanism for Employees, Directors and other stakeholders of the Company to approach the designated Ombudsperson and/or the Chairperson of the Audit Committee of the Company to report actual or suspected unethical behavior, fraud or violation of the Company's Code of Conduct/ ethics/ principles and matters specified in the Policy. Employees and other stakeholders are required to report actual or suspected violations of applicable laws and regulations and the Code of Conduct. Such genuine concerns disclosed as per Policy are called "Protected Disclosures" and can be raised by a Whistle-blower through an e-mail or a letter to the Chairperson of the Audit Committee. The Company affirms that in compliance with the Whistle-Blower Policy/ Vigil Mechanism no personnel had been denied access to the Audit Committee. The Vigil Mechanism and Whistle-blower policy is available on the Company's website and can be accessed at https://www.rkswamy.com/pdf/13_Vigil_mechanism_and_Whistle_Blower_Policy.pdf

4. AUDITORS AND REPORTS:**a. STATUTORY AUDITORS & AUDIT REPORT:**

The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year 2023-24. The Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

M/s. Deloitte Haskins & Sells, (Firm Registration No – 008072S) were appointed as Statutory Auditors of the Company at the annual general meeting held on September 19, 2019, and they will be completing their term of appointment at the conclusion of the ensuing Annual General Meeting in 2024.

Further the Board of Directors, subject to the approval of the shareholders, based on the recommendation of the Audit Committee have approved the appointment of M/s. CNK & Associates LLP (Firm Registration No -101961W), Chartered Accountants, as Statutory Auditors of the Company, in place of the retiring Statutory Auditors, for a term of

five consecutive years from the conclusion of ensuing 51st Annual General Meeting till the conclusion of 56th Annual General Meeting of the Company to be held in the year 2029 at such remuneration plus out of pocket expenses and applicable taxes, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

M/s. CNK & Associates LLP have confirmed their eligibility and confirmed that there is no disqualification under the Act for holding the office as Statutory Auditors of the Company.

Appropriate resolution for appointment of M/s. CNK & Associates LLP, as statutory auditor of the Company is being placed for the approval of the shareholders of the Company at the ensuing AGM.

b. MAINTENANCE OF COST RECORDS:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities of the Company.

c. SECRETARIAL AUDITORS:

M/s. S. Dhanapal & Associates LLP, Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company and its material subsidiaries Hansa Research Group Private Limited and Hansa Customer Equity Private Limited for the financial year 2023-24.

The Secretarial Auditor's Report of the Company for the year under review in prescribed form MR-3 is annexed to this Report as Annexure – III-A and forms a part of this Report.

Pursuant to Regulation 24A (1) of the SEBI Listing Regulations, the Secretarial Audit Reports of the Company's two unlisted material subsidiaries i.e. Hansa Research Group Private Limited and Hansa Customer Equity Private Limited are attached as Annexure-III-B & Annexure-III-C respectively and forms a part of this Report.

The Secretarial Audit Report of the Company and the Reports of its unlisted material subsidiaries do not contain any qualification, reservation, adverse remark or disclaimer.

d. INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, M/s. ASA & Associates LLP, Chartered Accountants were appointed as the Internal Auditor to conduct audit for the year under review.

The Internal Auditor of the Company reports functionally to the Audit Committee of the Company, which reviews and approves the annual internal audit plan for the Company.

e. REPORTING OF FRAUDS BY AUDITORS UNDER SECTION 143(12):

There were no instances of reporting of frauds by the Auditors of the Company under Section 143 (12) of the Act read with Companies (Accounts) Rules, 2014.

f. AUDIT TRAIL

The Auditors have reported that the Company has complied with the Audit trail requirements as required under Rule 3(1) of the Companies (Accounts) Rules, 2014 and reported under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of Audit trail. However, in case of subsidiaries, the Audit trail facility was not fully available as mandated. The management of subsidiaries has assured that they are in the process of upgrading the financial software appropriately to ensure compliance with the said requirements of MCA to the extent necessary.

5. OTHER DISCLOSURES:

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

a. DISCLOSURE OF ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

No orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

b. DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2024, the Board of Directors hereby confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for that year;
- c. they have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. they have prepared the annual accounts of the Company on a going concern basis;
- e. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

c. DISCLOSURE REGARDING INTERNAL COMPLAINTS COMMITTEE:

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at workplace which is in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder ("POSH"). The Company has constituted an Internal Committee and has complied with the provisions of POSH. The Company has filed an Annual Report with the concerned Authority. No complaints were received under POSH during the year under review.

d. AWARDS AND RECOGNITIONS:

The details of awards received by Company and its subsidiaries have been provided separately and forming part of this report.

e. DIRECTORS & OFFICERS INSURANCE POLICY

The Company has a Directors & Officers Liability Insurance Policy for a quantum and with a coverage which in the opinion of the Board is adequate.

6. MISCELLANEOUS:

- a) The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.
- b) The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.
- c) The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.
- d) During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.
- e) During the year, there was no proceeding initiated by or against the Company under the Insolvency and Bankruptcy Code, 2016.
- f) The requirement to disclose the details of difference between amount of valuation done at the time of onetime settlement and valuation done while taking loan from Banks & Financial Institutions along with the reasons thereof, is not applicable.

7. ACKNOWLEDGEMENTS AND APPRECIATION:

The Directors thank the Company's customers, vendors, investors, lenders, partners and all other stakeholders for their continuous support.

The Directors also thank the Government of India, State Governments and concerned Government departments and agencies for their co-operation.

The Directors appreciate and value the contribution made by all the employees and their families.

8. CAUTIONARY STATEMENT:

Statements in this Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

For and on behalf of the Board
R K SWAMY Limited

Srinivasan K. Swamy
(also known as Sundar Swamy)
Chairman & Managing Director
DIN: 00505093
Date: May 24, 2024
Place: Mumbai

Narasimhan K. Swamy
(also known as Shekar Swamy)
Group CEO & Whole-time Director
DIN: 00219883
Date: May 24, 2024
Place: Mumbai

(I) Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2023-24 and percentage increase in remuneration paid to each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 2023-24 are as under::

| Name | Ratio to Median Remuneration | % increase in Remuneration FY 2023-24 |
|---|------------------------------|---------------------------------------|
| Executive Directors | | |
| Srinivasan K Swamy | 17:1 | 7.98% |
| Narasimhan K Swamy | 15:1 | 0 |
| Sangeetha Narasimhan | 15:1 | 0 |
| Nominee Director | | |
| Pattabhi K Raman*# | - | NA |
| Independent Director | | |
| Nalini Padmanabhan* | - | NA |
| T T Srinivasaraghavan* | - | NA |
| Sunil Sethy* | - | NA |
| Rajiv Vastupal Mehta* | - | NA |
| Key Managerial Personnel other than Executive Directors | | |
| Rajeev Newar (Group CFO) | 31:1 | 0 |
| Rajagopalan Desikan (Company Secretary) | 3:1 | 16% |

*Pattabhi K Raman, Nalini Padmanabhan, T T Srinivasaraghavan, Sunil Sethy and Rajiv Vastupal Mehta were appointed as Directors during the financial year 2023-24. The Non-Executive Directors have been paid sitting fees for attending Board and Committee meetings of the Company held during year under review. A commission of Rs. 7 Lakhs would be paid to each of the Non-Executive Directors of the Company for the financial year 2023-24 after receipt of approval of the shareholders by way of Special Resolution which is proposed to be obtained through Postal Ballot.

Pattabhi K Raman's continuation as Nominee Director of the Company is subject to approval of the shareholders proposed to be obtained through Postal Ballot.

2. Percentage increase in the median remuneration of employees in the Financial Year 2023-24: 3%
3. Number of Permanent employees (excluding those on contract) on the rolls of the Company as on March 31, 2024 : 260
4. During the financial year 2023-24, the remuneration of employees (other than the managerial personnel) increased by an average of 8% as compared to the previous financial year managerial remuneration.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and other Employees is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board
R K SWAMY Limited

Srinivasan K. Swamy
(also known as Sundar Swamy)
Chairman & Managing Director
DIN: 00505093
Date: May 24, 2024
Place: Mumbai

Narasimhan K. Swamy
(also known as Shekar Swamy)
Group CEO & Whole-time Director
DIN: 00219883
Date: May 24, 2024
Place: Mumbai

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR Policy of the Company:

The objective of this Policy document is to articulate Company's philosophy of social responsibility, to define the area chosen by the Company to impact the Society with its efforts towards corporate social responsibility and to define the governance & monitoring framework for ensuring effectiveness of the Policy.

2. Composition of CSR Committee as on March 31, 2024:

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|---------------------|---|--|--|
| 1 | Srinivasan K. Swamy | Chairman, Managing Director | 1 | 1 |
| 2 | Narasimhan K. Swamy | Member, Group CEO & Whole-time Director | 1 | 1 |
| 3 | Nalini Padmanabhan^ | Member, Independent Director | NA | NA |

[^]Nalini Padmanabhan has been appointed as member of CSR Committee w.e.f. July 21, 2023.

*Sangeetha Narasimhan was member of the CSR Committee till July 21, 2023 and she has attended CSR meeting held on June 16, 2023.

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:

Composition of CSR Committee: <https://www.rkswamy.com/regulatory-disclosure.html>

CSR Policy: https://www.rkswamy.com/pdf/CSR_Policy_Revised_06082023.pdf

CSR Projects: https://www.rkswamy.com/pdf/RKS_Annual_Action_Plan_2024-25.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the Company as per sub-section (5) of section 135: Rs. 13,38,42,704.28
- (b) Two percent of average net profit of the Company as per sub-section (5) of section 135: Rs. 26,76,854
- (c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years: Not applicable
- (d) Amount required to be set-off for the financial year, if any. : Not applicable
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]. Rs. 26,76,854
- 6 (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project.: Rs. 27,42,411
- (b) Amount spent in Administrative Overheads: NIL
- (c) Amount spent on Impact Assessment, if applicable: NIL
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 27,42,411
- (e) CSR amount spent or unspent for the Financial Year: Not Applicable

| Total Amount Spent for the Financial Year 2023-24 | Amount Unspent (In Rs.) | | | |
|---|---|------------------|---|------------------|
| | Total Amount transferred to Unspent CSR Account as per Section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) | |
| | Amount | Date of transfer | Amount | Date of transfer |
| Rs. 27,42,411 | - | - | - | - |

(f). Excess amount for set off, if any:

| Sl. No. | Particulars | Amount (in Rs.) |
|---------|---|--------------------------|
| (i) | Two percent of average net profit of the Company as per section 135(5) | Rs. 26,76,854 |
| (ii) | Total amount spent for the Financial Year | Rs. 27,42,411 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | Rs. 65,557 |
| (iv) | Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years[(iii)-(iv)] | Rs. 65,000 (Rounded off) |

7 Details of CSR amount spent/ unspent for the preceding three financial years:

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) | Balance Amount in unspent CSR Account under Sub-section (6) of Section 135 (in Rs.) | Amount Spent in the Financial Year(in Rs) | Amount transferred to any Fund specified under Schedule VII as per Section 135(6) if any | | Amount remaining to be spent in succeeding financial years |
|---------|--------------------------|---|---|---|--|------------------|--|
| | | | | | Amount (in Rs.) | Date of Transfer | |
| 1 | 2020-21 | Not Applicable | | | | | |
| 2 | 2021-22 | Not Applicable | | | | | |
| 3 | 2022-23 | Not Applicable | | | | | |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

- Yes
- No

If Yes, enter the number of Capital assets created/ acquired –

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sl. No. | Short particulars of the property or asset(s) [including Complete address and location of the property] | Pin code of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|----------------|---|--------------------------------------|------------------|----------------------------|---|------|--------------------|
| | | | | | CSR Registration Number, if applicable | Name | Registered Address |
| Not Applicable | | | | | | | |

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s) if the Company has failed to spend two per cent of the average net profit as per section 135(5):
Not Applicable

For and on behalf of the Board
R K SWAMY Limited

Srinivasan K. Swamy
(also known as Sundar Swamy)
Managing Director & Chairman of CSR Committee
DIN: 00505093

Date: May 24, 2024
Place: Mumbai

Narasimhan K. Swamy
(also known as Shekar Swamy)
Whole-time Director
DIN: 00219883

Date: May 24, 2024
Place: Mumbai

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE PERIOD ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
R K SWAMY LIMITED,
Chennai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by R K SWAMY LIMITED (CIN: L74300TN1973PLC006304) (hereinafter called the company). Secretarial Audit was conducted based on records made available to us, in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion/ understanding thereon.

The Company made an Initial public Offer (IPO) during the year and the equity shares of the Company were listed on the BSE Ltd. and the National Stock Exchange of India Limited w.e.f. 12th March, 2024.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we, on strength of those records, and information so provided, we hereby report that in our opinion and understandings, the Company, during the financial year ended on March 31, 2024 appears to have complied with the statutory provisions listed hereunder and also in our limited review, that the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. The compliance with respect to SEBI and Stock exchange regulations have been verified from the applicable period i.e w.e.f. 12th March, 2024.

We have examined the books, papers, minutes' book, forms and returns filed and other records maintained by the Company and made available to us for the financial year ended on March 31, 2024 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the

rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;

- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI ACT') to the extent applicable during the year:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2).
- ii) The Listing Agreements entered into by the Company with BSE Ltd. and National Stock Exchange of India Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied in accordance with the requirements to be

met with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above to the extent applicable.

It is represented to us that the company has initiated measures, wherever required, to address issues raised by the statutory authorities and letters/notices received by the Company during the financial year under various enactments as applicable to the company.

We further report that, subject to the above, the related documents that we have come across depict that:

The Board of Directors of the Company is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that based on our limited review of the compliance mechanism established by the Company, there appear adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Company was converted into a Public Limited Company with requisite statutory approvals w.e.f 17th July, 2023. The equity shares of the Company were sub-divided from Rs. 10 per share to Rs. 5 per share and post sub-division, the Company allotted 3,55,65,712 equity shares by way of a Bonus Issue. The Company also made an Initial public Offer (IPO) of equity shares during the year which was a combination of fresh issue and offer for sale. The allotment pursuant to the IPO was made on 08th March, 2024 and the

equity shares were listed on the BSE Ltd. and the National Stock Exchange of India Limited w.e.f. 12th March, 2024.

We further report that, other than the events reported above, the Company has sought the approval of its members for following major events other than transaction of ordinary business at the Annual General Meeting:

- a. Alteration in the name clause and object of Memorandum of Association and Alteration in Articles of Association of the Company;
- b. Appointment of Mr. T. T. Srinivasaraghavan (DIN: 00018247), Mr. Rajiv Vastupal Mehta (DIN: 00647906), Mr. Sunil Sethy (DIN: 00244104) and Mrs. Nalini Padmanabhan (DIN: 01565909) as Independent Directors of the Company;
- c. Increase in Authorised Share Capital of the Company and consequential amendment in Capital Clause of the Memorandum of Association of the Company;
- d. Approval for the remuneration payable to Mr. Srinivasan K. Swamy (DIN: 00505093) (Chairman and Managing Director), Mr. Narasimhan K. Swamy (DIN: 00219883) (Group CEO & Whole-time Director), Mrs. Sangeetha Narasimhan (Whole-time Director) and to Executive and Non- Executive Directors in case of Inadequacy of profit or loss.
- e. Increase in Investment limits for Non-Resident Indians and Overseas citizens of India.

We further report that our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company. The compliance with provisions of applicable laws which have been subject to other audits have not been independently reviewed by us and the reports wherever shown to us have been relied upon in rendering our report.

We further report that we have conducted the secretarial audit whenever required through online verification and examination of records, as requested and facilitated by the company for the purpose of issuing this Report.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)
LLPIN: ACB 0368

S. DHANAPAL
(Designated Partner)
FCS 6881 CP No. 7028

Peer Review Certificate No.1107/2021
UDIN: F006881F000441777

Date: May 24, 2024
Place: Chennai

This Report is to be read with our testimony of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure to Secretarial Audit Report of R K SWAMY Limited

To,
The Members,
R K SWAMY LIMITED,
Chennai

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)
LLPIN: ACB 0368

S. DHANAPAL
(Designated Partner)
FCS 6881 CP No. 7028

Date: May 24, 2024 Peer Review Certificate No.1107/2021
Place: Chennai UDIN: F006881F000441777

Annexure III-B

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE PERIOD ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HANSA RESEARCH GROUP PRIVATE LIMITED,
Mumbai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HANSA RESEARCH GROUP PRIVATE LIMITED, (hereinafter called the Company). Secretarial Audit was conducted based on records made available to us in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion/ understanding thereon.

The Company is a subsidiary of R K SWAMY Limited which was converted from a Private Limited Company to a Public Limited Company w.e.f. 12th July, 2023 and listed on the BSE Limited and National Stock Exchange of India Limited w.e.f. 12th March, 2024. In view of the above, the audit has been conducted pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the management has identified the company as a material subsidiary of R K SWAMY Limited.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company, during the audit period covering the financial year ended on March 31, 2024, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minutes' Book, Forms and Returns filed and Other Records maintained by the Company and made available to us, for the financial year ended on March 31, 2024 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') for the audit period to the extent applicable to a subsidiary company of a listed company:
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:
 - a) Information Technology Act, 2000;
 - b) The Digital Personal Data Protection Act, 2023

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2).

During the Audit period under review, the Company has complied in accordance with the requirements to be met with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above to the extent applicable during the year.

It is represented to us that the Company has initiated measures, wherever required, to address issues raised by the Statutory Authorities and Letters/ Notices received by the Company during the financial year under various enactments as applicable to the Company.

We further report that, subject to the above, the related documents that we have come across depict that:

The Board of Directors of the Company is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and the changes in the composition of the Board of Directors that took place during the audit period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance or with short notice as permitted and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that, based on our limited review of the compliance mechanism established by the Company, there appear adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that, during the audit period under review, the company has not reported any specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that, our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company. The compliance with provisions of applicable laws which have been subject to other audits have not been independently reviewed by us and the reports wherever shown to us have been relied upon in rendering our report.

We further report that we have conducted the secretarial audit whenever required through online verification and examination of records, as requested and facilitated by the company, for the purpose of issuing this Report.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)
LLPIN: ACB 0368

Smita Chirimar
Partner

FCS: F8137 CP No.9357
UDIN: F008137F000379541

Place: Chennai
Date: May 16, 2024

Peer Review Certificate No. 1107/2021

This Report is to be read with our testimony of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to Secretarial Audit Report of Hansa Research Group Private Limited

To,
The Members,
HANSA RESEARCH GROUP PRIVATE LIMITED
Mumbai

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records, financial

statements and Books of Accounts of the company and for which we relied on the report of statutory auditor.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)
LLPIN: ACB 0368

Smita Chirimar
Partner
FCS: F8137
CP No.9357

Place: Chennai
Date: May 16, 2024

UDIN: F008137F000379541
Peer Review Certificate No. 1107/2021

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE PERIOD ENDED 31.03.2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HANSA CUSTOMER EQUITY PRIVATE LIMITED,
Chennai

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HANSA CUSTOMER EQUITY PRIVATE LIMITED, (hereinafter called the Company). Secretarial Audit was conducted based on records made available to us in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion/ understanding thereon.

The Company is a subsidiary of R K SWAMY Limited which was converted from a Private Limited Company to a Public Limited Company w.e.f. 12th July, 2023 and listed on the BSE Limited and National Stock Exchange of India Limited w.e.f. 12th March, 2024. In view of the above, the audit has been conducted pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the management has identified the company as a material subsidiary of R K SWAMY Limited.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company, during the audit period covering as stated above, i.e. the period ended on March 31, 2024, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minutes' Book, Forms and Returns filed and Other Records maintained by the Company and made available to us, for the financial year ended on March 31, 2024 according to the applicable provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder as applicable;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,

1992 ('SEBI ACT') for the audit period to the extent applicable to a subsidiary company of a listed company:

- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:
 - a) Information Technology Act, 2000;
 - b) The Digital Personal Data Protection Act, 2023

We have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2).

During the Audit period under review, the Company has complied in accordance with the requirements to be met with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above to the extent applicable during the year.

It is represented to us that the Company has initiated measures, wherever required, to address issues raised by the Statutory Authorities and Letters/ Notices received by the Company during the financial year under various enactments as applicable to the Company.

We further report that, subject to the above, the related documents that we have come across depict that:

The Board of Directors of the Company is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and the changes in the composition of the Board of Directors that took place during the audit period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance or with shorter notice as permitted and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that, based on our limited review of the compliance mechanism established by the Company, there appear adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

We further report that, during the audit period under review, the company has not reported any specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that, our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances

on the part of the Company. The compliance with provisions of applicable laws which have been subject to other audits have not been independently reviewed by us and the reports wherever shown to us have been relied upon in rendering our report.

We further report that we have conducted the secretarial audit whenever required through online verification and examination of records, as requested and facilitated by the company, for the purpose of issuing this Report.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)
LLPIN: ACB 0368

Smita Chirimar
Designated Partner

FCS: F8137 CP No.9357

UDIN: F008137F000379618

Place: Chennai

Date: May 16, 2024

Peer Review Certificate No. 1107/2021

This Report is to be read with our testimony of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to Secretarial Audit Report of Hansa Customer Equity Private Limited

To,
The Members,
HANSA CUSTOMER EQUITY PRIVATE LIMITED,
Chennai

Auditor's responsibility

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records, financial statements and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)
(Firm Regn. No. L2023TN014200)
LLPIN: ACB 0368

Smita Chirimar
Designated Partner

FCS: F8137 CP No.9357

UDIN: F008137F000379618

Place: Chennai

Date: May 16, 2024

Peer Review Certificate No. 1107/2021

REPORT ON CORPORATE GOVERNANCE

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and forming part of the Report of Board of Directors.

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

R K SWAMY Limited has an articulated set of guidelines and processes – broadly termed Corporate Governance – to ensure that the Company is run ethically, with due regard to legal compliance. These processes are in place to guide Management and help the Company achieve long term success. The Company believes that good corporate governance practices help in building trust with all stakeholders. .

2. BOARD OF DIRECTORS:

The Board which is at the core of the corporate governance system of the Company, is committed to good corporate governance, to serve the short and long-term interests of all the Company's stakeholders.

a) Board Structure

The Board's operations are duly supported by Executive members of the Board, Group Chief Financial Officer, other Key Managerial Personnels ('KMP') and the Senior Management Personnels ('SMP') of the Company.

The Company recognizes and embraces the importance of a diverse Board for its success. As on March 31, 2024, the Board had eight members of which three were Executive Directors, one was a non-executive Nominee Director and four Independent Directors including one woman Independent Director.

| Category of Director | Designation | Name of the Director | Inter-se Relationship between |
|--------------------------|----------------------------------|-----------------------|---|
| Promoter | Chairperson & Managing Director* | Srinivasan K Swamy | Brother of Narasimhan K Swamy |
| | Group CEO & Whole-time Director* | Narasimhan K Swamy | Brother of Srinivasan K Swamy, Spouse of Sangeetha Narasimhan |
| Member of Promoter Group | Whole-time Director* | Sangeetha Narasimhan | Spouse of Narasimhan K Swamy |
| Non Promoter | Non-Executive Nominee Director | Pattabhi K Raman^ | Not related to any of the Directors |
| | Independent Director | Nalini Padmanabhan | |
| | Independent Director | T T Srinivasaraghavan | |
| | Independent Director | Sunil Sethy | |
| | Independent Director | Rajiv Vastupal Mehta | |

* Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company at their meeting held on May 24, 2024 considered and approved the change in the designation of Srinivasan K. Swamy from Chairman & Managing Director to Executive Group Chairman, Narasimhan K. Swamy from Whole-time Director & Group CEO to Managing Director & Group CEO of the Company and appointed Sangeetha Narasimhan as CEO of the Company in addition to her existing position as Whole-time Director of the Company effective July 1, 2024. This proposal is subject to approval from the shareholders by way of a Special Resolution to be passed by Postal Ballot.

^ Nominee of Evanston Pioneer Fund L.P.

b) Board Meetings

Ten Board Meetings were held during the year under review and the gap between the two meetings did not exceed one hundred and twenty days. These meetings were held on: April 24, 2023, June 6, 2023, June 16, 2023, July 21, 2023, August 7, 2023, November 30, 2023, February 3, 2024, February 26, 2024, March 6, 2024 and March 26, 2024.

The number of Board meetings the Directors were entitled to attend, attendance of each Director at the Board meetings and at the last Annual General Meeting ("AGM") and number of other Directorships and Chairmanships/ Memberships of Committee of each Director for the year under review, is given below:

| Name of Director | Board Meetings during the year | | Attendance at the last AGM | No. of other Directorships and Committee Memberships / Chairmanships as of March 31, 2024 | | | Shareholding in the Company |
|------------------------------------|--------------------------------|----------|----------------------------|---|----------------------|------------------------|-----------------------------|
| | Entitled to attend | Attended | | Other Directorship | Committee Membership | Committee Chairmanship | |
| Srinivasan K Swamy | 10 | 10 | Yes | 1 | 2 | Nil | 1,54,58,987 (30.63 %) |
| Narasimhan K Swamy | 10 | 10 | Yes | 1 | Nil | Nil | 1,59,60,287 (31.62%) |
| Sangeetha Narasimhan | 10 | 9 | No | 1 | 1 | Nil | 45,000 (0.09%) |
| Pattabhi K Raman [^] | 8 | 7 | NA | 1 | Nil | Nil | Nil |
| Nalini Padmanabhan [#] | 7 | 7 | NA | 3 | 3 | 3 | Nil |
| Rajiv Vastupal Mehta [#] | 7 | 7 | NA | 2 | Nil | Nil | 1,700 (Negligible %) |
| T T Srinivasaraghavan [#] | 7 | 7 | NA | 7 | Nil | Nil | Nil |
| Sunil Sethy [#] | 7 | 7 | NA | 1 | 1 | 1 | Nil |

[^] appointed as Nominee Director on June 06, 2023

[#] appointed as Independent Director on July 03, 2023

Notes:

- For the purpose of reckoning Directorships in other Companies (including this Company), all public limited companies, whether listed or not, have been included and other Companies including private limited Companies, deemed public Companies, foreign Companies, and Companies under Section 8 of Companies Act, 2013 ("the Act"), have been excluded.
- For the purpose of reckoning Membership(s) of other Board Committees the membership / chairpersonship of only the Audit Committee and Stakeholders' Relationship Committee of public limited Companies including the company (listed & unlisted) have been considered.
- The Company has not issued any convertible instruments.

Names of other listed entities where a Director of the Company is a Director and the category of Directorship as on March 31, 2024, is as under:

| Name of Director | Name of Other Listed Entity | Category of Directorship |
|-----------------------|------------------------------------|--|
| Srinivasan K Swamy | Nil | - |
| Narasimhan K Swamy | Nil | - |
| Sangeetha Narasimhan | Nil | - |
| Pattabhi K Raman | Nil | - |
| Nalini Padmanabhan | Canara Bank | Independent Director |
| Rajiv Vastupal Mehta | Nil | - |
| T T Srinivasaraghavan | Sundaram Finance Limited | Non-Executive - Non Independent Director |
| | Five Star Business Finance Limited | Non-Executive - Independent Director |
| Sunil Sethy | Nil | - |

c) Familiarisation programmes for Independent Directors:

The Company's familiarisation programmes for its Independent Directors includes an overview of the business model of the Company and its subsidiaries, the operational and financial performance of the Company and the significant developments taking place on a continuous basis.

The Independent Directors were given a detailed orientation by the Executive Directors, Group CFO and Senior Management on the Company and its Subsidiaries when they came on Board, wherein they visited the corporate

office of the Company, and Hansa Customer Equity Private Limited and Hansa Research Group Private Limited in Mumbai.

The familiarisation programme is also embedded in the regular meeting agenda where alongside the review of operations, financials and Company strategy are presented on a quarterly basis. Specific topics of relevance with respect to the Company's operations are also covered as part of the Board Committee meetings. The details of familiarization programs conducted during the year under review is available on the website of the Company at https://www.rkswamy.com/pdf/rks_familiarisation_program_for_fy_2023-2024.pdf

In the opinion of the Board, all the Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management. None of the Independent Directors have resigned during the year under review.

d) Board Skills Competence & Expertise Matrix:

The Board has identified individuals possessing wide experience and expertise in their areas of function, Business and Strategic Leadership, Information Technology, Industry Expertise, Risk Management, Financial Expertise, Board Governance and Regulatory Compliance that helps in effective functioning of the Board and its Committees.

The brief profile of the Board Members is given below:

Srinivasan K Swamy (Sundar Swamy) has been associated with our Company since July 1, 1978 and has over 45 years of experience in the advertising and marketing services industry. He holds a Bachelor of Technology in Chemical Engineering from the University of Madras and a Master of Management Studies from the Jamnalal Bajaj Institute of Management Studies, Mumbai.

Narasimhan Krishnaswamy (Shekar Swamy) has been associated with our Company since October 1, 1985 and has over 38 years of experience in the Marketing Services and Communications industry. He holds a Master of Business Administration Degree from the University of Delhi and a Master of Science in Advertising from Northwestern University, Illinois, U.S.A.

Sangeetha Narasimhan has been associated with our Company since March 1, 1986 and has over 38 years of experience in the Advertising and Marketing Services industry. She holds a Bachelor of Science in Chemistry from the University of Madras, a Master of Management Studies from the University of Bombay and a Senior Diploma (in vocal Hindustani music) from the Prayag Sangit Samiti, Allahabad.

Pattabhi K Raman holds a Bachelor of Technology in chemical engineering from the University of Madras, a master of technology in Chemical Engineering from Indian Institute of Technology, Delhi, a Master of Business Administration from the University of Chicago and a PhD in Chemical Engineering from Kansas State University. He is a partner in the Evanston Pioneer Fund, LP.

Nalini Padmanabhan is a member of the Institute of Chartered Accountants of India and is qualified as a Certified Information Systems Auditor ("CISA"). She is a Director on the Board of Canara Bank, Indradhanush Gas Grid Limited, Mangalore SEZ Limited, Information Systems Audit and Solutions Private Limited and Prerana Educational Media Private Limited.

Rajiv Vastupal Mehta holds a Bachelor of Commerce degree from Gujarat University. He is on the Board of Rajiv Petrochemicals Private Limited, Atlantis Products Private Limited, Elegant Green Energy Private Limited, Rajiv Enterprise Private Limited and Anar Insurance Brokers Limited, and has experience in the insurance and energy industries.

T T Srinivasaraghavan holds a Bachelor of Commerce from University of Madras and a Master of Business Administration from Gannon University, Pennsylvania. He is on the Board of Sundaram Finance Limited, Sundaram Home Finance Limited, Sundaram Trustee Company Limited, Five-Star Business Finance Limited, Royal Sundaram General Insurance Company Limited, Sundaram Business Services Limited, Finance Industry Development Council, Turbo Energy Private Limited and Brakes India Private Limited. , and has experience in the finance, insurance and energy industries.

Sunil Sethy is a fellow of the Institute of Chartered Accountants of India. He has previously served as the Managing Director of Binani Industries Limited, Chambal Fertilisers and Chemicals Limited, Paradeep Phosphates Limited and Zuari Agro Chemicals Limited, and has experience in the cement, chemicals and fertilizers industries.

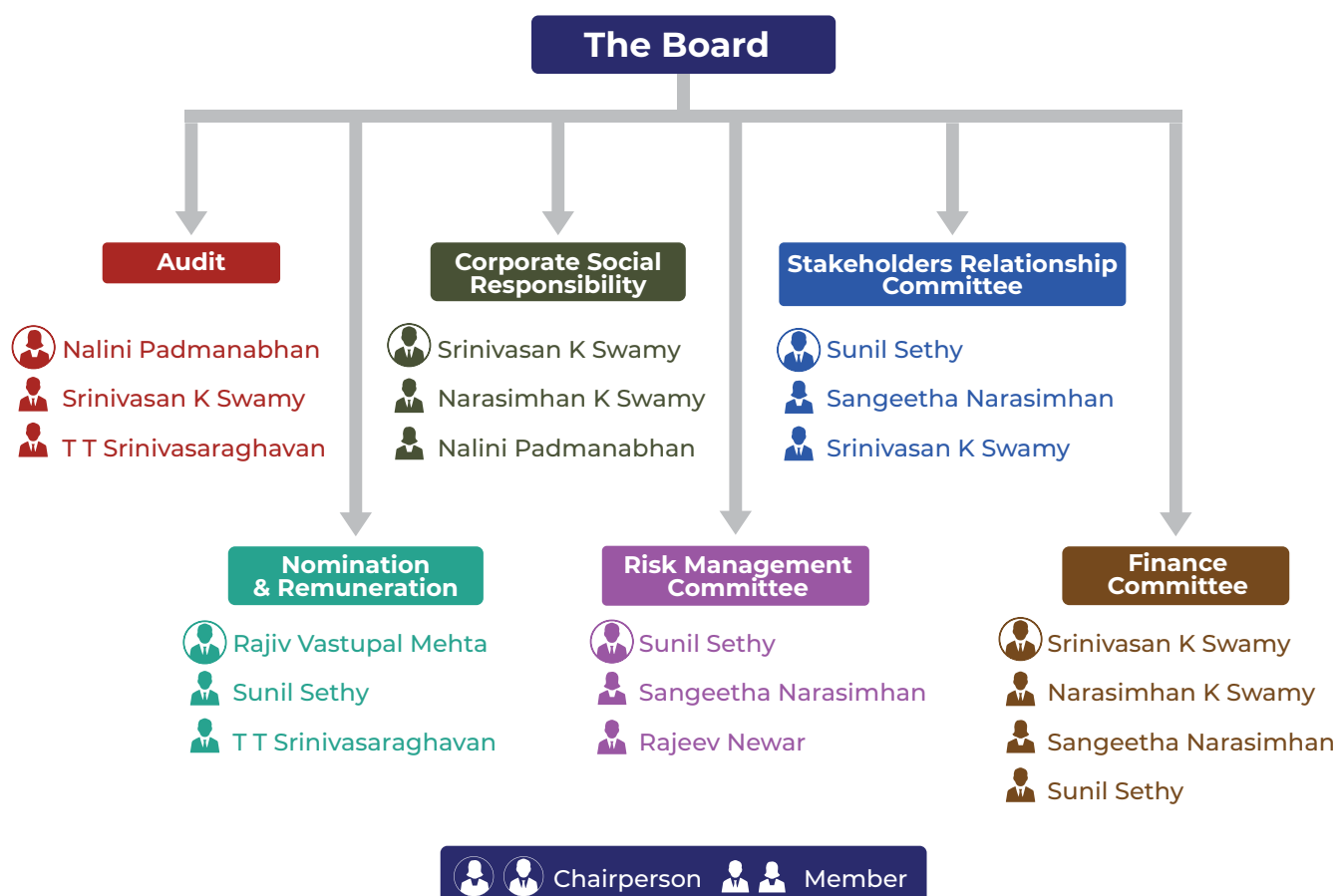
In terms of requirements of the Listing Regulations, the Board has identified the following skills/expertise/competencies of the Directors as on March 31, 2024:

| Skills / Expertise / Competencies | Srinivasan K Swamy | Narasimhan K Swamy | Sangeetha Narasimhan | Pattabhi K Raman | Nalini Padmanabhan | Rajiv Vastupal Mehta | T T Srinivasaraghavan | Sunil Sethy |
|--|--------------------|--------------------|----------------------|------------------|--------------------|----------------------|-----------------------|-------------|
| Business and Strategic Leadership | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Information Technology | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Industry Expertise | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Risk Management | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Financial Expertise | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Board Governance and Regulatory Compliance | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |

e) Board Committees :

The Committees of the Board have been constituted with specific terms of reference as prescribed in the Act, SEBI Listing Regulations and other applicable laws. The key proceedings of the meetings of the Committees are briefed to the Board by the respective chairpersons of the Committees, at the subsequent meeting of the Board. The minutes of the meetings of the Committees are also placed before the Board for noting.

The Board has constituted the following statutory Committees in accordance with the Act and SEBI Listing Regulations.



As required under Schedule V of the SEBI Listing Regulations, mandatory disclosure(s) related to the Committees of the Company are as follows:

(i.) Audit Committee:

The Company has a well-qualified and independent Audit Committee consisting of two Non-Executive Independent Directors and one Executive Director, having adequate financial and accounting knowledge. The constitution, powers, duties and responsibilities of the Audit Committee are in line with provisions of the Act and the SEBI Listing Regulations. It oversees the financial reporting process of the Company. The power and role of the Audit Committee are in accordance with the SEBI Listing Regulations and the Act. Board of Directors at their meeting held on July 21, 2023 constituted Audit Committee of the Company.

| Name of Committee | Extract of Terms of Reference | Composition of Committee, attendance & other details as on March 31, 2024 | | |
|-------------------|--|--|---------------------------------|-----------------------------|
| | | Name of the Committee Members | Category | Number of Meetings attended |
| Audit Committee | <p>The broad terms of reference are as under:</p> <p>a) overseeing our Company's financial reporting process and disclosure of its financial information to ensure that its financial statements are correct, sufficient and credible;</p> <p>b) recommending to the Board the appointment, re-appointment, replacement, remuneration and terms of appointment of the auditors of our Company and the fixation of the audit fee;</p> <p>c) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;</p> <p>d) reviewing, with the management, the statement of uses/ application of funds and making appropriate recommendations to the Board to take up steps in this matter.</p> <p>e) evaluation of internal financial controls and risk management systems;</p> <p>The detailed terms of reference of these committees are available on the website https://www.rkswamy.com/pdf/01_Audit-Committee-Charter.pdf</p> | Nalini Padmanabhan (Chairperson) | Independent Director | 5/5 |
| | | Srinivasan K. Swamy (Member) | Chairperson & Managing Director | 5/5 |
| | | T T Srinivasaraghavan (Member) | Independent Director | 5/5 |
| | | <p>Five meetings of the Audit Committee were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days.</p> <p>The dates on which the meetings were held during the year ended March 31, 2024 are as follows: August 7, 2023, November 30, 2023, February 3, 2024, February 26, 2024 and March 26, 2024.</p> <p>The Company Secretary of the Company acts as the Secretary to the Audit Committee.</p> | | |

(ii.) Nomination & Remuneration Committee:

The Nomination and Remuneration Committee ("NRC") is responsible for identifying persons to be appointed as Directors and at senior management levels as well as formulating remuneration policy for them. It also reviews the size and composition of the Board to ensure that there is an appropriate balance of skills, knowledge, experience and diversity in its widest sense. The Board of Directors at their meeting held on July 21, 2023 constituted NRC of the Company.

| Name of Committee | Extract of Terms of Reference | Composition of Committee, attendance & other details as on March 31, 2024 | |
|-------------------------------------|---|---|----------------------|
| | | Name of the Committee Members | Category |
| Nomination & Remuneration Committee | <p>The broad terms of reference are as under:</p> <p>a) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;</p> <p>b) formulation of criteria for evaluation of the performance of independent directors and the Board;</p> <p>c) devising a policy on diversity of the Board;</p> <p>The detailed terms of reference of NRC committees are available on the website https://www.rkswamy.com/pdf/03_Nomination-and-Remuneration-Committee-Charter.pdf</p> | Rajiv Vastupal Mehta (Chairperson) | Independent Director |
| | | Sunil Sethy (Member) | Independent Director |
| | | T T Srinivasaraghavan (Member) | Independent Director |
| | | <p>The Nomination Remuneration Committee was constituted on July 21, 2023. The Company got listed the Stock Exchanges on March 12, 2024.</p> <p>Considering that the company was listed during the quarter ended 31.03.2024, the first meeting was held on May 24, 2024</p> <p>The Company Secretary of the Company acts as the Secretary to the Nomination & Remuneration Committee.</p> | |

Performance evaluation criteria for Independent Directors:

For the Financial Year 2023-24, the Board of Directors had carried out an annual evaluation of its own performance, its committees, individual Directors (including Independent Directors) and Board as whole in the beginning of Financial Year 2024-25. In evaluating the performance of individual Directors, criteria such as knowledge, participation and attendance at meetings, maintenance of high standard of ethics, integrity and confidentiality and decision-making ability were taken into consideration. The outcome of the evaluation was positive and satisfactory.

(iii.) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee ("SRC") looks into matters relating to investors' grievances and the overall services rendered by Registrar and Transfer Agent to the shareholders. The constitution, duties and responsibilities of the SRC are in line with the provisions of the Act and SEBI Listing Regulations. Board of Directors at their meeting held on July 21, 2023 constituted SRC Committee of the Company.

| Name of Committee | Extract of Terms of Reference | Composition of Committee, attendance & other details as on March 31, 2024 | | | |
|-------------------------------------|--|--|---------------------|---|--------------------|
| Stakeholders Relationship Committee | <p>The broad terms of reference are as under:</p> <p>a) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;</p> <p>b) resolving the grievances of the security holders of our Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;</p> <p>c) formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;</p> <p>The detailed terms of reference of SRC Committee are available on the website https://www.rkswamy.com/pdf/SRC_Charter.pdf</p> | Name of the Committee Members | | Category | |
| | | Sunil Sethy (Chairperson) | | Independent Director | |
| | | Sangeetha Narasimhan (Member) | | Whole-time Director | |
| | | Srinivasan K Swamy (Member) | | Chairperson & Whole-time Director | |
| | | The Company Secretary of the Company acts as the Secretary to the SRC. | | | |
| | | The SRC was constituted on July 21, 2023. The Company was listed on the Stock Exchanges on March 12, 2024 and the first meeting was held on May 24, 2024 | | | |
| | | The details of the Investor Complaints received and resolved during the year under review are as follows: | | | |
| | | Shareholders Complaints received during FY 2023-24 | Resolution Status | | Pending Complaints |
| | | | Complaints resolved | Complaints not resolved to the satisfaction of Shareholders | |
| | | 472 | 471 | - | 1 |
| | | <p>Note: One (1) Shareholders Compliant was pending as on March 31, 2024 was resolved as on date of this report.</p> <p>To enable investors to share their grievance or concern, Company has set up a dedicated e-mail ID Secretarial@rkswamy.com</p> <p>Aparna Bhat, who is a qualified Company Secretary, has been appointed as Compliance Officer in accordance with Regulation 6 of the Listing Regulations to address any grievances of the Investors or shareholders.</p> | | | |

(iv.) Risk Management Committee:

The Company has constituted a Risk Management Committee ("RMC") pursuant to Regulation 21(1) of the SEBI Listing Regulations, which assists the Board in fulfilling its responsibilities with regard to identification, evaluation and mitigation of risks. It also reviews the risk management policy and the enterprise-wide risk management framework of the Company. The Board of Directors at their meeting held on July 21, 2023 constituted the RMC of the Company.

| Name of Committee | Extract of Terms of Reference | Composition of Committee, attendance & other details as on March 31, 2024 | |
|---------------------------|--|--|----------------------|
| | | Name of the Committee Members | Category |
| Risk Management Committee | <p>The broad terms of reference are as under:</p> <p>a) Formulating a detailed risk management policy</p> <p>b) Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of our Company;</p> <p>c) Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;</p> <p>The terms of reference of RMC committee are available on the website https://www.rkswamy.com/pdf/04_Risk-Management-Committee-Charter.pdf</p> | Sunil Sethy (Chairperson) | Independent Director |
| | | Sangeetha Narasimhan (Member) | Whole-time Director |
| | | Rajeev Newar (Member) | Group CFO |
| | | <p>The Company Secretary of the Company acts as the Secretary to the RMC.</p> <p>The Risk Management Committee (RMC) was constituted on July 21, 2023. The Company was listed on the Stock Exchanges on March 12, 2024.</p> <p>The Company was legally not required to have a Risk Committee, however as a good governance practice a Risk Management Committee was constituted by the Board of Directors to review monitor the risk.</p> <p>Further, considering that the company was listed during the quarter ended March 31, 2024, the first RMC meeting was held on May 13, 2024.</p> | |
| | | | |

(v.) Corporate Social Responsibility:

Pursuant to Section 135 of the Act read with Companies (Corporate Social Responsibility) Rules, 2014, the Board has constituted Corporate Social Responsibility Committee ("CSR") which recommends the amount of CSR funds to be spent on the projects as well as monitors the implementation of the same. The Board of Directors at their meeting held on July 21, 2023 had re-constituted CSR Committee of the Company.

| Name of Committee | Extract of Terms of Reference | Composition of Committee, attendance & other details as on March 31, 2024 | | |
|---------------------------------|--|---|-----------------------------------|---|
| | | Name of the Committee Members | Category | Number of Meetings attended during FY 23-24 |
| Corporate Social Responsibility | <p>The broad terms of reference are as under:</p> <p>a) formulating and recommending to the Board the corporate social responsibility policy of our Company, which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act ("CSR Policy");</p> <p>b) reviewing and recommending the amount of expenditure to be incurred on the activities referred to in clause (a) above,;</p> <p>c) monitoring the corporate social responsibility policy of our Company and its implementation</p> <p>The terms of reference of CSR committee are available on the website https://www.rkswamy.com/pdf/02_Corporate-Social-Responsibility-Committee-Charter.pdf</p> | Srinivasan K Swamy (Chairperson) | Chairperson & Managing Director | 1/1 |
| | | Narasimhan K Swamy (Member) | Group CEO and Whole-time Director | 1/1 |
| | | Nalini Padmanabhan (Member) | Independent Director | NA |
| | | <p>The Company Secretary of the Company acts as the Secretary to the CSR Committee.</p> <p>Nalini Padmanabhan, Independent Director of the Company was appointed as member of the CSR committee w.e.f. June 21, 2023.</p> <p>The CSR Committee met once on June 16, 2023 during the financial year 2023-24.</p> | | |
| | | | | |

3. PARTICULARS OF SENIOR MANAGEMENT PERSONNEL:

The Company is having following officers in Senior Management position as per the SEBI Listing Regulations.

| Sr. No. | Name of Senior Management Personnel | Designation | Change |
|---------|-------------------------------------|-----------------------|----------------------------------|
| 1. | S. Narasimhan | Chief Digital Officer | - |
| 2. | Aparna Bhat | Compliance Officer | Appointment w.e.f. July 21, 2023 |

Neeraj Pratap Sangani. Whole-time Director- Hansa Customer Equity Private Limited is a Key Managerial Personnel of Hansa Customer Equity Private Limited, which is a material subsidiary of the Company and Praveen Omprakash Nijhara, Whole-time Director of Hansa Research Group Private Limited is the Key Managerial Personnel of Hansa Research Group Private Limited, which is a material subsidiary of the Company.

4. REMUNERATION TO DIRECTORS :

In terms of Section 178 of the Act and corresponding provisions contained in the SEBI Listing Regulations, Company has a well-defined Policy for Remuneration of the Directors, KMPs and other Senior Management.

The salient features of the policy as follows:

- Identify persons who are qualified to become Directors (executive and non-executive) and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal. Ensure the diversity of the Board.
- Evaluate skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director.
- Formulate criteria for evaluation of Independent Directors and the Board & recommend to the Board the remuneration payable to the Directors, KMP and SMP.

The Nomination Remuneration & Board Diversity Policy is uploaded on the website of the Company and can be accessed at https://www.rkswamy.com/pdf/19_Nomination_Remuneration_and_Board_Diversity_Policy.pdf

Nomination & Remuneration Committee ("NRC") while deciding the basis for determining the compensation, both fixed and variable to the Non-Executive Directors, takes into consideration various factors such as Directors' participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, roles and functions as envisaged in Schedule IV of the Act and the SEBI Listing Regulations and such other factors as the NRC may deem fit.

a) Remuneration to Non-Executive Directors

As approved by the Board of Directors at their meeting held on July 21, 2023, each Director is entitled to a sitting fee of Rs. 50,000 per Board meeting and Rs. 25,000 per Committee Meeting. Subject to the shareholders' approval to be obtained through postal ballot, the Board of Directors at their meeting held on May 24, 2024 have approved the payment and distribution of such sum by way of commission, not exceeding, 1% per annum of the net profits of the Company for each financial year to the Non-Executive Directors of the Company in aggregate for a period of 3 years starting from financial year 2023-2024. During this period of 3 years, in the event that the Company has no profits or profits are inadequate, the Company may pay to the Non-Executive Directors of the Company, commission accordance with the limits specified in Schedule V to the Act. The Non-Executive Directors would be paid a commission of Rs. 7 Lakhs each for the financial year 2023-24 subject to the approval of the shareholders through postal ballot. There is no other pecuniary transaction other than transactions disclosed in this report entered by the Company with the Non-Executive directors.

The criteria for making payments to Directors has been provided in the Nomination Remuneration & Board Diversity Policy which is available on the website of the Company at https://www.rkswamy.com/pdf/19_Nomination_Remuneration_and_Board_Diversity_Policy.pdf

(b) Remuneration to Executive Directors

The Executive Directors are paid remuneration within the limits and range as approved by the shareholders on July 25, 2023 which are in line with the statutory requirements and Company's policies. A revision of approximately 11.11% in remuneration of the Executive Directors for the financial year 2024-25 was recommended by the Nomination & Remuneration Committee and approved by the Board of Directors at their meeting held on May 24, 2024 within the overall remuneration range approved by the shareholder after considering their individual performance as well as the performance of the Company in a given year. During the year under review, the Company did not advance any loans to any of its Directors.

The Executive Directors are entitled to sitting fees of Rs. 50,000 per Board meeting and Rs. 25,000 per Committee Meeting attended by them in addition to their remuneration.

(c) Details of Remuneration paid / payable to Directors for Financial Year 2023-24**(Rs. in Lakhs)**

| Name & Designation | Sitting Fees | Salary | Perquisite | Commission ⁴ | Total |
|-----------------------|--------------|--------|------------|-------------------------|--------|
| Srinivasan K Swamy | 5.00 | 94.00 | 20.46 | - | 119.46 |
| Narasimhan K Swamy | 3.75 | 98.20 | 6.84 | - | 108.79 |
| Sangeetha Narasimhan | 3.00 | 87.36 | 12.60 | - | 102.96 |
| Pattabhi K Raman | 3.00 | - | - | 7.00 | 10.00 |
| Nalini Padmanabhan | 5.00 | - | - | 7.00 | 12.00 |
| Rajiv Vastupal Mehta | 3.75 | - | - | 7.00 | 10.75 |
| T T Srinivasaraghavan | 5.00 | - | - | 7.00 | 12.00 |
| Sunil Sethy | 3.50 | - | - | 7.00 | 10.50 |

Notes:

- 1) None of the Directors were granted any stock options during FY 2023-24 as the company has not adopted any Employee Stock Option Scheme.
- 2) The details of specific service contracts, notice period etc. are governed by the board/shareholders resolutions and the written memorandum letters issued to respective Director at the time of his / her appointment/re-appointment. There is no provision of payment of severance fees to any Director.
- 3) Srinivasan K Swamy, Narasimhan K Swamy and Sangeetha Narasimhan were entitled to a remuneration of Rs. 140.40 lakhs, Rs. 140.40 lakhs and Rs. 135.20 respectively for Financial year 2023-24. However, post a partial waiver by the aforementioned directors the actual remuneration received is summarized in the table above.
- 4) The Board of Directors of the Company at their meeting held on May 24, 2024 approved payment of annual commission to non-executive Directors for a period of 3 years starting financial year 2023-24 subject to approval of shareholders by passing a Special Resolution. The aggregate commission approved by the Board to the 5 Non-Executive Directors of the Company for the financial year 2023-24 equally was Rs. 35 lakhs which would be payable only after receipt of the shareholders' approval by way of a Special Resolution to be approved through postal ballot.
- 5) Services of the Executive Directors of the Company may be terminated by either party, giving the other party three months' notice.

5. GENERAL BODY MEETINGS:

The details of the Annual General Meetings (AGM) held during last three years and the special resolution(s) passed there are as follows:

| Financial Year | Date & Time Location | Special Resolution Passed |
|----------------|---|--|
| 2022-23 | AGM was held on July 3, 2023 at 3.00 PM (IST) at the Registered Office of the Company | <ol style="list-style-type: none"> 1. Conversion of Company from Private Limited to Public Limited; 2. Alteration in the name clause of the Memorandum of Association; 3. Alteration and substitution of Object Clause of the Memorandum of Association of the Company; 4. Alteration in the Articles of Association of the Company by way of adoption of new set of Articles of Association in place of the existing Articles of Association of the Company; 5. Appointment of T. T. Srinivasaraghavan (DIN: 00018247) as Independent Director of the Company; 6. Appointment of Sunil Sethy (DIN: 00244104) as Independent Director of the Company; 7. Appointment of Rajiv Vastupal Mehta (DIN: 00647906) as Independent Director of the Company; 8. Appointment of Nalini Padmanabhan (DIN: 01565909) as Independent Director of the Company |

| Financial Year | Date & Time Location | Special Resolution Passed |
|----------------|--|--|
| 2021-22 | AGM was held on September 19, 2022 at 12.00 PM (IST) at the Registered Office of the Company | <ol style="list-style-type: none"> 1. To consider and approve and pass limits under Section 186 of the Companies Act, 2013; 2. To consider and approve and pass limits under Section 185 of the Companies Act, 2013; 3. To approve the re-appointment of Narasimhan K. Swamy (DIN: 00219883) as Whole Time Director for the period of five years w.e.f. September 19, 2022; 4. To approve re-appointment of Sangeetha Narasimhan (DIN: 07050848) as Whole Time Director for the period of four years w.e.f. September 19, 2022 |
| 2020-21 | AGM was held on August 26, 2021 at 12.30 PM (IST) at the Registered Office of the Company | <ol style="list-style-type: none"> 1. Approval for Granting Loans, Advance, Guarantee or Security under Section 185 of the Companies Act, 2013 |

Details of the Extra-ordinary General Meeting (EGM) held during the financial year 2023-24:

| Financial Year | Date & Time Location | Special Resolution Passed |
|----------------|--|--|
| 2023-24 | EGM was held on August 8, 2023 at 11.00 AM (IST) at the Registered Office of the Company | <ol style="list-style-type: none"> 1. To consider and approve the Initial public offer ("IPO") and the issuance of equity shares in the Initial public offer; 2. To consider increase in Investment limits for Non-Resident Indians and Overseas citizens of India. |
| | EGM was held on July 25, 2023 at 11.00 AM (IST) at the Registered Office of the Company | <ol style="list-style-type: none"> 1. To approve the increase in Authorised Share Capital of the Company and consequential amendment in Capital Clause of the Memorandum of Association of the Company; 2. To approve the sub division of the face value of the equity shares of the Company and consequential amendment in Capital Clause of the Memorandum of Association of the Company; 3. To approve issue of the Bonus shares to existing equity shareholders of the Company; 4. To approve the remuneration payable to Srinivasan K. Swamy (DIN: 00505093) (Chairman and Managing Director) for a period of 3 years; 5. To approve the remuneration payable to Narasimhan K. Swamy (DIN: 00219883)(Group CEO & Whole-time Director) for a period of 3 years; 6. To approve the remuneration payable to Sangeetha Narasimhan (Whole-time Director) for a period of 3 years; 7. To approve remuneration payable to Non- Executive Directors in case of inadequacy of profit or loss. |

6. POSTAL BALLOT:

After closure of the financial year and as on the date of this Report, the Board of Directors based on the recommendation of the Nomination & Remuneration Committee at their meeting held on May 24, 2024 had considered and approved the following to be recommended to the shareholders for their approval by way of a Special Resolution proposed to be passed through Postal Ballot:

1. To approve change in designation of Mr. Srinivasan K Swamy (DIN: 00505093) from Chairman & Managing Director to Executive Group Chairman

On July 15, 2024, Srinivasan K Swamy would be attaining 70 years of age, thus a prior approval of the shareholders by way of a Special Resolution would be required as per Section 196(3) of the Companies Act, 2013 for continuation of Mr Srinivasan K Swamy as Executive Director of the Company.

The Board considered and approve continuation of Srinivasan K Swamy as Executive Director post attaining 70 years of age and recommended the same to the shareholders for their approval.

The Board also considered and approved the appointing Srinivasan K Swamy (DIN: 00505093) as Executive Group Chairman to be effective July 1, 2024 for a period of 3 years ending on June 30, 2027.

The Board recommends the said appointment to the shareholder for their approval including approval of the remuneration payable to Srinivasan K Swamy during this tenure in accordance with Section 197 of the Companies Act, 2013 read with Regulation 17 of the SEBI Listing Regulation.

2. To approve change in designation of Mr. Narasimhan K Swamy (DIN: 00219883) from Whole-time Director & Group CEO to Managing Director & Group CEO of the Company;

The Board considered and approved appointment of Narasimhan K Swamy (DIN: 00219883) as Managing Director & Group CEO of the Company to be effective July 1, 2024 for a period of 3 years ending on June 30, 2027.

During this tenure, on May 28, 2027, Narasimhan K Swamy would attain 70 years of age. The Board considered and approve continuation of Narasimhan K Swamy in Executive Director Position post attaining 70 years of age and recommended the same to the shareholders for their approval.

The Board recommends the said appointment to the shareholder for their approval including approval of the remuneration payable to Narasimhan K Swamy during this tenure in accordance with Section 197 of the Companies Act, 2013 read with Regulation 17 of the SEBI Listing Regulation.

3. To approve remuneration payable to Mrs. Sangeetha Narasimhan (DIN: 07050848) (Whole-time Director & CEO);

The Board of Directors had approved the appointment of Sangeetha Narasimhan, Whole-time Director of the Company as CEO of the Company in addition to her current position.

The remuneration payable to Sangeetha Narasimhan as Whole-time Director which was approved by the shareholders under Section 197 of the Companies Act, 2013 on July 25, 2023 prior to listing of shares on the Stock Exchanges.

The remuneration of Sangeetha Narasimhan including salary, perquisites, terms and conditions passed by the shareholders at their general meeting held on July 25, 2023 shall remain unchanged, however, the approval of the shareholders for the same is being obtained under Regulation 17 of the SEBI Listing Regulations.

4. To approve payment of commission to Non-Executive Directors of the Company;

The Board of Directors considered and approved payment of commission not exceeding in aggregate, 1% per annum of the net profits of the Company computed in the manner referred to in Section 198 of the Act to the Non-Executive Directors of the Company for FY 2023-24 to FY 2025-26.

In the event there are no profits or profits are inadequate, the Company may pay to the Non-Executive Directors of the Company commission by way of remuneration in accordance with the limits specified in Schedule V of the Companies Act, 2013.

The Board approved payment of aggregate commission of Rs. 35 Lakhs to be paid to all the 5 NEDs serving on the Board of the Company as on date of the board meeting for financial year 2023-24 and recommended the same to the shareholders for their approval.

5. To approve continuation of the appointment of Dr. Pattabhi K Raman (DIN: 08319696) as the Nominee Director on behalf of Evanston Pioneer Fund L.P.

The Board of Directors considered that whilst granting approving for the listing of securities of the Company on the stock exchanges, SEBI had permitted Pattabhi K Raman to hold the position of Nominee Director on the Board of the Company representing Evanston Pioneer Fund LP subject to the condition that the Company would seek approval of the shareholders by way of a Special Resolution at the first meeting /instance post listing of shares of the Company.

The Board recommends the continuation of Pattabhi K Raman as Nominee Director of the Company.

7. MEANS OF COMMUNICATION:

The Company regularly utilizes various means of communication to keep its stakeholders informed about its financial results, announcements, updates etc.

- a) Financial Results:** The Quarterly, Half-yearly and Annual financial results are disseminated through the website of Stock Exchanges. The results are also uploaded on the website of the Company at <https://www.rkswamy.com/regulatory-disclosure.html> and are published in leading English and Tamil language newspapers viz all India Editions of the Financial Express and Hindu Tamil Thisai, Chennai Edition.
- b) Press Releases/ Investor presentation:** The official Press Releases and Investor presentations are disseminated to the Stock Exchanges and displayed on the Company's website at <https://www.rkswamy.com/regulatory-disclosure.html>
- c) Compliance Reports, Corporate Announcements, Material Information and Updates:** The Company disseminates the quarterly compliance reports, regulatory filings and corporate announcements promptly through the designated portal of the Stock Exchanges on which the Company is listed.
- d) Website:** The Company's website <https://www.rkswamy.com/regulatory-disclosure.html> contains a separate section for investors, where material information and disclosures are uploaded, Committee composition, Annual Reports, policies, etc along with all intimation/filings made to Stock Exchanges.
- e) Designated Exclusive E-mail IDs:** The Company has designated an E-mail-id exclusively for investor servicing: secretarial@rkswamy.com
- f) Green initiate:** In line with the "Green Initiative" undertaken by the Ministry of Corporate Affairs, the Company will be sending this year's Annual Report (including subsequent notices and communications, as permissible) by email, to the shareholders who have registered their email address with the Company/ Depository. The Annual Reports of the Company are also available in the Investor Relations section of the Company's website.

8. GENERAL SHAREHOLDER INFORMATION:

a) 51st Annual General Meeting:

Date : August 19, 2024

Time : 3.00 PM

Venue: Meeting is being conducted through VC/OAVM pursuant to the MCA General Circulars dated May 5, 2020, read with general circulars dated April 8, 2020, April 13, 2020, the latest being September 25, 2023. For details, please refer to the Notice of this AGM.

b) Financial Year: April 1, 2023 to March 31, 2024

c) Dividend Payment Date: On or after Monday, August 19 2024 but within the statutory time limit of 30 days, subject to shareholders' approval.

d) Listing of Shares on Stock Exchanges and Stock Code:

| Sr. No. | Name and Address of the Stock Exchange | Stock Code |
|---------|--|------------|
| 1. | National Stock Exchange of India Limited Exchange Plaza, Block G, C/1, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051 | RKSWAMY |
| 2. | BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 | 544136 |

The Equity Shares of the Company are listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") w.e.f. March 12, 2024. The annual listing fees for the FY 2024-25 have been paid to the respective Stock Exchanges.

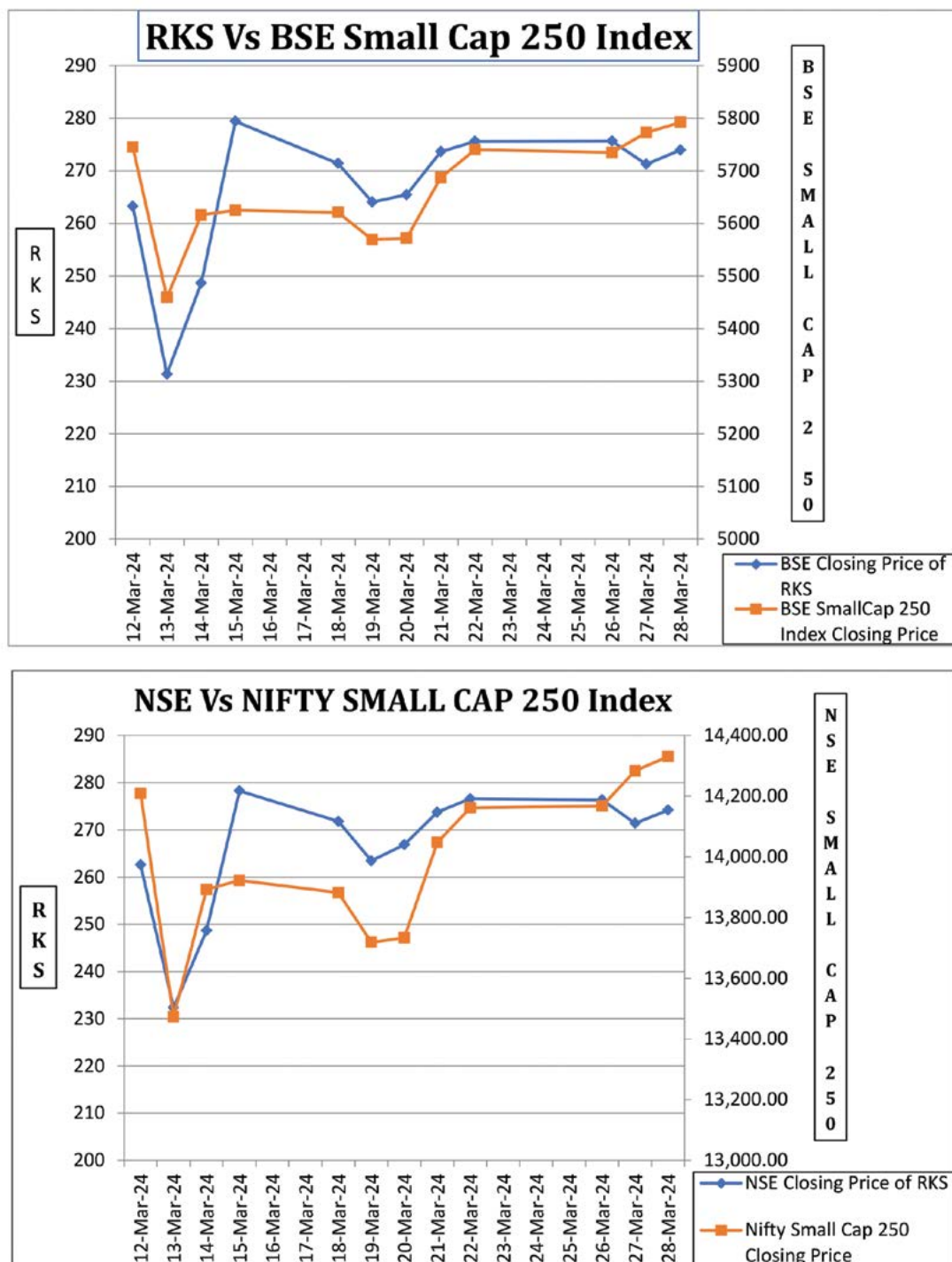
During the financial year under review, the equity shares of the Company have not been suspended from trading on any of the stock exchanges on which they are listed.

e) Market Price Data:

Equity shares of the Company were listed on BSE and NSE w.e.f. March 12, 2024. The Market Price data from date of listing is as under.

| Month | BSE Limited | | National Stock Exchange of India Limited | |
|------------|-------------|-----------|--|-----------|
| | High (Rs.) | Low (Rs.) | High (Rs.) | Low (Rs.) |
| March 2023 | 307.35 | 227.75 | 307.50 | 227.65 |

Performance of the Company's shares in comparison to BSE Small Cap 250 and NSE Small Cap 250



f) Registrar and Share Transfer Agent :

Transmission, rematerialisation of shares, issue of duplicate share certificates, dividend payment and all other shareholder related matters are attended to and processed by the Company's Registrar & Share Transfer Agent ('RTA') whose name and contact details are given below:

KFin Technologies Limited
 (formerly KFin Technologies Private Limited)
 Selenium Tower B, Plot 31-32, Gachibowli,
 Financial District, Nanakramguda,
 Hyderabad, Telangana – 500 032
 Toll free no. : 1800 309 4001;
 Email: einward.ris@kfintech.com
 Website: <https://www.kfintech.com>

g) Share Transfer System:

In terms of Regulation 40(1) of the SEBI Listing Regulations, transfer, transmission or transposition of shares shall only be in dematerialized mode.

h) Distribution of shareholding as on March 31, 2024:

| Categories (Shares) | No. of shareholders | Percentage of total shareholders | No. of shares | Percentage of total shares |
|---------------------|---------------------|----------------------------------|--------------------|----------------------------|
| 1 - 5000 | 33,164 | 99.66 | 40,38,924 | 8.00 |
| 5001 - 10000 | 42 | 0.13 | 3,30,123 | 0.65 |
| 10001 - 20000 | 28 | 0.08 | 4,24,746 | 0.84 |
| 20001 - 30000 | 5 | 0.02 | 1,24,094 | 0.25 |
| 30001 - 40000 | 2 | 0.01 | 70,000 | 0.14 |
| 40001 - 50000 | 3 | 0.01 | 1,45,000 | 0.29 |
| 50001 - 100000 | 3 | 0.01 | 1,82,500 | 0.36 |
| 100001 and above | 30 | 0.09 | 4,51,61,854 | 89.47 |
| Total | 33,277 | 100 | 5,04,77,241 | 100.00 |

Shareholding Pattern as on March 31, 2024:

| Sr. No. | Category of Shareholder | No of Equity Shares held | % |
|---------|-------------------------------|--------------------------|------------|
| 1. | Promoters and Promoters group | 3,33,39,634 | 66.05 |
| 2. | Mutual Fund | 32,26,217 | 6.39 |
| 3. | Insurance Companies | 16,90,259 | 3.35 |
| 4. | Foreign Portfolio Investors | 2,96,4010 | 5.87 |
| 5. | Foreign Company | 17,95,806 | 3.56 |
| 6. | Resident Shareholders | 63,20,560 | 12.52 |
| 7. | Others | 11,40,755 | 2.26 |
| | Total | 5,04,77,241 | 100 |

i) Dematerialization of Shares and Liquidity:

As on March 31, 2024, 100% equity shares of the Company are in dematerialized form. The equity shares of the Company are liquid and traded on BSE Limited and National Stock Exchange of India Limited.

j) Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments.

k) Commodity price risk or foreign exchange risk and hedging activities:

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. As the Company is not into trading any commodity, there is no commodity price risk and there's no hedging activities undertaken by the Company during financial year 2023-24.

l) Office locations:

The Company is in the business of providing Integrated Marketing services and operates in 12 Indian cities and two overseas locations.

m) Address for correspondence:

Investors may contact Rajagopalan Desikan, Company Secretary or Aparna Bhat Compliance Officer of the Company at secretarial@rkswamy.com for any assistance and guidance in connection with secretarial matters or for any investor queries.

Registered Office: No. 19, Wheatcrofts Road, Nungambakkam, Chennai 600 034. Tel: +91 44 4054 6200

Corporate Office: Esplanade House, 29, Hazarimal Somani Marg, Fort, Mumbai 400 001. Tel: +91 22 4057 6499

n) Credit Rating:

During the financial year under review, the Company has not obtained any credit ratings.

9. OTHER DISCLOSURES:

a) Related Party Transactions:

All Related-Party transactions that were entered into during the year under review were at arm's length basis and in the ordinary course of business and the company is in compliance with the applicable provisions of the Act and SEBI Listing Regulations. There were no materially significant related party transactions with the related parties during the year under review which may have a potential conflict with the interest of the Company at large. The policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is uploaded on the Company's website at https://www.rkswamy.com/pdf/09_Policy_on_Materiality_of_and_dealing_with_Related_Party_Transactions.pdf

b) Details of capital market non-compliance, if any:

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to capital markets, to the extent applicable to the Company from the date of listing. No penalty has been imposed by any stock exchange or SEBI nor has there been any instance of non-compliance with any legal requirements, or on matters relating to the capital market. There were no regulatory orders pertaining to the Company for the year under review.

c) Vigil Mechanism:

The Company has established a Vigil Mechanism and Whistle-blower policy at group level covering subsidiary Companies in accordance with the provisions of the Act and the SEBI Listing Regulations the details of which have been provided in the Board's Report. The Company affirms compliance with the Whistle-Blower Policy/ Vigil Mechanism no personnel had been denied access to the Audit Committee.

d) Compliance with mandatory and discretionary requirements:

The Company is complying with all applicable provisions of SEBI Listing Regulations including regulations 17 to 27 and 46. The Company has complied with following discretionary requirements under regulation 27(1) of the SEBI Listing Regulations.

- The auditors have issued an unmodified opinion on the Standalone and Consolidated financial statements of the Company for the Financial Year 2023-24;
- The Internal Auditor of the Company directly reports to the Audit Committee.

e) Code of Conduct for Directors & Senior Management

A declaration signed by the Chief Executive Officer stating that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management and the Policy on Code of Conduct as on March 31, 2024, is enclosed to this Report as an Annexure I

f) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations:

During the financial year 2023-24, there were no funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.

During the financial year 2023-24, the Company has raised Rs 15,632.52 Lakhs from public through Initial Public Offering ("IPO"). The utilisation of funds raised through IPO have been mentioned hereunder.

(Rs. in Lakhs)

| Object | Amount Allocated | Amount utilised as on March 31, 2024 |
|--|------------------|--------------------------------------|
| Funding working capital requirements of our Company | 5,400.00 | 5400.00 |
| Funding capital expenditure to be incurred by the Company for setting up a Digital Video Content Production Studio ("DVCP Studio") | 1,098.50 | - |
| Funding investment in IT infrastructure development of our Company, and our Material Subsidiaries - Hansa Research Group Private Limited and Hansa Customer Equity Private Limited | 3,334.20 | - |
| Funding setting up of new Customer Experience Centres ("CEC") and computer aided telephonic interview centres ("CATI") of our Company | 2,173.60 | - |
| General Corporate Purpose (GCP) | 3,626.22 | - |
| Total Net Proceeds | 15,632.52 | |

The Company has appointed CRISIL Ratings Limited as Monitoring Agency to monitor the utilisation of IPO proceeds and provide quarterly reports on the utilization of issue proceeds in line with the objects as stated in the prospectus of the Company. The Company has submitted the Monitoring Agency Report & statement of deviation/ variation as required under the SEBI LODR Regulations on timely basis to the Stock Exchanges. There have been no deviation in utilisation of funds.

g) Certificate from Company Secretary in Practice regarding Non-disqualification of Directors:

None of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of Company by the SEBI, Ministry of Corporate Affairs or any such other Statutory Authority and a certificate in this respect received from M/s S. Dhanapal & Associates, Company Secretary in practice is enclosed to this report as Annexure II.

h) Certificate On Corporate Governance

Certificate from M/s S. Dhanapal & Associates, Company Secretary in practice certifying the compliance of conditions of Corporate Governance to the extent applicable for the year under review, is enclosed as Annexure III.

i) Recommendation by Committees:

During the financial year under review, all recommendations made by the Committees of the Board were duly accepted by the Board of Directors.

j) Consolidated fees paid to auditors:

The total fees for all services (including out of pocket expenses) availed by the Company and its subsidiaries from M/s. Deloitte Haskins & Sell, Chartered Accountants, Statutory Auditors for the Financial Year 2023-24 is Rs. 303.43 lakhs.

k) Prevention of Sexual Harassment:

The Company has in place a Policy for Prevention, Prohibition and Redressal of Sexual Harassment at work place which is in line with the requirements of the Sexual Harassment of women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder ("POSH"). All employees (permanent, contractual, temporary and trainees) are covered under this Policy. The Company has constituted an Internal Committee under Section 4 of the captioned Act. There were no complaints received by these committees during the year under review. The Company has filed an Annual Report with the concerned Authority.

l) Loans and Advances:

During the year under review, the company had not advanced any loans nor advances in the nature of loans to any Director of the Company or firms / Companies in which any of the Directors are interested.

Further, during the year under review, the company had given a Corporate Guarantee of Rs. 3 Crores to ICICI Bank Limited against the credit facilities availed by Hansa Customer Equity Pvt. Ltd. which is a wholly owned subsidiary and a Company in which the promoter Directors are interested by virtue of their ultimate beneficial holding in the said subsidiary.

m) Details of material subsidiaries of the Company:

The material subsidiaries of the Company along with the details of their Statutory Auditors' are specified hereunder:

| Sr. No | Material Subsidiary | Date and Place of Incorporation | Name of Statutory Auditor | Appointment date of Statutory Auditor |
|--------|---------------------------------------|---------------------------------|---------------------------|---------------------------------------|
| 1. | Hansa Research Group Private Limited | April 18, 1994 | Deloitte Haskins & Sell | September 29, 2022 |
| 2. | Hansa Customer Equity Private Limited | February 27, 2008 | | September 30, 2022 |

The policy for determining the material subsidiaries is available on the website of the Company at https://www.rkswamy.com/pdf/08_Policy_for_Determining_Material_Subsidiaries.pdf

n) Compliances under Clause C of Schedule V of SEBI Listing Regulations:

The Company has complied with the requirement of Corporate Governance Report as mentioned in sub paras (2) to (10) of Schedule V of the SEBI Listing Regulations 2015, to the extent as applicable to the Company.

o) Certification from Group Chief Executive Officer & Group CFO:

The Group Chief Executive Officer and the Group Chief Financial Officer have certified to the Board on the financial reporting and internal controls as required under Regulation 17(8), read with Part B of Schedule II of the SEBI Listing Regulations. The certification by Chief Executive Officer and Chief Financial Officer is enclosed to this report as Annexure IV.

p) Demat Suspense Account / Unclaimed Suspense Account:

As on March 31, 2024, the Company does not have any share in the demat suspense account or unclaimed suspense account.

q) Disclosure of certain types of agreements binding the Company:

With reference to Regulation 30A of SEBI Listing Regulations, we confirm that there are no such agreements entered by the Company which are binding and not in normal course of business.

For and on behalf of Board of Director

Place: Mumbai
Date: May 24, 2024

Srinivasan K. Swamy
Chairman & Managing Director
DIN: 00505093

CODE OF CONDUCT

DECLARATION

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2024.

For and on behalf of Board of Director

Place: Mumbai
Date: May 24, 2024

Narasimhan K. Swamy
Group CEO & Whole-time Director
DIN: 00219883

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In pursuance to sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of R K SWAMY LIMITED (CIN: L74300TN1973PLC006304), (hereinafter referred to as "Company"), we hereby certify that:

On the basis of the written representations / declarations received from Directors of the Company and taken on record by the Board of Directors of the Company as on March 31, 2024, in our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its Officers, none of the Directors on the Board of the above said Company has been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI / Ministry of Corporate Affairs or any such Statutory Authority.

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)

Place: Chennai
Date: May 24, 2024

Ramanathan Nachiappan
(Designated Partner)
Membership No.F6665
COP No.11084
UDIN: F006665F000440661

CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF R K SWAMY LIMITED

We have examined the compliance of conditions of Corporate Governance by R K SWAMY LIMITED ("the Company") for the year ended 31st March, 2024 as stipulated in Regulations 17 to 27 of Chapter IV and Clauses (b) to (i) of Regulation 46 (2) and Para C & D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and Management, we certify that the Company has complied with the conditions of Corporate Governance stipulated in Regulations 17 to 27 of Chapter IV and Clauses (b) to (i) of Regulation 46(2) and Para C & D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("SEBI Listing Regulations") for the period from 12th March 2024 to 31st March, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S DHANAPAL & ASSOCIATES LLP
(Practicing Company Secretaries)

Ramanathan Nachiappan
(Designated Partner)
Membership No.F6665
COP No.11084
UDIN: F006665F000440661

Place: Chennai
Date: May 24, 2024

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To
The Board of Directors,
R K SWAMY Limited

**Sub: Compliance Certificate for the year ended March 31, 2024 – Regulation 17(8) of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015:**

Dear Sir/ Madam,

We hereby confirm that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and comply with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) significant changes in internal control over financial reporting during the year;
 - (2) there were no significant changes in accounting policies during the year; and
 - (3) there were no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For R K SWAMY Limited

Narasimhan K Swamy
Group CEO & Whole-time Director

Rajeev Newar
Group CFO

Date: May 24, 2024
Place: Mumbai

INTEGRATED MARKETING COMMUNICATION
ADVERTISING CREATIVE DIGITAL MEDIA
EVENTS & ACTIVATION MEDIA PLANNING & BUYING
DIGITAL CONTENT SOCIAL & RURAL COMMUNICATION
HEALTHCARE COMMUNICATION BRAND CONSULTING
CONTINUING MEDICAL EDUCATION
CUSTOMER DATA ANALYTICS
CUSTOMER EXPERIENCE – CX MARKETING TECHNOLOGY
CUSTOMER RELATIONSHIP MARKETING – CRM
MARKET RESEARCH QUANTITATIVE RESEARCH
QUALITATIVE RESEARCH SYNDICATED STUDIES
INTERNATIONAL RESEARCH
INTEGRATED MARKETING COMMUNICATION
ADVERTISING CREATIVE DIGITAL MEDIA
EVENTS & ACTIVATION MEDIA PLANNING & BUYING
DIGITAL CONTENT SOCIAL & RURAL COMMUNICATION
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ADVERTISING CREATIVE DIGITAL MEDIA

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of R K SWAMY Limited (formerly known as R K SWAMY Private Limited and R.K. SWAMY BBDO Private Limited)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of R K SWAMY Limited (formerly known as R K SWAMY Private Limited and R.K. SWAMY BBDO Private Limited) ("the Parent"/ "the Holding Company") and its subsidiaries, (the Parent/ Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of

their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's/ Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- 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.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's/ Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group

are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent/ Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated 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 consolidated 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 financial controls 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 Parent/ Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent/ Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among

other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of Rs. 145.55 lakhs as at 31st March, 2024, total revenues of Rs. 72.51 lakhs and net cash inflows amounting to Rs. 87.51 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law maintained by the Group including relevant

records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, and the reports of the other auditors, except in relation to compliance with the requirements of audit trail, refer paragraph (k)(vi) below.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent/ Holding Company as on 31 March, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent/ Holding company, subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent/ Holding Company and such subsidiary companies, to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our

information and according to the explanations given to us:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 37 to the consolidated financial statements.
- ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent/ Holding Company, and its subsidiary companies incorporated in India.
- iv) (a) The respective Managements of the Parent/ Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 44 to the consolidated 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 Parent/ Holding Company or any of such subsidiaries 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 Parent/ Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent/ Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 44 to the consolidated financial statements, no funds have been received by the Parent/ Holding Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent/ Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other

persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent/ Holding Company which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 45 to the consolidated financial statements, the Board of Directors of the Parent/ Holding Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent/ Holding Company and such subsidiaries at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi) Based on our examination which included test checks, except for the instances mentioned below, the Parent Company and its subsidiary companies incorporated in India have used accounting software for maintaining their respective books of account for the financial year ended March 31, 2024, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
 - a) in respect of a subsidiary company, the accounting software did not have the feature of recording audit trail (edit log) facility enabled.
 - b) in respect of four subsidiary companies, the accounting software has a feature of recording audit trail (edit log) facility, however it did not have a feature to log the enabling/ disabling of the audit trail (edit log) feature; accordingly we are unable to

comment whether the audit log feature was enabled and operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with in respect of the accounting software for the period for which the audit trail feature was operating.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory

requirements for record retention is not applicable for the financial year ended 31 March, 2024.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and on the respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent/ Holding Company, we report that there are no qualifications or adverse remarks in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.0080725)

Mumbai
May 24, 2024

Ketan Vora
(Partner)
(Membership No.100459)
(UDIN: 24100459BKFAUA1434)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to consolidated financial statements of R K SWAMY Limited (formerly known as R K SWAMY Private Limited and R.K. SWAMY BBDO Private Limited) (hereinafter referred to as "the Holding Company" / "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company / Parent, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal

control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company/ Parent, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of

India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated 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 consolidated financial statements was 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated 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 financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained of the subsidiary companies, which are companies incorporated in India, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company/ Parent, its subsidiary companies which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly

reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the Holding Company/ Parent, its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.008072S)

Ketan Vora
(Partner)
(Membership No.100459)
(UDIN: 24100459BKFAUA1434)

Mumbai
 May 24, 2024

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

(Rs in lakhs)

| | Particulars | Notes | As at 31 March 2024 | As at 31 March 2023 |
|----------|--|---------------|---------------------|---------------------|
| A | ASSETS | | | |
| 1 | Non-Current Assets | | | |
| | (a) Property, Plant and Equipment | 5(a) | 754.00 | 814.68 |
| | (b) Right-of-use Assets | 5(b) | 1,855.73 | 2,854.04 |
| | (c) Investment Property | 5(c) | - | - |
| | (d) Intangible Assets | 5(a) | 276.00 | 400.84 |
| | (e) Financial Assets | | | |
| | (i) Investments | 6 | 42.12 | 31.02 |
| | (ii) Other Financial Assets | 8 | 609.76 | 1,255.25 |
| | (f) Deferred Tax Assets (net) | 20 | 425.79 | 482.16 |
| | (g) Non-current Tax Assets (net) | 9 | 2,079.87 | 1,043.71 |
| | (h) Other Non-current Assets | 10 | - | 0.42 |
| | Total Non-current Assets | | 6,043.27 | 6,882.12 |
| 2 | Current Assets | | | |
| | (a) Financial Assets | | | |
| | (i) Investments | 6 | - | 240.86 |
| | (ii) Trade Receivables | 11 | 13,301.96 | 20,471.19 |
| | (iii) Cash and Cash Equivalents | 12 (a) | 4,917.34 | 923.43 |
| | (iv) Bank Balances other than (iii) above | 12 (b) | 11,626.41 | 443.87 |
| | (v) Loans | 7 | 75.00 | 75.00 |
| | (vi) Other Financial Assets | 8 | 1,207.26 | 470.35 |
| | (b) Other Current Assets | 10 | 2,437.11 | 1,857.64 |
| | Total Current Assets | | 33,565.08 | 24,482.34 |
| | Total Assets | | 39,608.35 | 31,364.46 |
| B | EQUITY AND LIABILITIES | | | |
| 1 | Equity | | | |
| | (a) Equity Share Capital | 13 | 2,523.87 | 444.57 |
| | (b) Other Equity | 14 | 21,611.00 | 4,078.24 |
| | Total Equity | | 24,134.87 | 4,522.81 |
| | Liabilities | | | |
| 2 | Non-Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 15 | - | 16.76 |
| | (ii) Lease Liabilities | 30 | 1,147.71 | 1,935.16 |
| | (b) Provisions | 16 | 325.92 | 292.84 |
| | Total Non-Current Liabilities | | 1,473.63 | 2,244.76 |
| 3 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 15 | - | 433.60 |
| | (ii) Lease Liabilities | 30 | 899.05 | 1,063.31 |
| | (iii) Trade payables | | | |
| | - Total outstanding dues of micro enterprises and small enterprises | 19 | 597.73 | 555.61 |
| | - Total outstanding dues of creditors other than micro enterprises and small enterprises | 19 | 8,579.73 | 19,153.80 |
| | (iv) Other Financial Liabilities | 18 | 1,229.98 | 2,162.95 |
| | (b) Other Current Liabilities | 17 | 2,393.72 | 960.47 |
| | (c) Provisions | 16 | 299.64 | 267.15 |
| | Total Current Liabilities | | 13,999.85 | 24,596.89 |
| | Total Liabilities | | 15,473.48 | 26,841.65 |
| | Total Equity and Liabilities | | 39,608.35 | 31,364.46 |

See accompanying notes forming part of the consolidated financial statements 1-50

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No.: 008072S

For and on behalf of the Board of Directors
R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED
AND R.K. SWAMY BBDO PRIVATE LIMITED)
CIN: L74300TN1973PLC006304

Ketan Vora
Partner

Membership No.: 100459
Place: Mumbai
Date: May 24, 2024

Srinivasan K Swamy
Chairman and
Managing Director
DIN: 00505093
Place: Mumbai
Date: May 24, 2024

Narasimhan Krishnaswamy
Group Chief Executive Officer
and Whole time Director
DIN: 00219883
Place: Mumbai
Date: May 24, 2024

Desikan Rajagopalan
Company Secretary
Membership No: A28348
Place: Mumbai
Date: May 24, 2024

Rajeev Newar
Group Chief
Financial Officer
Place: Mumbai
Date: May 24, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(Rs in lakhs)

| Particulars | | Notes | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------|--|-------|-------------------------------------|-------------------------------------|
| | Income | | | |
| 1 | Revenue from Operations | 21 | 33,151.56 | 29,261.31 |
| 2 | Other income | 22 | 387.59 | 734.49 |
| 3 | Total Income (1+2) | | 33,539.15 | 29,995.80 |
| | Expenses | | | |
| | (a) Operational expense | 23 | 9,886.88 | 9,303.36 |
| | (b) Employee benefits expense | 24 | 11,869.56 | 10,708.34 |
| | (c) Other expenses | 27 | 4,354.21 | 3,693.31 |
| 4 | Total Expenses | | 26,110.65 | 23,705.01 |
| | Earnings before interest, tax, depreciation and amortisation (3-4) | | 7,428.50 | 6,290.79 |
| | (d) Finance costs | 25 | 577.09 | 561.04 |
| | (e) Depreciation and amortisation expenses | 26 | 1,494.50 | 1,471.57 |
| 5 | Profit Before Tax | | 5,356.91 | 4,258.18 |
| 6 | Tax Expense | | | |
| | (a) Current tax | | | |
| | - Current year | 20 | 1,318.71 | 1,076.84 |
| | - Prior years | | (7.67) | 2.91 |
| | (b) Deferred tax charge | 20 | 73.39 | 52.43 |
| | | | 1,384.43 | 1,132.18 |
| 7 | Profit After Tax (5-6) | | 3,972.48 | 3,126.00 |
| | Other Comprehensive Income | | | |
| A | (i) Items that will not be reclassified to profit or loss | | | |
| | (a) Remeasurement of the defined benefit plans | 31 | (67.02) | (44.59) |
| | (ii) Income tax related to items that will not be reclassified to profit or loss | 20 | 17.03 | 11.25 |
| B | (i) Items that will be reclassified to profit or loss | | | |
| | (a) Exchange difference on translation of foreign operations | | (6.82) | - |
| | (ii) Income tax related to items that will not be reclassified to profit or loss | | - | - |
| 8 | Total other comprehensive (loss) for the year [A(i-ii) + B(i-ii)] | | (56.81) | (33.34) |
| 9 | Total comprehensive income for the year (7+8) | | 3,915.67 | 3,092.66 |
| 10 | Earnings per equity share of Rs.5 each | | | |
| | Basic (in Rs) | 29 | 8.86 | 7.03 |
| | Diluted (in Rs) | 29 | 8.86 | 7.03 |
| | Profit attributable to equity shareholders | | 3,972.48 | 3,126.00 |
| | Profit attributable to non controlling interests | | - | - |
| | Other comprehensive (loss) attributable to equity shareholders | | (56.81) | (33.34) |
| | Other comprehensive (loss) attributable to non controlling interests | | - | - |
| | Total comprehensive income attributable to equity shareholders | | 3,915.67 | 3,092.66 |
| | Total comprehensive income attributable to non controlling interests | | - | - |

See accompanying notes forming part of the consolidated financial statements **1-50**

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No.: 008072S

For and on behalf of the Board of Directors
R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED
AND R.K. SWAMY BBDO PRIVATE LIMITED)
CIN: L74300TN1973PLC006304

Ketan Vora
Partner

Membership No.: 100459
Place: Mumbai
Date: May 24, 2024

Srinivasan K Swamy
Chairman and
Managing Director
DIN: 00505093
Place: Mumbai
Date: May 24, 2024

Narasimhan Krishnaswamy
Group Chief Executive Officer
and Whole time Director
DIN: 00219883
Place: Mumbai
Date: May 24, 2024

Desikan Rajagopalan
Company Secretary
Membership No: A28348
Place: Mumbai
Date: May 24, 2024

Rajeev Newar
Group Chief
Financial Officer
Place: Mumbai
Date: May 24, 2024

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

A. Equity share capital

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Balance as at beginning of the year | 444.57 | 408.00 |
| Changes in equity share capital during the year: | | |
| Less: Shares cancelled pursuant to the Scheme of Arrangement (refer note 42) | - | (408.00) |
| Add: Shares Issued pursuant to the Scheme of Arrangement (refer note 42) | - | 444.57 |
| Add: Bonus shares issued during the year (refer note 13 (a)(iii)) | 1,778.29 | - |
| Add: Shares issued through Initial Public Offer ('IPO') during the year (refer note 13 (b)) | 301.01 | - |
| Balance as at the end of the year | 2,523.87 | 444.57 |

B. Other equity

(Rs in lakhs)

| Particulars | Share application money pending allotment | Reserves and surplus | | | | | | | Equity attributable to equity holders of the Company | Total equity |
|--|---|---|-----------------|--------------------|--------------------------------------|-----------------|----------------------------|-------------------|--|-----------------|
| | | Amalgamation adjustment deficit account | General Reserve | Securities Premium | Foreign currency translation reserve | Capital Reserve | Capital Redemption Reserve | Retained Earnings | | |
| Balance as at 1 April 2022 | 36.57 | (9,395.95) | 1,921.38 | 3,010.89 | - | (162.35) | 1.15 | 5,814.65 | 1,226.34 | 1,226.34 |
| Share issued during the year pursuant to the Scheme of Arrangement (refer note 42) | (36.57) | - | - | - | - | - | - | - | (36.57) | (36.57) |
| Revised Balance as at 1 April 2022 | - | (9,395.95) | 1,921.38 | 3,010.89 | - | (162.35) | 1.15 | 5,814.65 | 1,189.77 | 1,189.77 |
| Profit for the year | - | - | - | - | - | - | - | 3,126.00 | 3,126.00 | 3,126.00 |
| Other comprehensive (loss), net of tax | - | - | - | - | - | - | - | (33.34) | (33.34) | (33.34) |
| Total comprehensive income for the year | - | - | - | - | - | - | - | 3,092.66 | 3,092.66 | 3,092.66 |
| Additions during the year | - | - | - | - | (0.19) | - | - | - | (0.19) | (0.19) |
| Dividend paid during the year (refer note 45) | - | - | - | - | - | - | - | (204.00) | (204.00) | (204.00) |
| Balance as at 31 March 2023 | - | (9,395.95) | 1,921.38 | 3,010.89 | (0.19) | (162.35) | 1.15 | 8,703.31 | 4,078.24 | 4,078.24 |
| Profit for the year | - | - | - | - | - | - | - | 3,972.48 | 3,972.48 | 3,972.48 |
| Other comprehensive (loss), net of tax | - | - | - | - | (6.82) | - | - | (49.99) | (56.81) | (56.81) |
| Total comprehensive income for the year | - | - | - | - | (6.82) | - | - | 3,922.49 | 3,915.67 | 3,915.67 |

B. Other equity (Contd.)**(Rs in lakhs)**

| Particulars | Share application money pending allotment | Reserves and surplus | | | | | | | Equity attributable to equity holders of the Company | Total equity |
|---|---|---|-----------------|--------------------|--------------------------------------|-----------------|----------------------------|-------------------|--|------------------|
| | | Amalgamation adjustment deficit account | General Reserve | Securities Premium | Foreign currency translation reserve | Capital Reserve | Capital Redemption Reserve | Retained Earnings | | |
| Bonus shares issued during the year (refer note 13 (a)(iii)) | - | - | (1,778.29) | - | - | - | - | - | (1,778.29) | (1,778.29) |
| Premium arising on issue of equity shares through IPO (refer note 47) | - | - | - | 16,998.99 | - | - | - | - | 16,998.99 | 16,998.99 |
| Share issue expense on IPO (refer note 47) | - | - | - | (1,425.78) | - | - | - | - | (1,425.78) | (1,425.78) |
| Dividend paid during the year (refer note 45) | - | - | - | - | - | - | - | (177.83) | (177.83) | (177.83) |
| Balance as at 31 March 2024 | - | (9,395.95) | 143.09 | 18,584.10 | (7.01) | (162.35) | 1.15 | 12,447.97 | 21,611.00 | 21,611.00 |

Note: In accordance with the notification issued by the Ministry of Corporate Affairs dated 24 March 2021, re-measurement of defined benefit plans shall be recognised as a part of retained earnings. Accordingly, re-measurement of defined benefit plans has been disclosed as part of retained earnings.

See accompanying notes forming part of the consolidated financial statements

1-50

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration No.: 008072S

For and on behalf of the Board of Directors

R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED AND R.K. SWAMY BBDO PRIVATE LIMITED)

CIN: L74300TN1973PLC006304

Ketan Vora

Partner

Membership No.: 100459

Place: Mumbai

Date: May 24, 2024

Srinivasan K Swamy

Chairman and Managing Director

DIN: 00505093

Place: Mumbai

Date: May 24, 2024

Narasimhan Krishnaswamy

Group Chief Executive Officer and Whole time Director

DIN: 00219883

Place: Mumbai

Date: May 24, 2024

Desikan Rajagopalan

Company Secretary

Membership No: A28348

Place: Mumbai

Date: May 24, 2024

Rajeev Newar

Group Chief Financial Officer

Place: Mumbai

Date: May 24, 2024

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| A. Cash Flow From Operating Activities | | |
| Profit Before Tax | 5,356.91 | 4,258.18 |
| <i>Adjustments for:</i> | | |
| Interest Income on bank deposits | (106.31) | (28.69) |
| Interest Income on loans to related parties | - | (265.62) |
| Interest income on financial assets carried at amortised cost | (75.51) | (75.35) |
| Profit on sale of Investment property (Net) | (72.00) | - |
| Net gain arising on financial assets measured at FVTPL | (14.38) | (7.29) |
| Gain on lease modification/termination | (8.45) | - |
| Provisions / Miscellaneous balances written back | (46.64) | (157.01) |
| Property, Plant and Equipment written off | - | 37.55 |
| Finance costs | 577.09 | 561.04 |
| Depreciation and amortisation expenses | 1,494.50 | 1,471.57 |
| Profit on sale of Property, Plant and Equipment | (0.75) | (13.49) |
| Bad Debts Written off (net of provision utilised) | 17.55 | 1.11 |
| Allowance for Expected credit loss (net) | 36.86 | 67.48 |
| Dividend income | (11.38) | (10.24) |
| Operating Profit before Working Capital / Other Changes | 7,147.49 | 5,839.25 |
| <i>Adjustments for (increase)/decrease in operating assets:</i> | | |
| Trade Receivables | 7,114.82 | (1,596.81) |
| Non-current and Current Financial Assets | (229.14) | (168.65) |
| Other Non-current and Current Assets | (579.05) | 480.45 |
| <i>Adjustments for increase/(decrease) in operating liabilities:</i> | | |
| Trade Payables | (10,487.36) | (2,765.88) |
| Other Non-current and Current Financial Liabilities | (932.97) | 1,890.50 |
| Other Non-current and Current Liabilities | 1,433.26 | (81.91) |
| Non-current and Current Provisions | (1.45) | 68.32 |
| Cash Generated from Operations | 3,465.60 | 3,665.27 |
| Income Tax Paid (net of refund) | (2,347.20) | (748.72) |
| Net Cash Generated From Operating Activities (A) | 1,118.40 | 2,916.55 |
| B. Cash Flow From Investing Activities | | |
| Purchase of Property, Plant and Equipment (including Intangible Assets) | (180.59) | (485.28) |
| Sale Proceeds on Property, Plant and Equipment (including Investment Property) | 73.59 | 36.88 |
| Intercompany Loans given | - | (2,125.00) |
| Intercompany Loans recovered | - | 10,388.82 |
| (Purchase) of equity interest in subsidiaries (refer note 42A) | - | (9,557.77) |
| Interest Received on bank deposits and loans | 106.31 | 294.31 |
| Dividend Income Received | 11.38 | 10.24 |
| Placement of Bank deposits | (11,079.34) | (1,425.05) |
| Maturities of Bank deposits | 110.00 | 1,487.85 |
| (Purchase) of investments in mutual funds | - | (9.34) |
| Sales of investments in mutual funds and others | 244.14 | 1.50 |
| Net Cash (Used in) Investing Activities (B) | (10,714.51) | (1,382.83) |

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| C. Cash Flow From Financing Activities | | |
| Dividend Paid | (177.83) | (204.00) |
| Finance Cost Paid | (356.26) | (274.66) |
| Proceeds from issue of equity shares | 17,300.00 | - |
| Share issue expenses on IPO | (1,425.78) | - |
| (Repayment) of Non-current Borrowings | (16.76) | (50.28) |
| Proceeds from intercompany loan | - | 1,183.00 |
| (Repayment) of intercompany loan | (411.25) | (771.80) |
| Proceeds from Current borrowings | 5,000.00 | - |
| (Repayment) of Current borrowings | (5,022.35) | (2,783.55) |
| Payment of lease liabilities | (1,299.76) | (1,525.22) |
| Net Cash Generated from/(Used in) Financing Activities (C) | 13,590.01 | (4,426.51) |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A) + (B) + (C) | 3,993.90 | (2,892.79) |
| Effect of Exchange Fluctuation on Cash and Cash Equivalents | 0.01 | 0.00 |
| Cash and Cash Equivalents at the Beginning of the Year (Refer Note 12 (a)) | 923.43 | 3,816.22 |
| Cash and Cash Equivalents at the End of the Year (Refer Note 12 (a)) | 4,917.34 | 923.43 |

0.00 represent less than 0.005 lakhs

Notes:

1. The Consolidated Statement of Cash Flow has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS 7) - Statement of Cash Flows.
2. The Consolidated Statement of Cash Flow does not include the impact of leases being non-cash transaction. Please (refer note 30) for details.

See accompanying notes forming part of the consolidated financial statements

1-50

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration No.: 008072S

Ketan Vora

Partner

Membership No.: 100459

Place: Mumbai

Date: May 24, 2024

For and on behalf of the Board of Directors**R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED AND R.K. SWAMY BBDO PRIVATE LIMITED)**

CIN: L74300TN1973PLC006304

Srinivasan K Swamy

Chairman and Managing

Director

DIN: 00505093

Place: Mumbai

Date: May 24, 2024

Narasimhan Krishnaswamy

Group Chief Executive

Officer and Whole time Director

DIN: 00219883

Place: Mumbai

Date: May 24, 2024

Desikan Rajagopalan

Company Secretary

Membership No: A28348

Place: Mumbai

Date: May 24, 2024

Rajeev Newar

Group Chief Financial Officer

Place: Mumbai

Date: May 24, 2024

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

R.K. Swamy BBDO Private Limited ('the Holding Company') was incorporated in the year 1973 and the Company changed its name from R.K. Swamy BBDO Private Limited to R K Swamy Private Limited on 21 June 2022. Further, the Company has changed its name from R K Swamy Private Limited to R K Swamy Limited based on the approval received from Registrar of Companies, Chennai on 17 July 2023 and accordingly it has become a Public Limited Company w.e.f. 17 July 2023. The Company has completed its Initial Public Offer ('IPO') during the year and its equity shares got listed on National Stock Exchange of India Limited and BSE Limited on 12 March, 2024. The Company has its registered office located at No.19, Wheatcrofts Road, Nungambakkam, Chennai- 600034, Chennai, Chennai, Tamil Nadu, India, 600034

The Holding Company and its subsidiaries (together referred to as 'the Group') is primarily engaged in the business of advertising in various media, such as television, newspaper, radio, outdoor and strategic media planning and buying; undertaking market research activities offering research and analytics solutions and customer analytics, developing and managing campaigns in the space of creative services, promotions, through appropriate media and rendering such other service and carrying out such other activity as may be relating to any of the above.

During the previous year the Holding Company acquired the entire equity shareholding of Hansa Research Group Private Limited ("HRG") held by Hansa Vision India Private Limited ("HVIPL" or "erstwhile parent company") pursuant to the Share Transfer Agreement dated 29 July 2022, hence HRG became the wholly owned subsidiary of the Holding Company w.e.f. 29 July 2022.

Similarly, the Holding Company has acquired the entire equity shareholding of Hansa Customer Equity Private Limited ("HCE") held by Hansa Vision India Private Limited ("HVIPL") pursuant to the Share Transfer Agreement dated 11 August 2022, hence HCE became the wholly owned subsidiary of the Holding Company w.e.f. 11 August 2022.

Further, the Board of Directors of the HVIPL at its meeting held on November 8, 2022, approved the Scheme of Arrangement of Demerger of the Marketing Communication and Allied Businesses division ("MARCOM" or "demerged undertaking") of Hansa Vision India Private Limited ("HVIPL") (Transferor Company), its erstwhile parent company, with the Holding Company ("Transferee Company") under section 233 read with section 230 to 232 of the Companies Act, 2013, with effect from 1 September 2022, ("The Appointment Date") subject to obtaining necessary approvals of Regional Director (RD) at Chennai. The said Scheme received the approval of the

Regional Director and other statutory and regulatory authorities on 24 January 2023. The Scheme has become effective from 8 February 2023.

2. BASIS OF PREPARATION AND PRESENTATION

2.1 Statement of Compliance

The Consolidated Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (as amended from time to time) and other accounting principles generally accepted in India.

2.2 Basis of preparation

The Consolidated Financial Statements of the Company and its subsidiaries (collectively, the "Group") comprises the Consolidated Balance Sheet as at 31 March, 2024, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended and a summary of material accounting policies and other explanatory information (together referred to as the Consolidated Financial Statements").

The Consolidated Financial Statements have been prepared and presented under the historical cost convention, on accrual and going concern basis except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on fair value of the consideration given in exchange of goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transition between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value for an asset or liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in the consolidated financial statements is determined on such a basis except for leasing transactions that are within the scope of Ind AS 116 and measurements that have some similarities to fair value but are not fair value.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. 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: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date;

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); and

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The Consolidated financial statements of the Group for the year ended 31 March 2024 were approved for issue in accordance with the Resolution passed by the Board of Directors at their meeting held on 24 May 2024.

2.3 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries, (collectively, 'the Group') as at and for the year ended 31 March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

As explained in para 1 above, the Holding Company has acquired entire equity interest in HRG and HCE from HVIPL i.e erstwhile parent company during the previous year. As a result, the Holding Company become parent company during the previous year as per provisions of Ind AS 110 – Consolidated Financial Statement, and hence prepared its first Consolidated Financial Statements in previous year. Further, the said acquisition of equity interest in HCE and HRG from HVIPL qualified to be a common control transaction as per provisions of Ind AS 103 - Appendix C – Business Combinations under Common Control. Therefore, the Company has prepared Consolidation Financial Statement for comparative period as well in the previous year as if the said transaction has took place as on the first day of earliest reported period.

Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group

obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control and until the date the Group ceases to control the subsidiary.

Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the Consolidated Financial Statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

2.3.1 Subsidiaries

The Consolidated Financial Statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/loss from such transactions are eliminated upon consolidation. These Consolidated Financial Statements are prepared by applying uniform accounting policies in use at the Group. Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interest having a deficit balance. Changes in the Group's holding that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's holding and the non-controlling interests are adjusted to reflect the changes in their relative holding. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.4 Business Combinations under common control

The transactions arising from transfer of assets and liabilities for interest in entities that are under common control are accounted at the historical carrying amounts reflected in the earliest period presented. The excess of difference if any between the consideration paid and the aggregate of the historical carrying amounts of assets and liabilities is recognised as capital reserve else taken as amalgamation deficit adjustment account as part of Retained earnings, As applicable.

The interest of non-controlling shareholders is initially measured at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling

interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

A. Determination of Functional and presentation currency

These Consolidated Financial Statements are presented in Indian rupees, which is the Group's functional currency. All amounts have been rounded to the nearest lakh, unless otherwise indicated.

B. Current / Non-Current Classification

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

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

1. the asset/liability is expected to be realised/settled in the Group's normal operating cycle;
2. the asset is intended for sale or consumption;
3. the asset/liability is held primarily for the purpose of trading;
4. the asset/liability is expected to be realised/settled within twelve months after the reporting period;
5. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date; in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

C. Critical accounting judgements and key source of estimation uncertainty

In applying the Group's accounting policies, which are described in Note 3 below, the directors are required to make judgments (other than those involving estimations) that have significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The Management believes that the estimates and associated assumptions made in the preparation of these consolidated financial statements are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following are the significant areas of estimation and source of estimation uncertainty, in applying accounting policies that may have significant risk of

causing a material adjustment to the carrying amounts of assets and liabilities:

1. Determination of the estimated useful lives of property, plant and equipment and intangible assets

Useful lives of property, plant and equipment and intangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from those prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

2. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, vested future benefits, attrition rate and life expectancy. The discount rate is determined by reference to market yields of the government bonds at the end of the reporting period. The period of maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

3. Income Taxes

Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions.

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

4. Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the Balance Sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

Critical judgements:

a) Application of Ind AS 115:

In making the judgement, the directors considered the detailed criteria for the recognition of revenue set out in Ind AS 115 and in particular determination of the nature and timing of satisfaction of performance obligations duly considering the terms of the contract and the assessment of the amount of revenue to be recognised based on whether the Group acts as a principal or an agent for the individual contracts.

b) Application of Ind AS 116:

(i) Critical judgements in determining the lease term:

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other considerations required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate. In case of short-term and low-value leases, all payments under the arrangement are treated as lease payments.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee.

(ii) Determination of the discount rate:

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

D. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

3. MATERIAL ACCOUNTING POLICIES**1. Property, plant and equipment****a. Recognition and measurement**

Property, plant, and equipment is recognised when it

is probable that future economic benefit associated with the asset will flow to the Group, and the cost of the asset can be measured reliably.

Items of property, plant and equipment are measured at original cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- i. its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Statement of Profit and Loss.

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, and depreciated over their respective useful lives.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

b. Subsequent expenditure

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

c. Depreciation

The Group has followed the Straight Line method for charging depreciation on all items of property, plant, and equipment, at the rates specified in Schedule II to the Act; these rates are considered as the minimum rates. If management's technical estimate of the useful life of the property, plant and equipment is different than that envisaged in Schedule II to the Act, depreciation is provided at a rate based on management's estimate of the useful life. The useful lives followed for various categories of property, plant and equipment are given below:

| Asset Category | Useful Life |
|---|--------------------|
| Leasehold Improvements | As per lease term |
| Photographic and Sound Equipment | 8 years |
| Furniture and fixtures | 10 years |
| Electrical Fittings | 3 to 10 years |
| Computer, Printers and other office equipment's | 3 to 6 years |
| Air conditioners | 5 to 10 years |
| Vehicles | 5 years to 8 years |
| Temporary Structures | 3 years |

In respect of additions to/deductions from the assets, the depreciation on such assets is calculated on a pro rata basis from/upto the month of such addition/deduction. Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase/acquisition. Leasehold improvements are amortised over the period of the lease.

2. Intangible-assets

a. Recognition and measurement

Intangible assets, including software, which is acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

b. Subsequent expenditure

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

c. Amortisation

Intangible assets are amortised over their estimated useful life on straight line method. The amortisation period followed for intangible assets are:

| Intangible assets | Amortisation period |
|--|---------------------|
| Computer software and Platform solutions | 3 to 6 years |

3. Financial Instruments

Financial assets and financial liabilities are recognised in the Consolidated Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

a. Financial Assets

i. Initial recognition and measurements:

The Group recognises a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of the financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

ii. Subsequent measurement:

For subsequent measurement, the Group classifies a financial asset in accordance with the below criteria;

- The Group's business model for managing the financial asset and
- The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Group classifies its financial assets into the following categories:

- a) Financial assets measured at amortised cost
- b) Financial assets measured at fair value through other comprehensive income ('FVOCI')
- c) Financial assets measured at fair value through profit or loss ('FVTPL')

a) Financial assets measured at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- The Group's business model objective for managing the financial asset is to hold financial assets 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.

This category applies to cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets of the Group. Such financial assets are subsequently measured at amortised cost using the effective interest method.

Under the effective interest rate method, the future cash receipts are discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal/repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortised cost of financial asset is also adjusted for loss of allowance, if any.

b) Financial asset measured at FVOCI:

A financial asset is measured at FVOCI if both of the following conditions are met:

- The Group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial asset, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the other Comprehensive Income ('OCI'). However, the Group recognises interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss. However, the Group may transfer such cumulative gain or loss into retained earnings within equity.

c) Financial asset measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVOCI as explained above. This is a residual category applied to all other financial assets of the Group. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss.

iii. Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised (i.e. removed from the Group's balance sheet) when any of the following occurs:

- a) The contractual rights to cash flows from the financial asset expires;
- b) The Group transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- c) The Group retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients thereby substantially transferring all the risks and rewards of ownership of the financial asset; or
- d) The Group neither transfers nor retains substantially all risk and rewards of ownerships and does not retain control over the financial assets.

In cases where Group has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Group continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Group also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

On Derecognition of a financial asset, (except as mentioned in b) above for financial assets measured at FVOCI), the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.

iv. Impairment of financial assets:

The Group applies expected credit losses ('ECL') model for measurement and recognition of loss allowance on the following:

- 1) Trade receivables and Contract assets

- 2) Financial assets measured at amortised cost (other than Trade receivables and Contract assets)
- 3) Financial assets measured at fair value through other comprehensive income (FVOCI)

In case of Trade receivables the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as (ii) and (iii) above), the Group determines if there has been a significant increase in credit risk of the financial assets since initial recognition, if the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured as recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12-month from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcome, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Group uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL allowance (or reversal) recognised during the period is recognised as expense (or income) in the Statement of Profit and Loss under the head 'Other expenses (or Other Income)'.

b. Financial Liabilities

i) Initial recognition and measurements:

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, shall be subsequently measured at fair value.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction

price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

ii. Subsequent measurement:

All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Consolidated Statement of Profit and Loss.

iii. Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When the existing financial liability is replaced by another from the same lender or 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 between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Consolidated Statement of Profit and Loss.

4. Cash and cash equivalents

The Group considers all highly liquid investments, which are readily convertible into known amounts of cash as cash and cash equivalents. Cash and cash equivalents in the Balance Sheet comprise of cash on hand, bank balances which are unrestricted for withdrawal and usage and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

5. Dividend

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws

in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

6. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Finance costs are recorded using the effective interest rate method. All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

7. Provisions and Contingent Liabilities and Contingent Assets

A provision is recognised only when there is a present legal or constructive obligation as a result of a past event that probably requires an outflow of resources to settle the obligation and in respect of which a reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the Balance Sheet date. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

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 and Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date. Contingent Assets and related income are recognised when there is virtual certainty that inflow of economic benefit will arise.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

8. Revenue Recognition

Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'overtime' as control of the performance

obligation is transferred to the customer. The Group enters into contracts which has combinations of services which are generally capable of being distinct and are accounted as separate performance obligations.

The transaction price, being the amount to which the Group expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration based on the achievement of agreed targets. Variable consideration is not recognised until the performance obligations are met. Revenue is stated exclusive of Goods and Service tax and other taxes, which are subsequently remitted to the government authorities. Following are the revenue recognition principles for major streams of business:

- a. Commission Revenue in respect of advertisements placed with media by the Group on behalf of its clients (net of trade discount, as applicable) is recognised on telecast or publishing of the advertisements.
- b. Revenue from creative jobs and other media related services is recognised at a point in time or over a period based on assessment of the terms of respective agreements.
- c. Revenue from provision of Market research activities, based on the contracts entered with the customer is recognised over a period of time.
- d. Revenue from provision of Data Analytics services and Call seat services contracts is recognised over a period of time.
- e. Revenue from provision of customer experience management solutions is recognised over a period of time.

The amount of revenue recognised depends on whether the Group acts as an agent or as a principal.

Certain arrangements with customers are such that the Group's responsibility is to arrange for a third party to provide a specified good or service to the customer. In these cases the Group is acting as an agent as the Group does not control the relevant good or service before it is transferred to the client. When the Group acts as an agent, the revenue recorded is the net amount retained. Costs incurred with external suppliers (such as production costs and media suppliers) are excluded from revenue and recorded as work in progress until billed.

The Group acts as principal when the Group controls the specified good or service prior to transfer. When the Group acts as a principal, the revenue recorded is the gross amount billed. Billings related to out-of-pocket costs such as travel are also recognised at the gross amount billed with a corresponding amount recorded as an expense.

9. Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a

time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income is recognised when the right to receive the amount is established.

10. Employee benefits

a. Defined contribution plans

Provident Fund: Contribution towards provident fund is made to the regulatory authorities. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Employee State Insurance: Fixed contributions towards contribution to Employee State Insurance etc. are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and where services are rendered by the employees.

b. Defined Benefit Plans

Gratuity: The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 as amended. The Gratuity Plan provides a lump sum payment to vested employees at the time of separation, retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period by an independent Actuary. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest) where applicable, is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- i. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii. Net interest expense or income; and
- iii. Remeasurements

The Group presents the service costs in profit or loss in the line item 'Employee benefits expense'. Net interest expense or income is recognised within employee benefit expenses (refer note 31). Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the Group recognises any related restructuring costs.

c. Long Term Employee Benefits:

The Group accounts for its liability towards compensated absences based on actuarial valuation done as at the Balance Sheet date by an independent actuary using the Projected Unit Credit Method. The liability includes the long-term component accounted on a discounted basis and the short-term component which is accounted for on an undiscounted basis.

d. Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees upto the reporting date.

11. Foreign currency transactions

Income and expenses in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are recognised in the Consolidated Statement of Profit and Loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

12. Taxation

Income tax expense comprises current tax expense and the net change in deferred taxes recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

a. Current tax

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of expense or income that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for tax is calculated using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Group:

- i) has a legally enforceable right to set off the recognised amounts; and
- ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b. 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 amounts used for taxation purposes. Deferred tax is not recognised for temporary differences 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.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

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

Deferred tax assets and liabilities are offset only if:

- a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Group.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets

/ liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for business combination, the tax effect is included in the accounting for the business combination.

Minimum Alternative Tax ("MAT") credit forming part of deferred tax asset is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. 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 reasonable certainty to the effect that the Group will pay normal income tax during the specified period.

A new section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions / conditions defined in the said section. The provisions of MAT are also not applicable upon exercising this option. The Group has availed this option.

13. Lease (Where the Company is the lessee)

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed lease payments

(less any lease incentives), variable lease payments, penalties, etc.

The lease liability is presented as a separate line in the Balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the combination.

The Group has made such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The right-of-use assets are presented as a separate line in Balance sheet. The Group applies Ind AS 36 Impairment of Assets to determine whether a right-of-use asset is impaired.

14. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax

effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

15. Segment Reporting

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

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

Changes are made to the segment reporting, wherever necessary, based on the change in the business model duly considering the above factors.

16. Impairment of non-financial assets

The Group assesses at each reporting dates as to whether there is any indication that any Property, Plant and Equipment or Other Intangible assets or Investment Property or other class of an asset or Cash Generating Unit ('CGU') may be impaired. If any such indication exists, the recoverable amount of the assets or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

17. Events after reporting date

Where events occurring after the Balance Sheet date till the date when the consolidated financial statements are approved by the Board of Directors of the Group, provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the reporting balance sheet date of material size or nature are only disclosed.

18. Non-Current Assets held for Sale

Non-Current Assets classified as held for sale are measured at the lower of the carrying amount and fair value less cost of disposal. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify as a completed for recognition as a completed sale within one year from the date of classification.

19. Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions

of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

20. Goods and Service Tax Input Credit

Goods and Service Input Credit is accounted for in the books during the period in which the underlying service received is accounted and where there is no uncertainty in availing/utilizing the same.

21. Related party transactions

Related party transactions are accounted for based on terms and conditions of the agreement / arrangement with the respective related parties. These related party transactions are determined on an arms-length basis and are accounted for in the year in which such transactions occur and adjustments if any, to the amounts accounted are recognised in the year of final determination.

There are common costs incurred by the Holding Company / Other Group Companies on behalf of various entities in the group including the Group. The cost of such common costs are allocated among beneficiaries on appropriate basis and accounted to the extent debited separately by the said related parties.

22. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in statement of profit and loss in the period of derecognition. Depreciable investment properties have been ascribed a useful life in the range of 30 years.

23. Earnings before interest, tax, depreciation and amortisation ("EBITDA")

The Group presents EBITDA in the Statement of Profit and Loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule III allows line items, sub-line items and sub-totals to be presented as an addition or substitution on the face of the Consolidated Financial Statements when such presentation is relevant to an understanding of the Group's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Measurement of EBITDA:

Accordingly, the Group has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) before exceptional items as a separate line item on the face of the Statement of Profit and Loss. The Group measures EBITDA before exceptional items on the basis of profit/(loss) from continuing operations including other income. In its measurement, the Group does not include exceptional items, depreciation and amortisation expense, finance costs, and tax expense.

24. Business Combinations of entities or businesses under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. The assets and liabilities of the transferor entity or business are accounted at their carrying amounts on the date of acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity. The financial information in the consolidated financial statements in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the preceding period in the Consolidated financial statements, irrespective of the actual date of the combination.

25. Investment in foreign subsidiaries

The Group has incorporated two foreign subsidiaries as under:

- a. The Group during the previous year had incorporated Hansa Marketing Services Private Limited in Bangladesh on 29 May 2022 through Hansa Customer Equity Private Limited (HCE). The authorized share capital is Taka 10,00,000. The Group has made foreign remittance for paid-up share capital of Taka 100,000.
- b. The Group during the previous year has also incorporated Hansa Marketing Services LLC in Dubai on 27 July 2022 through Hansa Customer Equity Private Limited (HCE). The share capital is AED 1,00,000. The Company has made foreign remittance in respect of the Investment to the said entity during the current year.

4. RECENT ACCOUNTING PRONOUNCEMENTS

There are no accounting pronouncements which are announced but applicable w.e.f. from 1 April 2024.

5(a) PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS (OWNED)

Current Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation/Amortisation | | | | Net Block | |
|----------------------------------|---------------------------|---------------|-------------|---------------------------|---------------------------------------|---|---|---------------------------|---------------------------|---------------------------|
| | As at 01 April 2023 | Additions | Deletions | As at 31 March 2024 | As at 01 April 2023 | Depreciation/ Amortisation for the year | Elimination on Disposal of Assets | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 |
| Tangible Assets | | | | | | | | | | |
| Lease Hold Improvements | 118.64 | - | - | 118.64 | 60.01 | 12.62 | - | 72.63 | 46.01 | 58.63 |
| Office and Other Equipment | 159.58 | 28.99 | 1.18 | 187.39 | 65.07 | 29.30 | 1.16 | 93.21 | 94.18 | 94.51 |
| Photographic and Sound Equipment | 0.91 | 0.19 | - | 1.10 | 0.63 | 0.25 | - | 0.88 | 0.22 | 0.28 |
| Electrical Fittings | 10.68 | - | - | 10.68 | 6.41 | 0.81 | - | 7.22 | 3.46 | 4.27 |
| Furniture and Fixtures | 350.10 | 9.46 | - | 359.56 | 86.13 | 35.45 | - | 121.58 | 237.98 | 263.97 |
| Air Conditioners | 23.49 | 1.24 | - | 24.73 | 4.73 | 2.13 | - | 6.86 | 17.87 | 18.76 |
| Temporary structures | 31.55 | - | - | 31.55 | 31.11 | - | - | 31.11 | 0.44 | 0.44 |
| Vehicles | 13.47 | 0.73 | - | 14.20 | 5.25 | 1.79 | - | 7.04 | 7.16 | 8.22 |
| Computers | 736.89 | 131.44 | 2.15 | 866.18 | 371.27 | 149.56 | 1.33 | 519.50 | 346.68 | 365.61 |
| Total - Tangible | 1,445.30 | 172.05 | 3.33 | 1,614.03 | 630.62 | 231.91 | 2.49 | 860.03 | 754.00 | 814.68 |
| Intangible Assets | | | | | | | | | | |
| Platforms and solutions | 558.49 | 5.96 | - | 564.45 | 258.90 | 92.17 | - | 351.07 | 213.38 | 299.59 |
| Computer Software | 311.09 | 2.58 | - | 313.67 | 209.84 | 41.21 | - | 251.05 | 62.62 | 101.25 |
| Total Intangible | 869.58 | 8.54 | - | 878.12 | 468.74 | 133.38 | - | 602.12 | 276.00 | 400.84 |
| Total | 2,314.88 | 180.59 | 3.33 | 2,492.15 | 1,099.36 | 365.29 | 2.49 | 1,462.15 | 1,030.00 | 1,215.52 |



Previous Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation/Amortisation | | | | Net Block | |
|----------------------------------|---------------------|---------------|--------------|---------------------|---------------------------------------|--|-----------------------------------|---------------------|---------------------|---------------------|
| | As at 01 April 2022 | Additions | Deletions | As at 31 March 2023 | As at 01 April 2022 | Depreciation/Amortisation for the year | Elimination on Disposal of Assets | As at 31 March 2023 | As at 31 March 2023 | As at 31 March 2022 |
| Tangible Assets | | | | | | | | | | |
| Lease Hold Improvements | 125.72 | - | 7.08 | 118.64 | 53.44 | 13.57 | 7.00 | 60.01 | 58.63 | 72.27 |
| Office and Other Equipment | 127.42 | 56.00 | 23.84 | 159.58 | 43.33 | 24.36 | 2.61 | 65.07 | 94.51 | 84.09 |
| Photographic and Sound Equipment | 0.92 | - | 0.01 | 0.91 | 0.40 | 0.25 | 0.01 | 0.63 | 0.28 | 0.53 |
| Electrical Fittings | 17.09 | 2.08 | 8.49 | 10.68 | 9.86 | 3.42 | 6.86 | 6.41 | 4.27 | 7.23 |
| Furniture and Fixtures | 201.62 | 169.98 | 21.50 | 350.10 | 63.63 | 38.44 | 15.95 | 86.13 | 263.97 | 137.99 |
| Air Conditioners | 9.18 | 14.46 | 0.15 | 23.49 | 3.99 | 0.89 | 0.15 | 4.73 | 18.76 | 5.20 |
| Temporary structures | 31.55 | - | - | 31.55 | 30.53 | 0.58 | - | 31.11 | 0.44 | 1.02 |
| Vehicles | 5.72 | 7.77 | 0.02 | 13.47 | 3.38 | 1.89 | 0.02 | 5.25 | 8.22 | 2.34 |
| Computers | 531.63 | 214.59 | 9.33 | 736.89 | 240.22 | 133.98 | 2.93 | 371.27 | 365.61 | 291.41 |
| Total - Tangible | 1,050.86 | 464.88 | 70.43 | 1,445.30 | 448.78 | 217.37 | 35.53 | 630.62 | 814.68 | 602.08 |
| Intangible Assets | | | | | | | | | | |
| Platforms and solutions | 554.16 | 4.33 | - | 558.49 | 154.33 | 104.57 | - | 258.90 | 299.59 | 399.83 |
| Computer Software | 296.65 | 16.07 | 1.63 | 311.09 | 174.65 | 36.82 | 1.63 | 209.84 | 101.25 | 122.00 |
| Total Intangible | 850.81 | 20.40 | 1.63 | 869.58 | 328.98 | 141.39 | 1.63 | 468.74 | 400.84 | 521.83 |
| Total | 1,901.67 | 485.28 | 72.06 | 2,314.88 | 777.76 | 358.76 | 37.16 | 1,099.36 | 1,215.52 | 1,123.91 |

Note: Refer note 15 for charge created on Property, plant and equipment.

5(b) RIGHT-OF-USE ASSETS

(Rs in lakhs)

| Particulars | Office Space | Furniture | Total |
|------------------------------------|-----------------|--------------|-----------------|
| Gross Block | | | |
| Balance as at 1 April 2022 | 3,527.85 | 12.29 | 3,540.14 |
| Additions | 1,914.15 | - | 1,914.15 |
| Disposals/Adjustments | (0.91) | - | (0.91) |
| Balance as at 31 March 2023 | 5,441.09 | 12.29 | 5,453.38 |
| Additions | 130.53 | - | 130.53 |
| Modification | - | - | - |
| Disposals/Adjustments | 0.37 | - | 0.37 |
| Balance as at 31 March 2024 | 5,571.99 | 12.29 | 5,584.28 |
| Accumulated Depreciation | | | |
| Balance as at 1 April 2022 | 1,481.00 | 5.56 | 1,486.56 |
| Depreciation Expense | 1,110.00 | 2.78 | 1,112.78 |
| Elimination on Disposals | - | - | - |
| Balance as at 31 March 2023 | 2,591.00 | 8.34 | 2,599.34 |
| Depreciation Expense | 1,126.43 | 2.78 | 1,129.21 |
| Elimination on Disposals | - | - | - |
| Balance as at 31 March 2024 | 3,717.43 | 11.12 | 3,728.55 |
| Net Block | | | |
| Balance as at 31 March 2023 | 2,850.09 | 3.95 | 2,854.04 |
| Balance as at 31 March 2024 | 1,854.56 | 1.17 | 1,855.73 |

Note: The lease contracts are held in the erstwhile name of the Holding Company R K SWAMY Private Limited and R.K. SWAMY BBDO Private Limited. For the subsidiaries the lease contracts are held in their respective names.

5(c) INVESTMENT PROPERTY

Current Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|-------------|---------------------|-----------|-----------|---------------------|--------------------------|---------------------------|-----------------------------------|---------------------|---------------------|---------------------|
| | As at 01 April 2023 | Additions | Deletions | As at 31 March 2024 | As at 01 April 2023 | Depreciation for the Year | Elimination on Disposal of Assets | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 |
| Building | - | - | - | - | - | - | - | - | - | - |

Previous Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|-------------|---------------------|-----------|-----------|---------------------|--------------------------|---------------------------|-----------------------------------|---------------------|---------------------|---------------------|
| | As at 01 April 2022 | Additions | Deletions | As at 31 March 2023 | As at 01 April 2022 | Depreciation for the Year | Elimination on Disposal of Assets | As at 31 March 2023 | As at 31 March 2023 | As at 31 March 2022 |
| Building | - | - | - | - | - | - | - | - | - | - |

Note:

- The Group does not own any Investment property as at 31 March 2024.
- During the current year the Group has sold the investment property and the profit on sale has been disclosed under the head "other income" in the Consolidated Statement of Profit and Loss. The fair value of the Group's investment property (net carrying value as per books is Rs. Nil (31 March 2023: Rs Nil)) at 31 March 2023 was Rs 97.47 lakhs. This has been arrived at on the basis of a valuation carried out at that date by an independent valuer not connected with the Group. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties.
- The investment property was pledged against credit facility obtained from bank which has been released during the year ended 31 March 2023.

6 INVESTMENTS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Non-current (Unsecured, Considered good) | | |
| Investment in Equity Instruments | | |
| i) In other entites | | |
| Fully Paid Equity Shares - Quoted (At Fair Value Through Profit and Loss) | | |
| Sundaram Brake Linings Limited 976 (31 March 2023: 976) equity shares of Rs.10 each | 6.63 | 2.76 |
| Apollo Tyres Limited 1,000 (31 March 2023: 1,000) equity shares of Rs.1 each | 4.66 | 3.20 |
| Ashok Leyland Limited 18,000 (31 March 2023: 18,000) equity shares of Rs.1 each | 30.83 | 25.06 |
| | 42.12 | 31.02 |
| Aggregate amount of quoted investments and market value thereof | 42.12 | 31.02 |
| Aggregate amount of unquoted investments | - | - |
| Total Non-current investments | 42.12 | 31.02 |
| Current (Unsecured, Considered good) | | |
| Investment in Mutual funds (At Fair Value Through Profit and Loss) | | |
| Nil units (31 March 2023 - 1,90,989.476 units) of Aditya Birla Sun Life Liquid Fund Daily IDCW - Regular Plan (Formerly known as Aditya Birla Sun Life Cash Plus) - Reinvestment | - | 191.36 |
| Nil units (31 March 2023 - 13,487.386 units) of Aditya Birla Sun Life Liquid Fund Growth (Formerly known as Aditya Birla Sun Life Cash Plus) | - | 48.53 |
| Nil units (31 March 2023 - 28.196 units) of HDFC Low Duration Fund - Regular Plan - Daily IDCW* | - | 0.00 |
| Nil units (31 March 2023 - 94.679 units) in HDFC liquid fund - Regular plan - IDCW - Daily reinvest | - | 0.97 |
| Total | - | 240.86 |
| Aggregate amount of quoted investments and market value thereof | - | 240.86 |
| Aggregate amount of unquoted investments | - | - |
| Total Current investments | - | 240.86 |

*less than 0.01 lakhs

7 LOANS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current | | |
| Loans receivable considered goods: unsecured | | |
| - to Others (refer note 7.2) | 100.00 | 100.00 |
| Less: Allowance for bad and doubtful loan | (25.00) | (25.00) |
| | 75.00 | 75.00 |
| Total | 75.00 | 75.00 |

7.1 Allowance for bad and doubtful loan

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Balance at the beginning of the year | 25.00 | 25.00 |
| Movement in loss allowance on receivables at life time expected credit losses / additional provision | - | - |
| Balance at the end of the year | 25.00 | 25.00 |

7.2 Details of loan given

(a) Related party loans were fully received back during the previous year ended 31 March 2023 with Interest at 9% (being the Government Bond rates) in respect of the said loans.

(b) Details of loans given, investments made and guarantees given covered under section 186(4) of the Companies Act, 2013:

Disclosures for investments made are included under note 6. For disclosures related to guarantees given, please refer note 36. Details of loan given are as below:

31 March 2024

| Particulars of loan given | Name of the entity | Amount given during the year | Amount outstanding as at the year end | Purpose for which loan is proposed to be utilised by the recipient |
|---------------------------|-----------------------------------|------------------------------|---------------------------------------|--|
| Inter corporate loan | El Tech Appliance Private Limited | - | 100.00 | Business Purpose |

31 March 2023

| Particulars of loan given | Name of the entity | Amount given during the year | Amount outstanding as at the year end | Purpose for which loan is proposed to be utilised by the recipient |
|---------------------------|------------------------------------|------------------------------|---------------------------------------|--|
| Inter corporate loan | Hansa Vision India Private Limited | 1,825.00 | - | Business Purpose |
| Inter corporate loan | El Tech Appliance Private Limited | - | 100.00 | Business Purpose |

8 OTHER FINANCIAL ASSETS (UNSECURED, CONSIDERED GOOD)

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Non-current | | |
| Security deposits | 63.12 | 32.15 |
| Rental Deposits | | |
| - Related parties | - | 366.79 |
| - Others | 351.88 | 453.61 |
| Other Deposits | 62.96 | 57.70 |
| Bank deposits with more than 12 months maturity [#] | 131.80 | 345.00 |
| Total | 609.76 | 1,255.25 |
| Current | | |
| Security deposits | 70.49 | 8.08 |
| Interest accrued on: | | |
| - Others | - | 2.74 |
| Rental Deposits: | | |
| - Related parties | 398.97 | 0.00 |
| - Others | 188.69 | 133.76 |
| Other deposits | 306.00 | 6.45 |
| Other receivables* | 240.92 | 69.19 |
| Advance to employees | 2.19 | 4.70 |
| Receivable from demerged company (refer note 42) | - | 178.47 |
| Expenses recoverable from related parties (refer note 36.3) | - | 66.97 |
| Total | 1,207.26 | 470.35 |

[#]Bank deposits of Rs 131.80 lakhs (31 March 2023: Rs 347.74 lakhs) are lien against overdraft facility, cash credit facility and bank guarantees issued. (also refer note 15.2)

*The Holding Company has incurred expenses towards its Initial Public Offering (IPO) of its equity shares. The Company is to recover certain amount from its shareholders as above.

9 NON-CURRENT TAX ASSETS (NET)

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Advance Income Tax and Tax Deducted at Source (Net of Provision for tax Rs. 2,615.88 lakhs; 31 March 2023 - Rs. 1,501.27 lakhs) | 2,079.87 | 1,043.71 |
| Total | 2,079.87 | 1,043.71 |

10 OTHER ASSETS (UNSECURED, CONSIDERED GOOD UNLESS OTHERWISE STATED)

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------------|------------------------|------------------------|
| Non-current | | |
| Prepaid expenses | - | 0.42 |
| Total | - | 0.42 |
| Current | | |
| Prepaid expenses | 730.24 | 727.85 |
| Advances to suppliers | 182.49 | 36.11 |
| Loans and Advances to employees | 66.54 | 46.41 |
| Unbilled Revenue (refer note 11.2) | 1,268.34 | 831.26 |
| Contract Asset (refer note 21.6) | 42.38 | - |
| Statutory dues - Input credit | 133.07 | 180.51 |
| Others | 14.05 | 35.50 |
| Total | 2,437.11 | 1,857.64 |

11 TRADE RECEIVABLES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Trade Receivables considered good - Unsecured | 13,301.96 | 20,471.20 |
| Trade Receivables which have significant increase in credit risk | 214.85 | 374.14 |
| | 13,516.81 | 20,845.33 |
| Less: Allowance for expected credit loss | 214.85 | 374.14 |
| Total | 13,301.96 | 20,471.19 |
| Of the above, trade receivables from: | | |
| - Related parties (refer note 36.3) | 478.45 | 163.06 |
| - Others | 13,038.36 | 20,682.27 |

11.1 The Group is making provisions on trade receivables based on Expected Credit Loss (ECL) Model. The reconciliation of ECL is as follows:

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Balance as at beginning of the year | 374.14 | 305.55 |
| Allowance for credit loss allowance recognised during the year | 36.95 | 68.59 |
| Allowance loss utilised towards debts written off | (196.24) | - |
| Balance as at end of the year | 214.85 | 374.14 |

Note: The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward - looking information. The expected credit loss allowance is based on the ageing of the receivables (other than related parties) from the date of the invoice/due date and the rates are given in the provision matrix as per which trade receivables aged (from date of invoice/due date) beyond 3 years are provided entirely, age of 2 to 3 years is provided 50%, age of 1 to 2 years at 25% and no provision is made upto 1 year. Additional provision, where required, has been made based on specific debtors and other conditions impacting recoverability. The Group believes that the carrying amount of allowance for expected credit loss with respect to trade receivables is adequate.

11.2 Trade Receivables ageing schedule

As at 31 March 2024

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from date of invoice/due date as applicable | | | | | | |
|--|-----------------|---|--------------------|-------------------|---------------|--------------|-------------------|------------------|
| | | Not due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | - | 744.47 | 12,201.24 | 259.95 | 80.70 | 15.60 | - | 13,301.96 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | - | - | - | 26.90 | 15.60 | 131.86 | 174.36 |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| (v) Disputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | 40.49 | 40.49 |
| (vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| Total trade receivables | - | 744.47 | 12,201.24 | 259.95 | 107.60 | 31.20 | 172.35 | 13,516.81 |
| Unbilled revenue (refer note 10) | 1,268.34 | - | - | - | - | - | - | 1,268.34 |
| Total | 1,268.34 | 744.47 | 12,201.24 | 259.95 | 107.60 | 31.20 | 172.35 | 14,785.15 |

As at 31 March 2023

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from date of invoice/due date as applicable | | | | | | |
|--|---------------|---|--------------------|-------------------|--------------|--------------|-------------------|------------------|
| | | Not due | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | - | 577.96 | 19,616.62 | 209.98 | 46.59 | 20.04 | - | 20,471.19 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | - | - | 0.06 | 15.69 | 23.60 | 293.66 | 333.00 |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| (iv) Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| (v) Disputed Trade receivables - which have significant increase in credit risk | - | - | - | - | 0.66 | - | 40.48 | 41.14 |
| (vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - | - |
| Total trade receivables | - | 577.96 | 19,616.62 | 210.04 | 62.94 | 43.64 | 334.14 | 20,845.33 |
| Unbilled revenue (refer note 10) | 831.26 | - | - | - | - | - | - | 831.26 |
| Total | 831.26 | 577.96 | 19,616.62 | 210.04 | 62.94 | 43.64 | 334.14 | 21,676.59 |

(a) The Holding Company maintains ageing based on the invoice date and not the due date of Invoice and Subsidiary Companies maintain ageing based on the due date of invoice.

(b) Trade receivables includes Rs 4,654.49 lakhs (31 March 2023: Rs 9,806.96 lakhs) receivables outstanding from customers constituting individually 5% or more of the total trade receivables.

(c) The average credit period on sales of services ranges from 30 to 60 days. No interest is charged on trade receivables up to the due date.

12 (a) CASH AND CASH EQUIVALENTS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------|------------------------|------------------------|
| Balances with Banks | | |
| - In current accounts** | 3,354.96 | 920.98 |
| - In EEFC accounts | 7.95 | - |
| - In deposit accounts | 1,552.52 | - |
| Cash on Hand | 1.91 | 2.45 |
| | 4,917.34 | 923.43 |

* Include Rs 1.21 lakhs (31 March 2023: Rs 1.21 lakhs) pertaining to 2 bank accounts which have become in-operative and the balance in these bank accounts has been transferred by the banks in financial year 2022-23 in Depositor Education and Awareness Fund (DEAF) as per DEAF scheme. The Management is in the process of claiming the balance and closing the bank accounts.

Include amount of Rs 663.88 lakhs held in Public offer account on account of IPO. The company will utilise this balance as per the Offer Document. (also refer note 47)

12 (b) OTHER BANK BALANCES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Balance with banks | | |
| - In Deposit Accounts with original maturity of more than three months but less than 12 months** | 11,626.41 | 443.87 |
| | 11,626.41 | 443.87 |

Includes Bank deposits of Rs 1,182.95 lakhs (31 March 2023: Rs 443.87 lakhs) lien against overdraft facility, cash credit facility and bank guarantees issued. (also refer note 15.2)

*The amount of Rs 10,443.48 lakhs as at 31 March, 2024 received from IPO proceeds has been temporarily invested in short term fixed deposits with Scheduled Commercial Bank as included above. (also refer note 47)

13 EQUITY SHARE CAPITAL

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Authorised | | |
| 6,00,00,000 Equity Shares of Rs. 5 each (31 March 2023 10,00,00,000 Equity Shares of Rs.10 each) (refer note below) | 3,000.00 | 1,000.00 |
| | 3,000.00 | 1,000.00 |
| Issued, Subscribed and Paid-up | | |
| 5,04,77,241 Equity Shares of Rs 5 Each (31 March 2023: 44,45,714 Equity Shares of Rs.10 each) fully paid up (refer note below) | 2,523.87 | 444.57 |
| Total | 2,523.87 | 444.57 |

Note:

(a) During the current year, pursuant to the resolution passed by the Board of Directors as on 21 July 2023 and the approval of shareholders granted in the extra-ordinary General meeting held on 25 July 2023:

- (i) the paid-up share capital of the Company has been sub-divided from the face value of Rs 10 per equity share to Rs 5 per equity share;

- (ii) the authorised share capital of the Company has been increased from Rs 1,000.00 lakhs divided into 1,00,00,000 equity shares of Rs 10 each to Rs 3,000.00 lakhs divided into 6,00,00,000 equity shares of Rs 5 each; and
- (iii) the Company has issued and allotted 3,55,65,712 fully paid up 'bonus shares' at par in proportion of 4 new equity shares of Rs 5 each for every one existing fully paid up equity share of Rs 5 each held on the record date of 25 July 2023. The Company has utilised General Reserves of Rs 1,778.29 Lakhs for issuing such bonus shares in accordance with the provisions of Companies Act, 2013 [refer note 13.6(ii)].

(b) Also refer note 47 for Initial Public Offer.

13.1 Reconciliation of Shares Outstanding at the beginning and at the end of the year

| Particulars | For the year ended 31 March 2024 | | For the year ended 31 March 2023 | |
|---|-------------------------------------|-------------------------|-------------------------------------|-------------------------|
| | Number of Shares | Amount (Rs.in lakhs) | Number of Shares | Amount (Rs.in lakhs) |
| At the beginning of the year | 4,445,714 | 444.57 | 4,080,000 | 408.00 |
| Less: Shares cancelled pursuant to Scheme of Arrangement (refer note below) | - | - | (4,080,000) | (408.00) |
| Add: Shares issued pursuant to Scheme of Arrangement (refer note below) | - | - | 4,445,714 | 444.57 |
| Add: Increase in number of shares on account of split (refer note 13(a)(i) above) | 4,445,714 | - | - | - |
| Add: Bonus Shares Issued during the year (refer note 13(a)(iii) above) | 35,565,712 | 1,778.29 | - | - |
| Add: Shares Issued through Initial Public Offer during the year (refer note 13 (b) above) | 6,020,101 | 301.01 | - | - |
| Outstanding at the end of the year | 50,477,241 | 2,523.87 | 4,445,714 | 444.57 |

Note:

- a) Pursuant to the Scheme of Arrangement, the Company has issued 44,45,714 new equity shares and cancelled 40,80,000 existing equity shares during the previous year ended 31 March 2023. The Company has given the effect of the Scheme in accordance of Appendix C of Ind AS 103. Please refer note 42 for further details.

13.2 Shares held by the Holding Company

The Company does not have Holding Company, hence relevant disclosures is not applicable (refer note 13.4)

13.3 Details of Shareholders holding more than 5% Shares in the Company

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|-------------------------|---------------------|-----------|---------------------|-----------|
| | Number of Shares | % Holding | Number of Shares | % Holding |
| Srinivasan K Swamy | 15,458,987 | 30.63% | 1,858,108 | 41.80% |
| Narasimhan Krishnaswamy | 15,960,287 | 31.62% | 1,858,108 | 41.80% |
| Evanston Pioneer Fund | 1,795,806 | 3.56% | 624,152 | 14.04% |

Note:

During the current year, Mr. Srinivasan K Swamy, Chairman and Managing Director and Promoter of the Company, and Mr. Narasimhan Krishnaswamy, Group CEO and Whole Time Director and Promoter of the Company, transferred 1,334,000 (3.00%) and 832,700 (1.87%) Equity Shares of Rs 5 each, respectively, to certain individuals by way of a gift, for no consideration as on 31 January 2024. Also refer note 13.4 and note 47 for change in shareholding of promoters.

13.4 Details of shares held by promoters

As at 31 March 2024

| S. No | Promoter name | 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 |
|--------------|-------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Srinivasan K Swamy | 1,858,108 | 13,600,879 | 15,458,987 | 30.63% | 11.17% |
| 2 | Narasimhan Krishnaswamy | 1,858,108 | 14,102,179 | 15,960,287 | 31.62% | 10.18% |
| Total | | 3,716,216 | 27,703,058 | 31,419,274 | | |

As at 31 March 2023

| S. No | Promoter name | 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 |
|--------------|------------------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Srinivasan K Swamy | 2,500 | 1,855,608 | 1,858,108 | 41.80% | 41.74% |
| 2 | Narasimhan Krishnaswamy | 2,500 | 1,855,608 | 1,858,108 | 41.80% | 41.74% |
| 3 | Hansa Vision India Private Limited | 2,647,000 | (2,647,000) | - | - | (100%) |
| Total | | 2,652,000 | 1,064,216 | 3,716,216 | | |

Note:

(a) The Equity Shares held by BBDO Asia Pacific Pte Limited (14,28,000 shares of Rs.10 each) were transferred to Hansa Vision India Private Limited ('HVIPL') during the year ended 31 March 2023. Similarly, shares held by Mr. Srinivasan K Swamy and Mr. Narasimhan K Swamy aggregating to 5,000 shares of Rs. 10 each were transferred to Hansa Vision India Private Limited on 21 April 2022. Accordingly, effective 21 April 2022, the holding company was Hansa Vision India Private Limited with 100% shareholding (including 1 share held by Mr. Srinivasan K Swamy as a nominee shareholder) in the Company. However, pursuant to the Scheme of Arrangement 40,80,000 Equity Shares held by Hansa Vision India Private Limited (including 14,33,000 Equity Shares acquired during the year ended 31 March 2023) have been cancelled during the year ended 31 March 2023. Hence, Hansa Vision India Private Limited ceases to continue as Holding Company w.e.f. 8 February 2023. Refer note 42 for further details.

b) Also refer note 13.3 and note 47 for change in shareholding of promoters.

13.5 Restriction of Rights

The Company has only one class of equity shares having a face value of Rs.5 per share. Each shareholder is entitled to one vote per equity share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

13.6 Shares issued for other than cash

- The Company has issued 4,445,714 equity shares having a face value of Rs 10 each during the previous year pursuant to the Scheme of Arrangement. Refer note 42 for further details.
- The Company has issued and allotted 3,55,65,712 fully paid up bonus shares at par in proportion of 4 new equity shares of Rs 5 each for every one existing fully paid up equity share of Rs 5 each held on the record date of 25 July 2023.

14 OTHER EQUITY

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| General Reserve | 143.09 | 1,921.38 |
| Securities Premium | 18,584.10 | 3,010.89 |
| Foreign currency translation reserve | (7.01) | (0.19) |
| Capital Reserve | (162.35) | (162.35) |
| Capital Redemption Reserve | 1.15 | 1.15 |
| Retained Earnings | 12,447.97 | 8,703.31 |
| Amalgamation adjustment deficit account | (9,395.95) | (9,395.95) |
| Share application money pending allotment | - | - |
| Total | 21,611.00 | 4,078.24 |

Note: Please refer Consolidated Statement of Changes in Equity for the movement

Nature and Purpose of Reserves**General Reserve**

General reserve represents appropriation of retained earnings and are available for distribution to the shareholders. The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.

Securities Premium

The amount received in excess of the face value of equity shares, is recognised as Securities Premium. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Foreign currency translation reserve

The Group recognised exchange differences arising on translation of the foreign operations in other comprehensive income and accumulated in Foreign currency translation reserve under Other Equity.

Capital Reserve

The Capital Reserve comprises reserve created on account of business combinations.

Capital Redemption Reserve

Capital Redemption Reserve represents amount pursuant to section 69 of the Companies Act, in relation to the shares bought back in the subsidiary company.

Retained earnings

Retained earnings represent surplus/accumulated earnings of the Company and are available for distribution to shareholders. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and considering the requirements of the Companies Act, 2013.

Amalgamation adjustment deficit account

Amalgamation adjustment deficit account arises on account of acquisition of equity interest in subsidiaries under common control transaction. For details please refer note 42 A.

Share application money pending allotment

Pursuant to the Scheme of Arrangement, the Holding Company has issued 4,445,714 new equity shares and cancelled 4,080,000 existing equity shares during the previous year. The Holding Company has given the effect of the Scheme in accordance of Appendix C of Ind AS 103 and restated comparative period financials in the previous year. Therefore, 365,714 equity shares (being additional number of equity shares) has been disclosed as share application money pending allotment in previous year and subsequently shares has been issued. Please refer note 42 for details.

15 BORROWINGS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Non-current | | |
| Rupee term loans, Secured | | |
| i) From bank | - | 16.76 |
| Total | - | 16.76 |
| Current | | |
| Unsecured, repayable on demand | | |
| Loans from Related Parties (Refer Note 36.3) | - | 411.25 |
| Current maturities of long term borrowings | | |
| Rupee term loans, Secured | | |
| i) From Bank | - | 22.35 |
| Total | - | 433.60 |

15.1 Terms of repayment

| Particulars | Sanction amount (in Rs. lakhs) | Loan outstanding | | Carrying rate of interest | | Repayment / Modification of terms |
|-------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------|-------------------------------------|---|
| | | 31 March 2024 (in Rs. lakhs) | 31 March 2023 (in Rs. lakhs) | 31 March 2024 | 31 March 2023 | |
| Working Capital Term Loan* | 67.06 | - | 39.12 | EBLR + 3.55% Spread | EBLR + 3.55% Spread | (Refer note 15.3) |
| Cash Credit (Axis Bank)# | 1,000.00 | - | - | - | Repo Rate + 4.35% (i.e.8.65%) | |
| Cash Credit (Yes Bank)# | 1,000.00 | - | - | EBLR + 3.35% spread | EBLR + 3.35% spread | |
| Overdraft# | 118.75 | - | - | 6% | 6% | |
| Cash Credit** | 900.00 | - | - | EBLR + 3.35% Spread | EBLR + 3.35% Spread | |
| Overdraft** | 135.00 | - | - | 7.60% | - | |
| Total | | - | 39.12 | | | |

#Cash Credit facility from Axis Bank was not operational as of 31 March 2024. It was discontinued on 06 September 2023.

15.2 Details of working capital and cash credit facilities by Holding Company:

a. Working capital facility from the Bank are secured by:

- First charge on the current assets and hypothecation of movable fixed assets and fixed deposits. (also refer note 8 & 12(b))
- An equitable mortgage of the property owned by a Director of the Holding Company and also by a corporate guarantee of Hansa Vision India Private Limited.

b. Interest on working capital facility ranges from 8.50% to 9.00% during the current year and 8.50% in previous year.

c. During the current year, the Company utilized short-term working capital facilities provided by HDFC Bank, which were fully repaid before the fiscal year-end. As of 31 March, 2024, the Company maintained a positive balance in its Cash Credit (CC) account.

15.3 Nature of security and terms of repayment for working capital term loan amounting to Nil (31 March 2023: Rs. 39.12 Lakhs) by one of the subsidiary - Hansa Customer Equity Private Limited

* Working Capital Term Loan under Emergency Credit Line Guarantee Scheme Loan from Yes Bank of Rs. 67.06 lakhs received during FY 2020-2021 repayable in 36 equated installments (after moratorium of 12 Months) from January 2022 with interest of EBLR + 3.55% spread per annum as at year ended 31 March 2024 (interest of EBLR + 3.55% spread per annum during the financial year ended 31 March 2023). The Loan is granted under emergency credit line guarantee scheme of national credit guarantee trustee company Limited in addition to exclusive charge on all present and future current assets and movable fixed assets. The secondary security is Liquid Collateral to the extent of 20% to be maintained. The Term Loan has been repaid in current financial year of 2023-24.

15.4 Nature of security and terms of repayment for secured borrowings for cash credit amounting to Nil (31 March 2023: Nil) by one of the subsidiary - Hansa Customer Equity Private Limited

** Cash credit facility having interest rate of EBLR plus 3.35% per annum during the financial year ended 31 March 2024 and EBLR plus 3.35% per annum during the financial year ended 31 March 2023 was availed from YES Bank Ltd. Cash credit, Working Capital Drawing Limit and Invoice Acceptance is primarily secured by way of exclusive charge on all present and future current assets, movable fixed assets and sole charge by way of pledge on UCITS/Mutual Fund. Liquid Collateral margin to the extent of 20% to be maintained.

** Overdraft facility against fixed deposit having interest rate of 7.60% per annum during the financial year ended 31 March 2024 was availed from ICICI Bank Ltd. The overdraft facility is secured against lien on fixed deposit of Rs.150 Lakhs which is deposited with ICICI Bank Ltd having interest rate of 7.1% per annum. (refer note 12b)

15.5 Nature of security and terms of repayment for secured borrowings for cash credit amounting to Nil (31 March 2023: Nil) by one of the subsidiary - Hansa Research Group Private Limited

#Security Details - Hypothecation Charge on the entire current assets of the company (including rent receivables), both present and future & property of erstwhile Holding company - Hansa Vision India Private Limited at Usha Sadan, Colaba Mumbai (basement & Flat).

#Security Details - Hypothecation Charges on current assets of the company and lien on fixed deposits of Rs. 200 Lakhs with Yes bank (20%).

15.6 Nature of security and terms of repayment for secured borrowings for overdraft amounting to Nil (31 March 2023: Nil) by one of the subsidiary - Hansa Research Group Private Limited

#Security Details - Lien on fixed deposits of Rs.125 Lakhs with ICICI bank (95%).

15.7 The Holding Company and its subsidiaries has been sanctioned working capital limits from bank on the basis of security of current assets. The quarterly returns or statements comprising information on book debt, ageing analysis of the debtors/other receivables and other stipulated financial information filed by the Holding Company and its subsidiaries for their respective facilities with such banks are in agreement with the unaudited books of account for the respective quarters and audited financial statements for the financial year end.

15.8 The terms and conditions laid down by the bank with respect of the above borrowing from bank contain certain stipulations / covenants which the Group has complied with. The bank also confirmed to the Group that the Group has complied with their lending terms as at 31 March 2024 and during the year the account is in good order.

15.9 Loan from related parties

Loans taken from related parties are unsecured and carries interest rate of 10% (31 March 2023: 9%) per annum. All the loans are repayable within one year from the reporting date.

16 PROVISIONS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------------|------------------------|------------------------|
| Non-current | | |
| Provision for employee benefits | | |
| Gratuity (Refer Note 31) | 265.60 | 244.28 |
| Compensated absences (Refer Note 31) | 60.32 | 48.56 |
| Total | 325.92 | 292.84 |
| Current | | |
| Provision for employee benefits | | |
| Gratuity (Refer Note 31) | 65.14 | 61.76 |
| Compensated absences (Refer Note 31) | 234.50 | 205.39 |
| Total | 299.64 | 267.15 |

17 OTHER LIABILITIES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|------------------------|------------------------|
| Current | | |
| Advance from Customers | 46.36 | 110.88 |
| Statutory dues | 2,069.89 | 465.75 |
| Deferred Revenue | 274.06 | 383.84 |
| Others | 3.41 | - |
| Total | 2,393.72 | 960.47 |

18 OTHER FINANCIAL LIABILITIES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------|------------------------|------------------------|
| Current | | |
| Book overdraft | 1,229.98 | 2,162.95 |
| Total | 1,229.98 | 2,162.95 |

19 TRADE PAYABLES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current | | |
| Trade Payables | | |
| - total outstanding dues of micro enterprises and small enterprises (Refer Note 28) | 597.73 | 555.61 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 8,579.73 | 19,153.80 |
| Total | 9,177.46 | 19,709.41 |

19.1 Trade Payables ageing schedule

As at 31 March 2024

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from invoice date/due date (as applicable) | | | | |
|-----------------------------|-----------------|--|--------------|--------------|-------------------|-----------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) MSME | - | 597.73 | - | - | - | 597.73 |
| (ii) Others | - | 7,168.09 | 35.70 | 13.71 | - | 7,217.50 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Unbilled | 1,362.23 | - | - | - | - | 1,362.23 |
| Total | 1,362.23 | 7,765.82 | 35.70 | 13.71 | - | 9,177.46 |

As at 31 March 2023

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from invoice date/due date (as applicable) | | | | |
|-----------------------------|---------------|--|--------------|-------------|-------------------|------------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) MSME | - | 555.61 | - | - | - | 555.61 |
| (ii) Others | - | 18,399.25 | 65.39 | 2.55 | 6.29 | 18,473.47 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Unbilled | 680.33 | - | - | - | - | 680.33 |
| Total | 680.33 | 18,954.86 | 65.39 | 2.55 | 6.29 | 19,709.41 |

Note: The Holding Company maintains ageing based on the invoice date and not the due date of Invoice and Subsidiary Companies maintain ageing based on the due date of invoice.

20 CURRENT TAX AND DEFERRED TAX

(i) Income Tax Expense

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| Current Income Tax Charge | 1,318.71 | 1,076.84 |
| Deferred Tax charge | 73.39 | 52.43 |
| Total Tax Expense for effective tax reconciliation | 1,392.10 | 1,129.27 |
| Prior year taxes | (7.67) | 2.91 |
| Deferred Tax - Other Comprehensive Income | (17.03) | (11.25) |
| Total Tax Expense recognised in Consolidated Statement of Profit and Loss | 1,367.40 | 1,120.93 |

(ii) Following is the analysis of the deferred tax asset presented in the Balance sheet.

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | | | |
|--|----------------------------------|-------------------------------|-------------------|-----------------|
| | Opening Balance | Recognised in Profit and Loss | Recognised in OCI | Closing Balance |
| Tax effect of items constituting deferred tax assets /(liability) | | | | |
| Gain on instruments measured at fair value through profit and loss | (7.69) | (2.79) | - | (10.48) |
| Provision for Employee Benefits | 198.53 | (27.67) | 17.03 | 187.87 |
| Right-of-use Assets | (727.17) | 262.02 | - | (465.15) |
| Financial assets carried at amortised cost | 41.69 | (15.40) | - | 26.29 |
| Carried forward loss and unabsorbed depreciation | 40.75 | (5.85) | - | 34.90 |
| Property, Plant and Equipment including Intangible Assets | 70.14 | 6.72 | - | 76.86 |
| Lease Liabilities | 763.94 | (248.81) | - | 515.13 |
| Provision for expected credit Loss - Trade Receivables | 95.68 | (41.60) | - | 54.08 |
| Provision for expected credit Loss- Loans | 6.29 | - | - | 6.29 |
| Net Deferred Tax Asset / (Liabilities) | 482.16 | (73.39) | 17.03 | 425.79 |

(Rs in lakhs)

| Particulars | For the year ended 31 March 2023 | | | |
|--|----------------------------------|-------------------------------|-------------------|-----------------|
| | Opening Balance | Recognised in Profit and Loss | Recognised in OCI | Closing Balance |
| Tax effect of items constituting deferred tax assets /(liability) | | | | |
| Gain on instruments measured at fair value through profit and loss | 11.18 | (18.87) | - | (7.69) |
| Provision for Employee Benefits | 204.03 | (16.75) | 11.25 | 198.53 |
| MAT credit entitlement | 4.75 | (4.75) | - | - |
| Right-of-use Assets | 16.26 | 10.20 | - | 26.46 |
| Financial assets carried at amortised cost | 30.20 | 11.50 | - | 41.69 |
| Carried forward loss and unabsorbed depreciation | 50.85 | (10.10) | - | 40.75 |
| Property, Plant and Equipment including Intangible Assets | 101.46 | (31.32) | - | 70.14 |
| Lease Liabilities | 17.87 | (7.53) | - | 10.34 |
| Provision for expected credit Loss - Trade Receivables | 86.77 | 8.90 | - | 95.68 |
| Provision for expected credit Loss- Loans | - | 6.29 | - | 6.29 |
| Net Deferred Tax Asset / (Liabilities) | 523.37 | (52.43) | 11.25 | 482.16 |

(iii) Effective tax reconciliation
(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Profit before tax | 5,356.91 | 4,258.18 |
| Income Tax using the Company's Domestic Tax rate (%) | 25.17% | 25.17% |
| Tax expenses basis applicable tax rate | 1,348.23 | 1,071.70 |
| Tax Effect of: | | |
| Effect of expenses that are not deductible in determining taxable profit | 14.31 | 11.82 |
| Effect of loss/(income) that are not taxable/allowed deduction (net) | 12.88 | (41.17) |
| Earlier year excess DTA reversal | - | 18.46 |
| Utilisation of earlier year losses | - | 11.97 |
| Tax effect on account of difference in tax rates at subsidiaries | 10.58 | 43.49 |
| Others | 6.10 | 13.01 |
| Income Tax recognised in the Consolidated Statement of Profit and Loss | 1,392.10 | 1,129.27 |

21 REVENUE FROM OPERATIONS
(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Revenue from contract with customers | | |
| Sale of services: | | |
| - Integrated Marketing Communication | 16,048.77 | 14,405.30 |
| - Customer Data Analytics and Marketing Technology (Mar Tech) | 8,855.53 | 7,863.77 |
| - Full-Service Market Research (including Customer Experience Measurement) and Syndicated Studies | 8,247.26 | 6,992.24 |
| Revenue from operations | 33,151.56 | 29,261.31 |

21.1 Revenue from operations is net of discount offered to customers of Rs Nil (31 March 2023:Rs.51.81 lakhs)

21.2 Reconciliation of revenue recognised to amounts billed
(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Gross amount billed/billable for media, advertisement and other similar contracts | 32,608.99 | 51,437.38 |
| Amount billed/billable for Film Production, research, analytics and other similar contracts | 31,230.10 | 26,552.84 |
| Gross Revenue from Operations | 63,839.09 | 77,990.22 |
| Less: Costs incurred related to media, advertisement and other similar contracts | (30,687.53) | (48,728.91) |
| Total revenue recognised for services rendered | 33,151.56 | 29,261.31 |



21.3 Disaggregation of revenue by time of revenue recognition

(Rs in lakhs)

| Major Category of Services | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Services transferred at a point in time | 1,891.47 | 2,708.47 |
| Services transferred over a period of time | 31,260.09 | 26,552.84 |
| Total | 33,151.56 | 29,261.31 |

21.4 Revenue from contracts with customers includes revenue from customers individually constituting more than 10% of the total revenue from contracts with customers of Nil for the year ended 31 March 2024 and Rs. 4,048.93 lakhs for the year ended 31 March 2023.

21.5 The Group receives payments from customers based upon contractual billing schedules; accounts receivable is recorded when the right to consideration becomes unconditional. The Group records unbilled revenue when revenue is recognised prior to billing or deferred revenue is recognised when revenue is recognised subsequent to invoicing. Details of contract assets represented by Trade receivables, Unbilled revenues and Deferred Revenue are disclosed in Notes 11, 10 and 17 respectively.

21.6 The Group has recognised contract asset for the costs related directly to a contract or to an anticipated contract that the Group can specifically identify for which performance obligation is not satisfied as on 31 March 2024. (Refer note 10)

22 OTHER INCOME

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Interest income earned on financial assets that are designated at amortised cost | | |
| -Bank deposits | 106.31 | 28.69 |
| - Loans to related parties | - | 265.62 |
| - Income tax refunds | 7.34 | 43.70 |
| - Financial assets carried at amortised cost | 75.51 | 75.35 |
| Dividend income | 11.38 | 10.24 |
| Export incentive | - | 40.51 |
| Foreign exchange gain (net) | 17.60 | 50.09 |
| Gain on sale of Investment property | 72.00 | - |
| Profit on sale of Property, Plant and Equipment (net) | 0.75 | 13.49 |
| Facility Sharing Income | 22.17 | 31.85 |
| Gain on lease modification/termination | 8.45 | 0.16 |
| Net gain arising on financial assets measured at FVTPL | 14.38 | 7.29 |
| Provisions / Miscellaneous balances written back | 46.64 | 157.01 |
| Miscellaneous Income | 5.06 | 10.49 |
| Total | 387.59 | 734.49 |



23 OPERATIONAL EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Production costs | 5,103.88 | 5,244.51 |
| Data Collection and ancillary expenses | 3,816.14 | 3,220.85 |
| Others | 966.86 | 838.00 |
| Total | 9,886.88 | 9,303.36 |

24 EMPLOYEE BENEFITS EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Salaries and Bonus | 10,916.60 | 9,881.18 |
| Contribution to Provident and Other Funds (Refer Note 31) | 666.16 | 615.14 |
| Staff Welfare Expenses | 286.80 | 212.01 |
| Total | 11,869.56 | 10,708.34 |

25 FINANCE COST

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---------------------------------------|-------------------------------------|-------------------------------------|
| Interest expenses on borrowings | 356.26 | 274.66 |
| Interest expense on lease liabilities | 220.83 | 286.38 |
| Total | 577.09 | 561.04 |

26 DEPRECIATION AND AMORTISATION EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Depreciation on Property, plant and equipments (Refer Note 5(a)) | 231.91 | 217.37 |
| Amortisation on Intangible assets (Refer Note 5(a)) | 133.38 | 141.39 |
| Depreciation on Right- of- use assets (Refer Note 5(b)) | 1,129.21 | 1,112.81 |
| Total | 1,494.50 | 1,471.57 |



27 OTHER EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Rent | 110.55 | 93.57 |
| Electricity expenses | 362.37 | 297.40 |
| Communication expenses | 153.89 | 152.38 |
| Office maintenance | 153.58 | 198.80 |
| Printing and stationery | 91.90 | 81.94 |
| Advertisement and sales promotion expenses | 71.86 | 67.05 |
| Repairs and Maintenance-Others | 287.10 | 279.21 |
| Rates and taxes | 26.22 | 61.63 |
| Insurance | 62.35 | 35.63 |
| Travelling and Conveyance | 266.04 | 248.26 |
| Legal & Professional fees | 519.51 | 339.34 |
| Auditors' Remuneration (Net of GST Input Credit)* | | |
| - Statutory Audit | 78.68 | 61.94 |
| - Other services | 3.73 | 2.75 |
| - Out of pocket expenses | 4.08 | 0.54 |
| Bad Debts written off | 213.79 | 1.11 |
| Less: Provision for expected credit loss utilised | (196.24) | - |
| Software expenses | 169.46 | 170.78 |
| Donations | - | 0.77 |
| Bank Charges | 83.20 | 56.28 |
| Loss on Foreign Exchange Fluctuation | - | 4.51 |
| Consultancy Fees | 1,319.96 | 1,137.28 |
| Interest on PF Trust obligation (Refer note 46) | (10.75) | (29.33) |
| Property, Plant and Equipment written off | - | 37.55 |
| Director sitting fees | 42.50 | 0.07 |
| Business Support costs | 24.90 | 16.48 |
| Recruitment expenses | 55.34 | 50.41 |
| Administrative expenses | 174.38 | 158.07 |
| Books, subscription and membership | 106.49 | 63.57 |
| Allowance for Expected credit loss | 36.86 | 67.48 |
| Corporate Social Responsibility expenses | 42.07 | 16.73 |
| Allowance for Doubtful Advance | - | 15.28 |
| Less: Provision for doubtful advance utilised | - | (15.28) |
| Miscellaneous Expenses | 100.39 | 21.11 |
| Total | 4,354.21 | 3,693.31 |

* Excludes payment to auditors of Rs 216.94 lakhs (March 31, 2023: Rs Nil) towards IPO related services.

28 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Based on and to the extent of information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| (a) Dues remaining unpaid to any supplier as at the end of the accounting year: | | |
| (i) Principal amount remaining unpaid | 597.73 | 555.61 |
| (ii) Interest due thereon remaining unpaid | | - |
| (b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year. | - | 3.83 |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act; | - | - |
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act. | - | - |

29 EARNINGS PER SHARE

Basic and Diluted Earnings Per Share

During the year, pursuant to resolution passed by our Board as on 21 July 2023 and the approval of shareholders granted in the extra-ordinary General meeting held on 25 July 2023:

- the paid-up share capital of the Company has been sub-divided from face value of Rs 10 per equity share to Rs 5 per equity share;
- the authorised share capital of the Company has been increased from Rs 1,000 Lakhs to Rs 3,000 Lakhs divided into 6,00,00,000 equity shares of Rs 5 each.
- the Company has issued and allotted fully paid up 'bonus shares' at par in proportion of 4 new equity shares of Rs 5 each for every one existing fully paid up equity share of Rs 5 each held on the record date of 25 July 2023. The Company has utilised General Reserves of Rs.1,778.29 Lakhs for issuing such bonus shares;
- the Company has issued and allotted 60,20,101 fully paid up equity shares of Rs 5 each via fresh issue through an initial public offering.

Post sub-division, issue of bonus shares and fresh issue, the issued, subscribed and paid-up equity share capital of the Company stood at Rs.2,523.87 Lakhs divided in 5,04,77,241 fully paid equity shares of Rs 5 each.

Considering the above capital structure changes, in accordance with IND AS 33 - Earnings per share, the earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Basic Earnings per share | 8.86 | 7.03 |
| Diluted Earnings per share | 8.86 | 7.03 |
| Profit for the year used in the calculation of basic and diluted earnings per share (in Rs. lakhs) | 3,972.48 | 3,126.00 |
| Weighted average number of equity shares | 44,836,489 | 44,457,140 |

30 LEASE LIABILITY

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------|------------------------|------------------------|
| Non-Current | 1,147.71 | 1,935.16 |
| Current | 899.05 | 1,063.31 |
| Total | 2,046.76 | 2,998.47 |

Movement in Lease Liabilities

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|------------------------------|--|--|
| Opening Balance | 2,998.47 | 2,184.82 |
| Modifications | (8.45) | (0.75) |
| Additions | 127.22 | 1,766.86 |
| Deletions | - | - |
| Finance Costs | 220.83 | 286.38 |
| Payment of Lease liabilities | 1,291.31 | 1,238.84 |
| Closing Balance | 2,046.76 | 2,998.47 |

Contractual Maturity of lease liabilities (undiscounted):

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------------|------------------------|------------------------|
| Less than one year | 1,037.75 | 1,274.65 |
| One to five years | 1,264.83 | 2,165.03 |
| More than five years | 26.73 | 44.60 |
| Total | 2,329.31 | 3,484.28 |

Amounts recognised in Profit or Loss

| Particulars | Disclosed in |
|--|--------------|
| Depreciation expenses | Note 26 |
| Finance Cost on Lease Liabilities | Note 25 |
| Gain on termination of leases | Note 22 |
| Rent expense - Short term/low value leases | Note 27 |

Amount recognised in Cash Flow

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--------------------|--|--|
| Total Cash outflow | 1,291.31 | 1,525.22 |

31 EMPLOYEE BENEFITS

31.1 Defined Contribution Plan

The Group makes Provident Fund and Employee's State Insurance Scheme (ESIC) contributions for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Group are at rates specified in the rules of the Schemes/Policy are as below:

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Employer's Contribution to Provident and other funds (including ESIC) | 574.82 | 521.14 |
| Total | 574.82 | 521.14 |

31.2 Defined Benefit Plans

The Group operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Group scheme applicable to the employee. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Group makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India. The following table sets out the status of the Gratuity scheme and the amount recognised in the financial statements as per the Actuarial Valuation done by an Independent Actuary:

These plans typically expose the Group to actuarial risks such as actuarial risk, investment risk, liquidity risk, legislative risk and interest risk.

| | |
|------------------|---|
| Actuarial Risk | The risks that benefits costs more than expected. All assumptions used to compute the liability and cash-flows are a source of risk. If actual experience turns out to be worse than expected experience - there could be a risk of being unable to meet the liabilities as and when they fall due. For example, if assumed salary growth rates turns out to be lesser than reality - this could cause a risk that the provisions are inadequate in comparison to the actual benefits required to be paid. |
| Investment Risk | There is a minimum investment return guaranteed to the Sponsor (LIC) (called the minimum floor rate) which is a non-zero positive percentage. Hence there is no market risk - risk due to reductions in the market value of the underlying investments backing the insurance policy of the Sponsor. Also there is a Guaranteed Surrender Value to the extent of 90% of contributions made net of withdrawals and charges. |
| Liquidity Risk | The investments are made in an insurance policy which is also very liquid - withdrawals can happen at any time. There is no Market Value adjustment imposed for withdrawals done by the Sponsor at an untoward time except whether amount withdrawn exceeds 25% of the opening balance at the beginning of the financial year. This can be easily managed by making multiple withdrawals to ensure that the amount withdrawn per transaction does not breach the limit above. Also note that there are no surrender charges after three years. During the first three years, the surrender charges are minimal. |
| Legislative Risk | There could be changes to Regulation/legislation governing this Plan that could affect the Group adversely (e.g. introduction of a minimum benefit). The changes in regulation could potentially increase the plan liabilities. |
| Interest Risk | A decrease in the interest rate will increase the plan liabilities, however this will be partially offset by an increase in the return of plan assets. |

In respect of the above plans, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2024 by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(a) Amount recognised in the Consolidated Statement of Profit and Loss and total comprehensive income in respect of the defined benefit plan are as follows: (Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Service Cost | | |
| - Current Service Cost | 80.61 | 81.35 |
| - Past Service Cost | - | - |
| - Net interest expense | 8.29 | 11.18 |
| Components of defined benefit costs recognised in Consolidated Statement of Profit and Loss (A)* | 88.90 | 92.52 |
| Remeasurement on the net defined benefit liability: | | |
| - Remeasurement of Plan Assets | 5.64 | (2.86) |
| - Actuarial loss/(gain) arising from changes in financial assumptions | 28.17 | (37.79) |
| - Actuarial loss arising from experience adjustments | 33.68 | 84.87 |
| - Actuarial (gain)/ loss arising from Demographic assumptions | (0.47) | 0.37 |
| Components of defined benefit costs recognised in other comprehensive income (B) | 67.02 | 44.59 |
| Total (A) + (B) | 155.92 | 137.11 |

* Excluding defined benefit costs of foreign subsidiaries amounting to Rs. 2.48 lakhs (31 March 2023: 0.69 lakhs)

(i) The current service cost and net interest expense for the year are included in the "Employee Benefit Expenses" line item in the Consolidated Statement of Profit and Loss under contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Net Asset/(Liability) recognised in the Consolidated Balance Sheet:* | | |
| Gratuity: | | |
| Present value of defined benefit obligation | 968.74 | 887.61 |
| Fair value of plan assets | 641.17 | 582.26 |
| (Deficit) | (327.57) | (305.35) |
| Non Current portion of the above | (262.43) | (305.35) |
| Current portion of the above | (65.14) | - |
| Total | (327.57) | (305.35) |

* Excluding obligation of foreign subsidiaries amounting to Rs. 3.17 lakhs (31 March 2023: Rs 0.69 lakhs)

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Present value of defined benefit obligation at the beginning of the year | 887.61 | 901.72 |
| Expenses Recognised in the Consolidated Statement of Profit and Loss: | | |
| Service Cost | | |
| - Current Service Cost | 80.61 | 82.13 |
| - Interest Cost | 60.93 | 47.76 |

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Recognised in Other Comprehensive Income | | |
| - Actuarial (Gain) / Loss arising from: | | |
| i. Financial Assumptions | 28.17 | (37.79) |
| ii. Experience Adjustments | 33.68 | 84.87 |
| iii. Demographic Assumptions | (0.47) | 0.37 |
| Transfer In/(Out) Obligation | 8.42 | - |
| Benefit payments | (130.21) | (191.45) |
| Present value of defined benefit obligation at the end of the year | 968.74 | 887.61 |

(d) Movement in fair value of plan assets are as follows:

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Fair value of plan assets at the beginning of the year | 582.26 | 669.29 |
| Expenses Recognised in the Consolidated Statement of Profit and Loss: | | |
| - Expected return on plan assets | 52.64 | 36.58 |
| Recognised in Other Comprehensive Income | | |
| Remeasurement (loss)/gain | (5.64) | 2.86 |
| Transfer In/(Out) Obligation | 8.42 | - |
| Contributions by employer | 133.70 | 64.20 |
| Benefit payments | (130.21) | (190.67) |
| Fair Value of Plan assets at the end of the year | 641.17 | 582.26 |

(e) Movement in Net defined benefit obligation

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Net defined benefit liability at the beginning of the year | 305.35 | 232.44 |
| Amount recognised in the Consolidated Statement of Profit and Loss | 88.90 | 92.52 |
| Amount recognised as Other Comprehensive Income | 67.02 | 44.59 |
| Actual contribution by the sponsor | (133.70) | (64.20) |
| Net defined benefit liability at the end of the year | 327.57 | 305.35 |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------------------------|------------------------|------------------------|
| Discount rate | 6.90% to 7.00% | 6.90% to 7.225% |
| Expected rate of salary increase | 6% to 8% | 4% to 7% |
| Expected return on plan assets | 4.20% to 7.14% | 4.20% to 6.12% |
| Attrition Rate | 14% to 45% | 14% to 45% |
| Retirement Age (in years) | 60 | 58 to 60 |
| Mortality * | IALM 2012-14 | IALM 2012-14 |

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

(g) Experience Adjustments**(Rs in lakhs)**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Projected Benefit Obligation | 968.74 | 887.61 |
| Fair Value of Plan Assets | 641.17 | 582.26 |
| Deficit | 327.57 | 305.35 |
| Experience Adjustments on Plan Liabilities -loss | 33.68 | 84.87 |
| Experience Adjustments on Plan Assets - (loss) / gain | (5.64) | 2.86 |

(h) Defined Benefit Obligation Sensitivity**(Rs in lakhs)**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------|------------------------|------------------------|
| DBO Changes | - | - |
| Discount Rate: +1% | (29.99) | (26.91) |
| Discount Rate: -1% | 32.14 | 28.75 |
| Salary Escalation Rate: +1% | 28.65 | 26.67 |
| Salary Escalation Rate: -1% | (27.57) | (25.83) |
| Attrition Rate: 25% Increase | (0.70) | 2.65 |
| Attrition Rate: 25% Decrease | 0.09 | (3.79) |

(i) Maturity Profile - Future Expected Payments**(Rs in lakhs)**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------|------------------------|------------------------|
| Year 1 | 145.40 | 140.40 |
| Year 2 | 104.16 | 109.39 |
| Year 3 | 133.71 | 82.65 |
| Year 4 | 81.37 | 109.94 |
| Year 5 | 55.05 | 62.04 |
| Years 6-10 | 170.48 | 149.85 |

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Best Estimate of contribution over the next year | 64.63 | 78.80 |
| Estimated term of liability in years (decrement-adjusted) | 4.86 | 4.80 |

(j) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------|------------------------|------------------------|
| Fund with LIC* | 100% | 100% |

* Defined Benefit Obligation w.r.t Hansa Customer Equity Private Limited and its Subsidiaries is not funded.

31.3 Compensated Absences

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|------------------------|------------------------|
| Assumptions | | |
| Discount Rate | 6.90% to 7.00% | 6.90% to 7.225% |
| Future Salary Increase | 6% to 8% | 4% to 7% |
| Attrition Rate | 14% to 45% | 14% to 45% |
| Mortality * | IALM 2012-14 | IALM 2012-14 |

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

The following table sets out the status of compensated absences and the amount recognised in Consolidated Balance Sheet and Statement of Profit and Loss:

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Expenses recognised during the year: | 41.59 | 39.62 |
| Provision as at the year end: | | |
| Non-current | 60.32 | 48.56 |
| Current | 234.50 | 205.39 |

32 SEGMENT REPORTING

Primary business segment

The Group has identified below operating segments for the purposes of resource allocation and assessment of performance focuses on these operating segments which are reported to the Chief Operating Decision Maker (CODM) of Holding Company:

1. Integrated Marketing Communication
2. Customer Data Analytics and Marketing Technology (MarTech)
3. Full-Service Market Research (including Customer Experience Measurement) and Syndicated Studies

Revenue and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reporting segment have been allocated on the basis of associated revenue of the segment or manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

The Group does not have material operations in foreign countries, hence information about geographical areas is not reported.

For the year ended 31 March 2024

(Rs in lakhs)

| Particulars | Integrated Marketing Communication | Customer Data Analytics and Marketing Technology (MarTech) | Full-Service Market Research (including Customer Experience Measurement) and Syndicated Studies | Total |
|---|--|--|---|------------------|
| Revenue from contract with customers - sales of service | 16,213.62 | 8,855.53 | 8,264.30 | 33,333.45 |
| Less: Inter -segment revenue | (164.85) | - | (17.04) | (181.89) |
| Total Revenue from Operations | 16,048.77 | 8,855.53 | 8,247.26 | 33,151.56 |

(Rs in lakhs)

| Particulars | Integrated Marketing Communication | Customer Data Analytics and Marketing Technology (MarTech) | Full-Service Market Research (including Customer Experience Measurement) and Syndicated Studies | Total |
|--|------------------------------------|--|---|------------------|
| Segment Results before tax | 4,056.49 | 1,099.42 | 778.09 | 5,934.00 |
| Finance Cost | | | | 577.09 |
| Profit Before Tax | | | | 5,356.91 |
| Less: Tax Expense | | | | 1,384.43 |
| Profit After Tax | | | | 3,972.48 |
| Other Comprehensive Income | | | | (56.81) |
| Total Comprehensive Income | | | | 3,915.67 |
| Other Information | | | | |
| Segment Assets | 29,616.27 | 6,251.50 | 3,740.58 | 39,608.35 |
| Segment Liabilities | 11,179.41 | 2,336.31 | 1,957.76 | 15,473.48 |
| Capital Expenditure | 63.10 | 62.32 | 185.70 | 311.12 |
| Depreciation and Amortisation | 545.73 | 702.91 | 245.86 | 1,494.50 |
| Non cash (income)/expenses other than depreciation (net) | 23.02 | 1.06 | 7.86 | 31.94 |

For the year ended 31 March 2023

(Rs in lakhs)

| Particulars | Integrated Marketing Communication | Customer Data Analytics and Marketing Technology (MarTech) | Full-Service Market Research (including Customer Experience Measurement) and Syndicated Studies | Total |
|--|------------------------------------|--|---|------------------|
| Revenue from contract with customers - sales of service | 14,405.30 | 7,869.29 | 7,018.05 | 29,292.64 |
| Less: Inter -segment revenue | - | (5.52) | (25.81) | (31.33) |
| Total Revenue from Operations | 14,405.30 | 7,863.77 | 6,992.24 | 29,261.31 |
| Segment Results before tax | 3,171.76 | 924.96 | 722.50 | 4,819.22 |
| Finance Cost | | | | 561.04 |
| Profit Before Tax | | | | 4,258.18 |
| Less: Tax Expense | | | | 1,132.18 |
| Profit After Tax | | | | 3,126.00 |
| Other Comprehensive Income | | | | (33.34) |
| Total Comprehensive Income | | | | 3,092.66 |
| Other Information | | | | |
| Segment Assets | 22,623.89 | 5,848.09 | 2,892.48 | 31,364.46 |
| Segment Liabilities | 22,301.55 | 2,830.57 | 1,709.53 | 26,841.65 |
| Capital Expenditure | 372.94 | 1,540.84 | 485.65 | 2,399.43 |
| Depreciation and Amortisation | 540.72 | 698.90 | 231.95 | 1,471.57 |
| Non cash (income)/expenses other than depreciation (net) | (53.04) | 19.89 | (2.43) | (35.58) |

33 FINANCIAL INSTRUMENTS

33.1 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt - leases, interest bearing loans and borrowings as reduced by cash and cash equivalents and excluding discontinued operations."

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------------|------------------------|------------------------|
| Borrowings (Current and Non-current) | - | 450.36 |
| Leases (Current and Non-current) | 2,046.76 | 2,998.47 |
| Less: Cash and cash equivalents | (4,917.34) | (923.43) |
| Net debt (A) | (2,870.58) | 2,525.40 |
| Capital (Total Equity) (B) | 24,134.87 | 4,522.81 |
| Net Debt + Capital (A+B) | 21,264.29 | 7,048.21 |
| Gearing ratio* [(A)/(A+B)] | Nil | 0.36 |

*Net debt position is negative as at 31 March 2024 hence represented as Nil.

34 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

34.1 Accounting classification and fair values

Categories of financial instruments

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Financial assets | | |
| Measured at Fair Value | | |
| <u>Investments</u> | | |
| Investment in Quoted Equity Instruments | 42.12 | 31.02 |
| Investment in Quoted Mutual Funds | - | 240.86 |
| Measured at Amortised Cost | | |
| Other Financial Assets (Current and Non-current) | 1,817.02 | 1,725.60 |
| Trade Receivables | 13,301.96 | 20,471.19 |
| Cash and Cash Equivalents | 4,917.34 | 923.43 |
| Other Bank Balances | 11,626.41 | 443.87 |
| Loans | 75.00 | 75.00 |
| Financial liabilities | | |
| Measured at amortised cost | | |
| Borrowings (Current and Non-current) | - | 450.36 |
| Trade Payables | 9,177.45 | 19,709.41 |
| Other Financial Liabilities (Current and Non-current) | 1,229.98 | 2,162.95 |

Some of the Group's financial assets and liabilities are measured at fair value at the end of the year. The following table gives information above how the fair values of these financial assets and liabilities are determined:

(Rs in lakhs)

| Particulars | Fair Value as at | | Fair Value Hierarchy | Valuation techniques and key inputs |
|----------------------|---------------------|---------------------|----------------------|-------------------------------------|
| | As at 31 March 2024 | As at 31 March 2023 | | |
| Financial assets | | | | |
| Investments | | | | |
| Quoted equity shares | 42.12 | 31.02 | Tier I | Quoted share price in active market |
| Quoted Mutual Funds | - | 240.86 | Tier I | Quoted NAV in active market |

Financial assets and financial liabilities that are not measured at fair value:

The Management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the financial statements approximate fair values and, accordingly, no disclosure of the fair value hierarchy is required to be made in respect of these assets/liabilities.

35 FINANCIAL RISK MANAGEMENT

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations. The Board of Directors and Risk Management Committee reviews and agrees policies for managing each of these risks, which are summarized below.

35.1 Market risk

The Group is exposed to market risks such as price, interest rate fluctuation and foreign currency rate fluctuation risks, capital structure and leverage risks.

35.2 Foreign Currency Risk Management:

The Group predominantly undertakes transactions in Indian rupees. The Group undertakes few transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Group does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Group.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

A. Balances outstanding

| Particulars | Currency | Amount as at 31 March 2024 | | Amount as at 31 March 2023 | |
|--------------------------------------|----------|------------------------------------|---------------|------------------------------------|---------------|
| | | Amount in Foreign Currency (Lakhs) | Rs in lakhs | Amount in Foreign Currency (Lakhs) | Rs in lakhs |
| Trade receivables | USD | 8.85 | 731.43 | 2.31 | 189.40 |
| | EURO | 0.49 | 44.47 | 0.57 | 50.72 |
| | SGD | 0.08 | 5.14 | - | - |
| | AED | 0.32 | 7.23 | 2.09 | 46.67 |
| | GBP | 0.40 | 41.89 | 0.06 | 6.53 |
| Trade payable | USD | 0.52 | 42.29 | 0.81 | 71.36 |
| Net Receivables (Rs in lakhs) | | | 787.87 | | 221.96 |

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

B. Foreign Currency Sensitivity Analysis

The Group is mainly exposed to currencies of USD.

The following table details the company's sensitivity to a 10% increase and decrease in the Indian Rupee against the relevant foreign currencies. 10% is in the rate in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in the foreign currency rates. A positive number below indicates an increase in profit or equity where the Indian Rupee strengthens 10% against the relevant currency. For a 10% weakening of the Indian Rupee against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

Net Receivables:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Impact on Consolidated Profit and Loss for the year | | |
| Increase by 10% | 78.79 | 22.20 |
| Decrease by 10% | (78.79) | (22.20) |
| Impact on Consolidated equity as at the end of the year | | |
| Increase by 10% | 58.96 | 16.61 |
| Decrease by 10% | (58.96) | (16.61) |

C. Remittance in foreign currency on account of dividends to non-resident shareholders

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Number of non-resident shareholders | 1 | - |
| Number of equity shares (shares of Rs.5 each) | 624,152 | - |
| Dividend (excluding withholding tax) (in lakhs) | 24.97 | - |

35.3 Liquidity Risk Management:

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company. The Group its surplus funds in bank fixed deposits which carry minimal mark to market rates.

Interest Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group does not have any long term debt as at reporting date.

The Group manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

Liquidity and Interest Risk Tables:

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

(Rs in lakhs)

| Non Derivative Financial Liabilities | Carrying amount | Contractual maturities | | | |
|---|-----------------|------------------------|------------------|--------------|-------------------|
| | | Total | Less than 1 year | 1 to 5 years | 5 years and above |
| As at 31 March 2024 | | | | | |
| Lease liabilities (Current and Non-current) | 2,046.76 | 2,329.31 | 1,037.75 | 1,264.83 | 26.73 |
| Trade Payables | 9,177.45 | 9,177.45 | 9,177.45 | - | - |
| Other Financial Liabilities (Current and Non-current) | 1,229.98 | 1,229.98 | 1,229.98 | - | - |
| Total | 12,454.19 | 12,736.74 | 11,445.18 | 1,264.83 | 26.73 |
| As at 31 March 2023 | | | | | |
| Lease liabilities (Current and Non-current) | 2,998.47 | 3,484.28 | 1,274.65 | 2,165.03 | 44.60 |
| Borrowings (Current and Non-current) | 450.36 | 450.36 | 433.60 | 16.76 | - |
| Trade Payables | 19,709.41 | 19,709.41 | 19,709.41 | - | - |
| Other Financial Liabilities (Current and Non-current) | 2,162.95 | 2,162.95 | 2,162.95 | - | - |
| Total | 25,321.19 | 25,807.00 | 23,580.61 | 2,181.79 | 44.60 |

The Group has sufficient current assets comprising of Trade receivables, Cash and cash equivalents, Other bank balances, Loans and other current financial assets to manage the liquidity risk, if any, in relation to current financial liabilities. Based on the contractual due dates of the loans from the related parties, the related parties will be settling amounts to enable the Group to meet its liabilities and the fact that the Group also has credit facilities with Banks, the Group believes that it has enough sources to meet its financial obligations as they fall due, in case of any deficit.

35.4 Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables, loans and other receivables

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the businesses periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. The Group establishes an allowance for doubtful receivables that represents its estimate of expected losses in respect of trade receivables, loan and other receivables (Refer note 11,7 and 8). The credit risk from Government agencies, which form a significant portion of the Group's revenue and receivables, is minimal considering the sovereign nature of the receivables.

Cash and cash equivalents

The Group maintains its cash and cash equivalents with creditworthy banks and reviews it on ongoing basis. The creditworthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

Other financial assets

Other financial assets are neither past due nor impaired. The loan to Hansa Vision Private Limited was fully realised during the previous year.

35.5 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

35.6 Offsetting of financial assets and financial liabilities

The Group does not offset financial assets and financial liabilities.

36 RELATED PARTY TRANSACTIONS

36.1 Names of Related Parties and Nature of Relationship

| Relationship | Name of Related Party |
|--|--|
| Subsidiaries | Hansa Research Group Private Limited* |
| | Hansa Customer Equity Private Limited# |
| | Dsquare Solutions Private Limited#\$ |
| | Hansa Direct Private Limited#\$ |
| | Autosense Private Limited#\$ |
| | Hansa Marketing Services LLC#\$ |
| | Hansa Marketing Services Private Limited#\$ |
| Companies under common control^ | Hansa Marketing Services Pte. Ltd. |
| | Hansa Estates Private Limited |
| | Hansa Holdings Private Limited |
| | Hansa Marketing Services Inc, USA |
| | Hansa Vision India Private Limited** |
| Key Management Personnel | Mr. Srinivasan K Swamy- Managing Director |
| | Mr. Narasimhan Krishnaswamy- Group Chief Executive officer and Whole time Director |
| | Mrs. Sangeetha Narasimhan - Whole time Director |
| | Mr Rajeev Newar - Group CFO (w.e.f. 5 July 2022) |
| | Mr Desikan Rajagopalan - Company Secretary |
| Relatives of Key Management Personnel^ | Mrs. Sruti Swamy |
| | Mr. Siddharth Swamy |
| | Mrs. Sudha Srinivasan |
| | Mrs. Vathsala Ravindran |
| Promoter Group^ | Mrs Vimala Ramanan |
| | Mrs Bhooma Parthasarathy |
| | Mrs Vathsala Ravindran |
| | Mrs Kala Santhanaraman |
| Firms/AOPs/Trusts/Companies in which directors are interested^ | Continued Medical Education Foundation of India |
| | Centre of Excellence For Clinical Studies |
| | Asian Society of Continuing Medical Education |

* Fellow subsidiary up till 28 July 2022

\$ Subsidiary through Hansa Customer Equity Private Limited

Parties whom there were transactions during the year

Fellow subsidiary up till 11 August 2022

**Holding Company up til 7 February 2023 (refer note 13.4) ^

36.2 Transactions with the Related Parties

(Rs in lakhs)

| Transaction | Related Party | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------------|---|-------------------------------------|-------------------------------------|
| Income | | | |
| Revenue from Operations | Asian Society of Continuing Medical Education | - | 33.58 |
| Revenue from Operations | Centre of Excellence for Clinical Studies | 9.95 | 39.64 |
| Revenue from Operations | Continued Medical Education Foundation of India | 26.09 | 134.02 |
| Revenue from Operations | Hansa Estates Private Limited | 0.58 | 0.54 |
| Revenue from Operations | Hansa Marketing Services Inc, USA | 414.93 | 70.59 |
| Revenue from Operations | Hansa Marketing Services Pte Ltd, Singapore | 63.56 | 5.86 |
| Revenue from Operations | Hansa Vision India Private Limited | - | 10.23 |
| Revenue from Operations | Hansa Holdings Private Limited | 45.00 | - |
| Facility sharing income | Centre of Excellence for Clinical Studies | 5.09 | - |
| Facility sharing income | Continued Medical Education Foundation of India | 17.09 | - |
| Interest income | Hansa Vision India Private Limited | - | 205.01 |
| Reimbursement of expenses recovered | Hansa Vision India Private Limited | - | 74.41 |
| Expenses | | | |
| Consultancy Services | Hansa Holdings Private Limited | - | 3.62 |
| Interest expense | Hansa Estates Private Limited | - | 6.22 |
| Interest expense | Hansa Vision India Private Limited | 8.69 | 38.65 |
| Office Expenses | Hansa Holdings Private Limited | - | 0.42 |
| Operational Expense | Hansa Holdings Private Limited | - | 1.72 |
| Receipt of services | Hansa Holdings Private Limited | 515.75 | 3.35 |
| Rent | Hansa Vision India Private Limited | 93.18 | 93.00 |
| Rent | Mrs. Sudha Srinivasan | 6.08 | 6.00 |
| Remuneration | Mr. Srinivasan K Swamy | 114.47 | 106.01 |
| Remuneration | Mr. Narasimhan K Swamy | 105.05 | 106.01 |
| Remuneration | Mrs. Sangeetha Narasimhan | 99.96 | 103.21 |
| Remuneration | Mr Rajeev Newar | 207.00 | 245.00 |
| Remuneration | Mr. Desikan Rajagopalan | 21.00 | 18.45 |
| Remuneration | Mrs. Sruti Swamy | 24.00 | 24.00 |
| Others | | | |
| Dividend Paid | Hansa Vision India Private Limited | - | 204.00 |
| Dividend Paid | Mr. Narasimhan Krishnaswamy | 74.32 | - |
| Dividend Paid | Mr. Srinivasan K Swamy | 74.32 | - |
| Dividend Paid | Promoter Group | 1.50 | - |
| Loan received | Hansa Estates Private Limited | - | 350.00 |
| Loan received | Hansa Vision India Private Limited | - | 833.00 |
| Loans given | Hansa Vision India Private Limited | - | 1,825.00 |
| Loans recovered | Hansa Holdings Private Limited | - | 3.37 |
| Loans recovered | Hansa Vision India Private Limited | - | 8,158.96 |
| Repayment of loan | Hansa Estates Private Limited | - | 350.00 |
| Repayment of loan | Hansa Vision India Private Limited | 411.25 | 421.75 |
| Short term advance given | Hansa Vision India Private Limited | - | 200.00 |
| Short term advance received | Hansa Vision India Private Limited | - | 200.00 |

36.3 Outstanding balances at the end of the year

(Rs in lakhs)

| Transaction | Related Party | As at 31 March 2024 | As at 31 March 2023 |
|--|---|------------------------|------------------------|
| Expenses recoverables | Hansa Vision India Private Limited | - | 66.97 |
| Other Financial Assets - Rental Deposit (FV) (Face Value of Deposit Rs. 425 lakhs (31 March 2023- Rs. 425 lakhs)) | Hansa Vision India Private Limited | 398.97 | 366.79 |
| Trade Receivables | Asian Society of Continuing Medical Education | - | 32.40 |
| Trade Receivables | Centre of Excellence for Clinical Studies | 11.74 | 21.62 |
| Trade Receivables | Continued Medical Education Foundation of India | 0.46 | 44.03 |
| Trade Receivables | Hansa Holdings Private Limited | 6.96 | - |
| Trade Receivables | Hansa Marketing Services Pte Ltd, Singapore | 42.51 | 5.86 |
| Trade Receivables | Hansa Marketing Services Inc, USA | 416.78 | 59.15 |
| Financial Liabilities - Loans | Hansa Vision India Private Limited | - | 411.25 |
| Trade Payables | Hansa Holdings Private Limited | 1.12 | 4.28 |

Notes:

- Hansa Vision India Private Limited has given corporate guarantee in earlier years to bank in favour of cash credit and working capital demand loan taken by the Company. The same is outstanding as at year end.
- The Holding Company has given corporate guarantee to the extent of Rs 1,000 lakhs in the previous year to bank in favour of loan taken by Hansa Research Group Private Limited. The same is outstanding as at year end.
- The Holding Company has given corporate guarantee of Rs 300 lakhs to bank in the current year in favour of loan taken by Hansa Customer Equity Private Limited from bank. The same is outstanding as at year end.
- Land held by one of the director has been pledged as collateral towards the working capital facilities obtained from the bank by the Holding Company.
- Compensation of key management personnel of the Holding Company are as below:

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------------|-------------------------------------|-------------------------------------|
| Short Term Employee Benefits | | |
| Mr. Srinivasan K Swamy | 114.47 | 106.01 |
| Mr. Narasimhan Krishnaswamy | 105.05 | 106.01 |
| Mrs. Sangeetha Narasimhan | 99.96 | 103.21 |
| Mr. Rajeev Newar | 207.00 | 245.00 |
| Mr. Desikan Rajagopalan | 21.00 | 18.45 |

37 CONTINGENT LIABILITIES, CLAIMS, COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) AND OTHER DISPUTES

37.1 Contingent Liabilities

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Claims against the Group not acknowledged as Debts: | | |
| Taxation matters | | |
| Income-tax | 651.75 | 323.43 |

37.2 Commitments

The Group has other commitments for purchase/sale orders which are issued considering the requirements per operating cycle for purchase/sale of services, employee benefits. The Company does not have any long-term commitments or material non-cancellable contractual commitments/contracts, which might have material impact on the financial statements.

38 WILFUL DEFAULTER

The Group has not been declared as a wilful defaulter by any bank, financial institutions or any other lender.

39 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

During the current and previous year the Group has not traded or invested in Crypto or Virtual Currency.

40 UNDISCLOSED INCOME:

There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

41 INFORMATION ON SUBSIDIARIES

| Name of the Company | Country of Incorporation | Shareholding % | |
|--|--------------------------|---------------------|---------------------|
| | | As at 31 March 2024 | As at 31 March 2023 |
| <u>(a) Investments in subsidiary Companies:</u> | | | |
| Hansa Research Group Private Limited | India | 100% | 100% |
| Hansa Customer Equity Private Limited* | India | 100% | 100% |

* Including Subsidiaries through Hansa Customer Equity Private Limited (refer note 36.1 and 42 A)

41.1 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises Consolidated as Subsidiary

For the year ended 31 March 2024

(Rs in lakhs)

| Name of the entity in the group | Net Assets, i.e., total assets minus total liabilities | | Share in Statement of Profit and Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---------------------------------------|--|------------------|---------------------------------------|-----------------|---|----------------|-------------------------------------|-----------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income | Amount |
| Parent | | | | | | | | |
| R K SWAMY Limited | 102% | 24,681.47 | 67% | 2,651.44 | 60% | (34.04) | 67% | 2,617.40 |
| Subsidiaries | | | | | | | | |
| Hansa Research Group Private Limited | 14% | 3,419.97 | 16% | 635.42 | 8% | (4.56) | 16% | 630.86 |
| Hansa Customer Equity Private Limited | 23% | 5,609.92 | 17% | 685.62 | 32% | (18.21) | 17% | 667.41 |
| Eliminations | -40% | (9,576.49) | 0% | - | 0% | - | 0% | - |
| | 100% | 24,134.87 | 100% | 3,972.48 | 100% | (56.81) | 100% | 3,915.67 |

For the year ended 31 March 2023

(Rs in lakhs)

| Name of the entity in the group | Net Assets, i.e., total assets minus total liabilities | | Share in Profit and Loss | | Share in Other Comprehensive Income | | Share in Total Comprehensive Income | |
|---------------------------------------|--|-----------------|--------------------------------------|-----------------|---|----------------|-------------------------------------|-----------------|
| | As % of consolidated net assets | Amount | As % of consolidated profit and loss | Amount | As % of consolidated other comprehensive income | Amount | As % of total comprehensive income | Amount |
| Parent | | | | | | | | |
| R K SWAMY Private Limited | 141% | 6,367.06 | 69% | 2,154.45 | 62% | (20.77) | 69% | 2,133.68 |
| Subsidiaries | | | | | | | | |
| Hansa Research Group Private Limited | 62% | 2,789.11 | 14% | 441.39 | -5% | 1.60 | 14% | 442.99 |
| Hansa Customer Equity Private Limited | 109% | 4,943.21 | 17% | 530.16 | 42% | (14.17) | 17% | 515.99 |
| Eliminations | -212% | (9,576.57) | 0% | - | 0% | - | 0% | - |
| | 100% | 4,522.81 | 100% | 3,126.00 | 100% | (33.34) | 100% | 3,092.66 |

Note: Also refer note 1, 2.2, 42A for details regarding acquisition of equity interest in subsidiaries and basis of consolidation.

41.2 Background on operations of subsidiaries

Hansa Customer Equity Private Limited is engaged in the business of providing Customer Data Analytics and Marketing Technology related service while Hansa Research Group Private Limited is engaged in the business of providing Full-Service Market Research service including Syndicated Research.

42 ACCOUNTING FOR THE SCHEME OF ARRANGEMENTS

The Board of Directors of Hansa Vision India Private Limited (Holding company before demerger) and Board of Directors of the R K SWAMY Limited at their respective meeting held on 8 November 2022, approved the Scheme of Arrangement of Demerger of the Marketing Communication and Allied Businesses division ("MARCOM" or "demerged undertaking") of Hansa Vision India Private Limited ("HVIPL" or "Demerged Company"), and transfer to the Holding Company ("Resulting Company") under section 233 read with section 230 to 232 of the companies Act, 2013, with effect from 1 September 2022, ("The Appointment Date") subject to obtaining necessary approvals of Regional Director (RD) at Chennai.

The said Scheme received the approval of the Regional Director and other statutory and regulatory authorities on 24 January 2023. The Scheme has become effective from 8 February 2023.

As per the share swap ratio approved by RD in its Order, the Holding Company (R K SWAMY Limited) has allotted Equity Shares in the ratio of 1,000 Equity Shares of Rs 10 each for every 6,660 Equity Shares of Rs 10 each held by the shareholders of HVIPL. Therefore, the Holding Company has issued 44,45,714 Equity Shares of Rs 10 each ("New Equity Shares") to Shareholders of HVIPL during the previous year ended 31 March 2023. Further, as per the Order, existing Equity Shares of the Holding Company held by HVIPL comprising of 40,80,000 shares (including 14,33,000 equity shares acquired during the previous year ended 31 March 2023) of Rs 10 each stand cancelled. Hence, HVIPL ceases to continue as Holding Company w.e.f. 8 February 2023.

The Merger is accounted as per the "pooling of interest" method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met. Further, previous year numbers have been restated as per the requirements of Ind AS 103 from the earliest period presented i.e 1 April 2021, as if the Appointed date is 1 April 2021. Accordingly, the carrying values of the assets and liabilities pertaining to the MARCOM Division as appearing in the financial statements of the Demerged Company have been recorded in the books of the Holding Company. All the transaction of MARCOM Division were carried out on behalf the HVIPL and the same is recorded as receivables from the Demerged Company. The said receivable have been fully received during the current year amounting to Rs.178.47 lakhs



Book value of assets and liabilities as on 1 April 2021 related demerged undertaking are as under:

(Rs in lakhs)

| Particulars | 1 April 2021 |
|---|---------------|
| Assets | |
| Property, Plant and Equipment | 48.99 |
| Deferred Tax Assets (net) | 22.24 |
| Trade receivables | 319.56 |
| Other Current Assets | 428.27 |
| (A) | 819.06 |
| Liabilities | |
| Non-current provisions | 4.43 |
| Trade payables | 893.91 |
| Other Current Liabilities | 92.27 |
| (B) | 990.62 |
| Net assets acquired C (A-B) | (171.55) |
| New Shares issued (D) | 444.57 |
| Cancellation of existing share capital of the Company (E) | 408.00 |
| Capital reserves (C-D+E) | (208.13) |

42 A ACQUISITION OF HANSA CUSTOMER EQUITY PRIVATE LIMITED AND HANSA RESEARCH GROUP PRIVATE LIMITED

In the year ended 31 March 2023, the Company had entered into separate share purchase agreement for the acquisition of Hansa Customer Equity Private Limited and Hansa Research Group Private Limited with the erstwhile Parent company, Hansa Vision India Private Limited. The Company bought the shares of the respective entities and thereby it became the wholly owned subsidiaries of the Company. Refer Note 1 and 2.2 for further details.

The Hansa Customer Equity Private Limited has 3 wholly owned subsidiaries of the Company namely, Autosense Private Limited, Dsquare Solutions Private Limited and Hansa Direct Private Limited.

The acquisition of subsidiary is accounted in these consolidated financial statements as per the “pooling of interest” method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met. Further, previous year numbers as on 31 March 2023 have been restated as per the requirements of Ind AS 103 from the earliest period presented, as per the requirements of Ind AS 103 as if the acquisition date is 1 April 2021. Accordingly, the carrying values of the assets and liabilities pertaining to the subsidiary and its subsidiaries as appearing in the standalone financial statements of the subsidiary Companies have been recorded in the books of the Company from the opening date i.e. 1 April 2021.

Book value of assets and liabilities as on 01 April 2021 related to subsidiary companies are as under:

(Rs in lakhs)

| Particulars | As at 01 April 2021 |
|---|---------------------|
| Assets | |
| Net assets acquired (A) | 127.02 |
| Consideration payable (B) | 9,557.77 |
| Non-Controlling Interest (C) | (34.80) |
| Amalgamation Adjustment Deficit account (A-B-C) (refer note 14) | (9,395.95) |

43 RATIO ANALYSIS AND ITS ELEMENTS

| Ratio | For the year ended 31 March 2024 | For the year ended 31 March 2023 | % variance | Reason for variance |
|--|-------------------------------------|-------------------------------------|----------------|---------------------|
| Current ratio (times) | 2.40 | 1.00 | 140.88% | Refer Note 1 |
| Debt- Equity Ratio (times) | 0.08 | 0.76 | (88.88%) | Refer Note 2 |
| Debt Service Coverage ratio (times) | 0.86 | 1.12 | (22.60%) | Refer Note 3 |
| Return on Equity ratio (%) | 27.72% | 101.54% | (72.70%) | Refer Note 4 |
| Inventory Turnover ratio (times) | * | * | Not Applicable | Not Applicable |
| Trade Receivables Turnover Ratio (times) | 3.78 | 3.96 | (4.47%) | Less than 25% |
| Trade Payables Turnover Ratio (times) | 3.11 | 2.92 | 6.69% | Less than 25% |
| Net Capital Turnover Ratio (times) | 3.26 | (680.83) | (100.48%) | Refer Note 5 |
| Net Profit ratio (%) | 11.98% | 10.68% | 12.17% | Less than 25% |
| Return on Capital Employed (%) | 16.94% | 28.95% | (41.50%) | Refer Note 6 |
| Return on Investment (%) | * | * | Not Applicable | Not Applicable |

* None to report

Formulae used for calculation:

- Current Ratio (times) = Current Assets / Current Liabilities
- Debt-Equity Ratio = Debt [Non-Current and Current Borrowings and Lease liabilities] / Equity [Equity Share Capital + Other Equity]
- Debt service coverage ratio = Earnings for Debt service/ Debt service
 Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
 Debt service = Interest & Lease Payments + Principal Repayments
 "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.
- Return on Equity Ratio = Net Profits after taxes /Average Shareholder's equity
- Trade Receivable Turnover (times) = Gross Billings / Average Trade Receivables (Simple Average: Opening + Closing)
- Trade Payable Turnover (times) = Net Credit Purchases / Average Trade Payables (Simple Average: Opening + Closing)
- Net Capital Turnover = Gross Billings / Working Capital (Current Assets - Current Liabilities)
- Net Profit Ratio = Net Profit After Tax /Revenue from Operations
- "Return on Capital employed = EBIT/ Capital Employed
 Capital Employed = Tangible Net Worth +Total Debt +Deferred Tax Liability

Reason For Variance (where variance > 25%)

- The Company's bank and other balances has increased significantly during the current year as a result of Initial Public Offering. Further, there is increase in Net receivables (Trade Receivables - Trade Payables) due to increase in operations in current year as compared to previous year. This has resulted in significant improvement in Current ratio.
- The Debt to Equity ratio of the company has improved due to increase in total equity of the company as a result of the Initial public offering. Additionally, the Company has repaid the related party loan of Rs 411.25 lakhs during the year and also there is a reduction of lease liability to the extent of Rs 951.71 lakhs.
- The Company has availed various short term working capital facilities during the current year and the same been repaid before the year end. This has resulted in a decrease in the Debt Service Coverage Ratio which is partially offset by improved earnings available for Debt service in current year.
- During the year, despite of increase in the profits the return on equity ratio has fallen down due to increase in the Average shareholder's equity as a result of Initial Public Offering.
- During the year the company's working capital has improved significantly as a result of capital raised via Initial Public Offer. This has resulted in improvement of Net Capital Turnover ratio.
- During the year despite of increase in the EBIT the return on Capital employed ratio has fallen down due to increase in the Average shareholder's equity as a result of Initial public offering.

44 UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

- a. The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries), or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- b. The Group has not received any fund from any person or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with the transactions of the Group during the year and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

45 DECLARATION AND PAYMENT OF DIVIDEND

Dividends paid during the year ended 31 March 2024 include an amount of Rs 4.00 per equity share towards dividend for the year ended 31 March 2023 amounting to Rs.177.83 lakhs. Dividends paid during the year ended 31 March 2023 include an amount of Rs 5.00 per equity share towards dividend for the year ended 31 March 2022 amounting to Rs.204 lakhs.

The Board of Directors at its meeting held on 24 May 2024 have recommended payment of dividend of Rs.2 per equity share of face value of Rs.5 each for the financial year ended 31 March 2024, amounting to Rs.1,009.54 lakhs. The proposed dividend is subject to approval by shareholders at the ensuing Annual General Meeting of the Company.

The Company has complied with provisions of Section 123 of Companies Act, 2013 with respect to declaration and payment of proposed dividend during respective years.

46 INVESTMENTS IN IL&FS SECURITIES BY PROVIDENT FUND TRUST ADMINISTERED BY THE COMPANY AND RELATED ACCOUNTING

The Holding Company had an exempted (exempted from the operation of the provisions of the Employees Provident Funds Scheme, 1952) Provident Fund (PF) Trust (Trust) which was administered by it and as per the trust deed, the Holding Company shall make good any deficiency in the interest rate declared by the Trust below the statutory limit as well as any loss on account of investments made by the Trust. The Holding Company had surrendered the exemption in the month of August 2019 and effective 1 October 2019, pursuant to an in-principle acceptance by the PF Department of the surrender of exemption subject to specified conditions, the Holding Company started making contributions to the fund administered by the Central Government of India for qualifying employees. Consequent to the surrender of exemption in August 2019, the Company initiated the process of transfer of investments held by the Trust in favour of the PF Department in September 2019 and had also committed to the PF Department that any losses on account of the investments held by the PF Trust would be borne by the Company. The PF Department had carried out a special audit of the PF Trust and the settlement process related to the surrender of exemption with the PF Department was completed in the current financial year ended 31 March 2022.

As part of the investments held by the PF Trust at the time of surrender, an amount of Rs. 331 lakhs were investments in the securities of Infrastructure Leasing & Finance Services Limited, in respect of which the proceedings before the National Company Law Appellate Tribunal (NCLAT) are ongoing since 2018-2019. The PF Department required the Holding Company to pay the amount of principal and the interest shortfall in respect of this investment and during the year ended 31 March 2022, the Holding Company has paid an amount of Rs. 417.14 lakhs to the PF Department, comprising of Rs. 331.00 lakhs of the principal portion and Rs. 86.44 lakhs being the interest/other charges for the period upto the date of settlement. The securities of IL&FS have been transferred in the name of the Holding Company in April 2022 and the Holding Company is awaiting the outcome of the proceedings before the NCLAT.

Considering the obligations of the Holding Company pursuant to the Trust Deed, the commitment to the PF Department that any losses on account of the investments held by the PF Trust would be borne by the Company and the ongoing proceedings relating to IL&FS at the NCLAT, the Holding Company has accounted for Rs. 331.00 lakhs as provision towards shortfall in realization of the principal value of investments (Provision for Expected PF Trust Loss) on grounds of

prudence and has debited the retained earnings on 1 April 2020, the earliest balance sheet presented, in respect of the same. Interest/other charges obligations upto 1 April 2020 of Rs. 29.54 lakhs has been accounted in retained earnings and interest differential for the periods ended 31 March 2021 and 31 March 2022 of Rs. 36.14 lakhs and Rs. 20.76 lakhs has been accounted in the Statement of Profit and Loss for these periods, respectively.

As part of ongoing proceeding before NCLAT, the Holding Company has received Rs. 10.75 lakhs (31 March 2023: Rs 29.33 lakhs) against the said investment which the Holding Company has accounted as income.

47 UTILISATION OF IPO PROCEEDS

The company has completed initial public offering (IPO) of Rs.42,356.00 lakhs (including fresh issue of Rs.17,300.00 lakhs) comprising of (i) equity shares of 58,79,751 each at an issue price of Rs.288 per share towards fresh issue of equity shares (ii) equity shares of 87,00,000 each at an issue price of Rs.288 per share towards offer for sale (iii) equity shares of 1,40,350 each at an issue price of Rs.261 per share for employee quota towards fresh issue. The equity shares of the company were listed on National Stock Exchange of India Limited and BSE Limited w.e.f 12 March, 2024. The Company has incurred issue expenses amounting to Rs. 4,127.22 lakhs. These expenses are borne by the Company and Selling Shareholders, in proportion of the Equity Shares issued by the Company and sold by each of the Selling Shareholders in the Offer for Sale and in accordance with Applicable Law amounting to Rs.1,667.48 and Rs. 2,459.74 respectively. The Company's share of expense of Rs.1,425.78 lakhs (excluding taxes) has been adjusted against Securities Premium as at 31 March 2024.

The utilisation of the net proceeds is summarised below:

| (Rs in lakhs) | | | |
|---|---|---------------------------------|--|
| Objects of the issue as per prospectus | Estimated amount to be utilised as per Prospectus | Utilization upto 31 March, 2024 | Unutilized amount as at March 31, 2024 |
| 1. Funding working capital requirements | 5,400.00 | 5,400.00 | - |
| 2. Funding capital expenditure incurred for setting up a DVCP Studio | 1,098.50 | - | 1,098.50 |
| 3. Funding investment in IT infrastructure development of Company, and its Material Subsidiaries Hansa Research and Hansa Customer Equity | 3,334.20 | - | 3,334.20 |
| 4. Funding setting up of new CEC and CATI | 2,173.60 | - | 2,173.60 |
| 5. General corporate purposes | 3,626.22 | - | 3,626.22 |
| Total net proceeds | 15,632.52 | 5,400.00 | 10,232.52 |

48 ADDITIONAL DISCLOSURES

(i) Title deeds of Immovable Properties not held in name of the Group:

The Group does not hold any immovable properties whose title deeds are not in the name of the Group (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee).

(ii) Loans or Advances:

The Group has not granted Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment,

(iii) Intangible Assets under Development:

No assets have been classified as intangible assets under development.

(iv) Details of Benami Property held:

No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(v) Relationship with Struck off Companies:

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(vi) Registration of charges or satisfaction with Registrar of Companies (ROC):

The Group does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.

(vii) Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

49 PREVIOUS YEAR COMPARATIVE

Previous year's numbers have been regrouped/reclassified, wherever necessary, to make them comparable with the figure of the current year.

50 OTHERS MATTERS

Information with regards to other matters specified in Schedule III of the Companies Act, 2013 are either Nil or not applicable to the Group.

For and on behalf of the Board of Directors

R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED AND R.K. SWAMY BBDO PRIVATE LIMITED)

CIN: L74300TN1973PLC006304

Srinivasan K Swamy

Chairman and Managing Director
DIN: 00505093
Place: Mumbai
Date: May 24, 2024

Desikan Rajagopalan

Company Secretary
Membership No: A28348
Place: Mumbai
Date: May 24, 2024

Narasimhan Krishnaswamy

Group Chief Executive Officer and Whole time Director
DIN: 00219883
Place: Mumbai
Date: May 24, 2024

Rajeev Newar

Group Chief Financial Officer
Place: Mumbai
Date: May 24, 2024

FORM AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part "A": Subsidiaries

All figures except exchange rates in Rs. Lakhs

| Sr. No. | Particulars | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---------|--|--------------------------------------|---------------------------------------|---|---------------------------|-----------------------------------|--------------------------------------|---|
| | | Direct Subsidiaries | | Step Down Subsidiaries, being subsidiaries of Hansa Customer Equity Private Limited | | | | |
| 1 | Name of the subsidiary/ Joint Venture/Associate Companies | Hansa Research Group Private Limited | Hansa Customer Equity Private Limited | Hansa Direct Private Limited | Autosense Private Limited | Dsquare Solutions Private Limited | Hansa Marketing Services LLC (Dubai) | Hansa Marketing Services Private Limited (Bangladesh) |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Not Applicable | | | | | | |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries. | INR | INR | INR | INR | INR | 1 AED= 22.7200 | 1 BDT= 0.7607 |
| 4 | Share capital | 108.20 | 52.67 | 1.00 | 490.00 | 19.50 | 163.90 | 76.10 |
| 5 | Reserves and Surplus | 3,311.77 | 5,264.74 | 398.15 | 163.77 | 525.74 | -130.62 | -14.90 |
| 6 | Total Assets | 5,402.52 | 8,323.74 | 599.20 | 903.77 | 562.52 | 49.81 | 95.75 |
| 7 | Total Liabilities | 1,982.55 | 3,006.36 | 200.05 | 250.00 | 17.28 | 16.53 | 34.55 |
| 8 | Investments | - | 1,400.13 | - | - | - | - | - |
| 9 | Turnover | 8,191.79 | 7,827.98 | 2,457.39 | 932.55 | 244.58 | 23.47 | 49.04 |
| 10 | Profit before taxation | 852.37 | 771.04 | 133.69 | 38.16 | 100.75 | -83.11 | -3.95 |
| 11 | Provision for taxation | 216.95 | 197.70 | 32.09 | 12.63 | 25.08 | - | 3.49 |
| 12 | Profit after taxation | 635.42 | 573.34 | 101.60 | 25.53 | 75.67 | -83.11 | -7.44 |
| 13 | Proposed Dividend | 216.40 | 210.67 | - | - | - | - | - |
| 14 | % of shareholding [#] | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

[#] including 1 equity shares each held by Mr. Srinivasan K Swamy and Ms. Sangeetha Narasimhan each as Nominee shareholder holding shares on behalf of the Company.

Note: Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as on March 31, 2024.

Names of subsidiaries which are yet to commence operations: - Not Applicable

Names of subsidiaries which have been liquidated or sold during the year: - Not Applicable

INTEGRATED MARKETING COMMUNICATION
ADVERTISING CREATIVE DIGITAL MEDIA
EVENTS & ACTIVATION MEDIA PLANNING & BUYING
DIGITAL CONTENT SOCIAL & RURAL COMMUNICATION
HEALTHCARE COMMUNICATION BRAND CONSULTING
CONTINUING MEDICAL EDUCATION
CUSTOMER DATA ANALYTICS
CUSTOMER EXPERIENCE - CX MARKETING TECHNOLOGY
CUSTOMER RELATIONSHIP MARKETING - CRM
MARKET RESEARCH QUANTITATIVE RESEARCH
QUALITATIVE RESEARCH SYNDICATED STUDIES
INTERNATIONAL RESEARCH
INTEGRATED MARKETING COMMUNICATION
ADVERTISING CREATIVE DIGITAL MEDIA
EVENTS & ACTIVATION MEDIA PLANNING & BUYING
DIGITAL CONTENT SOCIAL & RURAL COMMUNICATION
HEALTHCARE COMMUNICATION BRAND CONSULTING
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INTERNATIONAL RESEARCH
INTEGRATED MARKETING COMMUNICATION
ADVERTISING CREATIVE DIGITAL MEDIA

**STANDALONE
FINANCIAL
STATEMENTS**

INDEPENDENT AUDITOR'S REPORT

To The Members of R K SWAMY Limited (formerly known as R K SWAMY Private Limited and R.K. SWAMY BBDO Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of R K SWAMY Limited (formerly known as R K SWAMY Private Limited and R.K. SWAMY BBDO Private Limited) ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 ("ICAI") 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and 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 during the course of our 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.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 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 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, management and Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 financial controls 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 standalone 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in

aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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 financial controls 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 Section 143(3) of the Act, based on our audit 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity 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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our

information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 42 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.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 42 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 Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) 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 (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 44 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Based on our examination, which included test checks, the company has used an accounting software for maintaining its books of account for the year ended 31 March, 2024, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

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

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

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.008072S)

Ketan Vora
(Partner)
(Membership No.100459)
(UDIN: 24100459BKFATZ6445)

Mumbai
 May 24, 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of R K SWAMY Limited (formerly known as R K SWAMY Private Limited and R.K. Swamy BBDO Private Limited) (“the Company”) as at 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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. 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 the company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone 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 standalone financial statements was 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone 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 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all

material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.008072S)

Mumbai
 May 24, 2024

Ketan Vora
(Partner)
(Membership No.100459)
(UDIN: 24100459BKFATZ6445)

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

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

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) The Property, plant and equipment and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (i) (c) The company does not have any immovable properties, (other than properties included in Right of use assets in the standalone financial

statements where the Company is the lessee and the lease agreements are duly executed in favour of the Company) of freehold or leasehold land and building and hence reporting under clause (i)(c) of the Order is not applicable.

- (i) (d) The Company has not revalued any of its Property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (i) (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause(ii)(a) of the Order is not applicable.
- (ii) (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate, at points of time during the year, from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly and monthly returns or statements comprising information on

book debt filed by the Company with such bank are in agreement with the unaudited books of account of the respective quarters and no material discrepancies have been observed. The company has not been sanctioned working capital limits from any financial institution.

(iii)(a) The Company has not made investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii)(a) of the Order is not applicable.

(iii)(b) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii)(b) of the Order is not applicable.

(iii)(c) In respect of loans granted and advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations except for the following:

| Name of the entity | Nature | Amount (Rs. In lakhs) | Due date | Extent of delay |
|-----------------------------------|-----------|-----------------------|---------------|-----------------|
| El Tech Appliance Private limited | Principal | 100.00 | 7 March, 2021 | 1,120 days |

(iii)(d) In respect of following loans granted and advances in the nature of loans provided by the Company, which have been overdue for more than 90 days at the balance sheet date, as explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest:

| No. of cases | Principal amount overdue (Rs. in lakhs) | Interest overdue | Total Overdue (Rs. in lakhs) |
|--------------|---|------------------|------------------------------|
| 1 | 100.00 | - | 100.00 |

Refer note above in clause (iii)(c)

(iii)(e) No loans and advances in the nature of loans granted by the company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(iii)(f) According to information and explanations given to us and based on the audit procedures performed, 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 during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us and based on the audit procedures performed, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) Having regards to the nature of the Company's business/activities, reporting under clause (vi) of the order is not applicable.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with appropriate authorities though there has been a delay in remittance of Provident Fund, ESIC and Tax deducted at Source.

We have been informed that the provision of sales tax, duty of customs, duty of excise and value added tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub clause (a) above which have not been deposited as on 31 March 2024 on account of disputes are given below:

| Name of Statute | Nature of Dues | Amount (Rs. In lakhs)* | Forum where dispute is pending | Period to which the amount relates |
|----------------------|----------------|------------------------|--|------------------------------------|
| Income Tax Act, 1961 | Income Tax | 20.45 | Commissioner of Income Tax (Appeals)/ Assessing Officer (AO) | AY 2017-2018 |
| Income Tax Act, 1961 | Income Tax | 113.19 | Commissioner of Income Tax (Appeals)/ Assessing Officer (AO) | AY 2018-2019 |

| Name of Statute | Nature of Dues | Amount (Rs. In lakhs)* | Forum where dispute is pending | Period to which the amount relates |
|----------------------|----------------|------------------------|--|------------------------------------|
| Income Tax Act, 1961 | Income Tax | 57.97 | Commissioner of Income Tax (Appeals) | AY 2019-2020 |
| Income Tax Act, 1961 | Income Tax | 12.94 | Commissioner of Income Tax (Appeals) | AY 2020-2021 |
| Income Tax Act, 1961 | Income Tax | 21.40 | Commissioner of Income Tax (Appeals) | AY 2021-2022 |
| Income Tax Act, 1961 | Income Tax | 134.38 | Commissioner of Income Tax (Appeals)/ Assessing Officer (AO) | AY 2022-2023 |
| Income Tax Act, 1961 | Income Tax | 465.16 | Assessing Officer (AO) | AY 2023-2024 |

*Refer note 10(b) of the financial statements for which the above amount has not been refunded by the department on account of dispute.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.

(ix) (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(ix) (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence reporting under clause (ix)(c) of the Order is not applicable.

(ix) (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(ix) (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The company does not have any associates or joint ventures.

(ix) (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

(x) (a) In our opinion, moneys raised by way of initial public offer by the Company during the year, have been utilized by the Company for which they were raised, other than temporary deployment pending application of proceeds. Refer Note 47 of the financial statements.

(x) (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(xi) (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(xi) (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(xiv) (b) We have considered, the internal audit reports issued to the Company during the year and covering the period from April 2023 to December 2023, issued after the Balance Sheet date for the period under audit.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of its holding company, subsidiary companies or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 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. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (xvi) (b) According to the information and explanations provided to us, the Group does not have any core investment company as part of the Group and accordingly reporting under Clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

**For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.008072S)**

**Ketan Vora
(Partner)
(Membership No.100459)
(UDIN: 24100459BKFATZ6445)**

Mumbai
May 24, 2024

STANDALONE BALANCE SHEET AS AT 31 MARCH 2024

(Rs in lakhs)

| | Particulars | Notes | As at 31 March 2024 | As at 31 March 2023 |
|----------|--|--------------|---------------------|---------------------|
| A | ASSETS | | | |
| 1 | Non-current Assets | | | |
| | (a) Property, Plant and Equipment | 5(a) | 265.02 | 294.38 |
| | (b) Right-of-use Assets | 6 | 445.65 | 894.37 |
| | (c) Investment Property | 5(b) | - | - |
| | (d) Intangible Assets | 7 | 13.02 | 17.58 |
| | (e) Financial Assets | | | |
| | (i) Investments | 8 | 9,618.61 | 9,607.51 |
| | (ii) Other Financial Assets | 10(a) | 114.39 | 519.20 |
| | (f) Deferred Tax Assets (net) | 20 | 161.00 | 211.00 |
| | (g) Non-current Tax Assets (net) | 10(b) | 1,095.62 | 492.46 |
| | Total Non-current Assets | | 11,713.31 | 12,036.50 |
| 2 | Current assets | | | |
| | (a) Financial assets | | | |
| | (i) Trade Receivables | 12 | 9,915.19 | 17,908.62 |
| | (ii) Cash and Cash equivalents | 13(a) | 4,216.64 | 323.56 |
| | (iii) Bank Balances other than (ii) above | 13(b) | 10,860.29 | 401.74 |
| | (iv) Loans | 9 | 75.00 | 75.00 |
| | (v) Other Financial Assets | 10(a) | 1,215.94 | 634.88 |
| | (b) Other Current Assets | 11 | 1,279.87 | 1,019.16 |
| | Total Current Assets | | 27,562.93 | 20,362.96 |
| | Total Assets | | 39,276.24 | 32,399.46 |
| B | EQUITY AND LIABILITIES | | | |
| 1 | Equity | | | |
| | (a) Equity Share Capital | 14 | 2,523.87 | 444.57 |
| | (b) Other Equity | 15 | 22,156.98 | 5,922.49 |
| | Total Equity | | 24,680.85 | 6,367.06 |
| | Liabilities | | | |
| 2 | Non-current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Lease Liabilities | 30 | 206.84 | 498.05 |
| | (b) Provisions | 17 | 27.52 | 48.60 |
| | Total Non-current Liabilities | | 234.36 | 546.65 |
| 3 | Current Liabilities | | | |
| | (a) Financial Liabilities | | | |
| | (i) Borrowings | 16 | 3,198.55 | 4,136.25 |
| | (ii) Lease Liabilities | 30 | 291.74 | 437.40 |
| | (iii) Trade payables | 19 | | |
| | - Total outstanding dues of micro enterprises and small enterprises | | 522.94 | 535.35 |
| | - Total outstanding dues of creditors other than micro enterprises and small enterprises | | 6,986.69 | 17,799.83 |
| | (iv) Other Financial liabilities | 18(b) | 1,362.36 | 2,162.95 |
| | (b) Other Current Liabilities | 18(a) | 1,791.56 | 229.19 |
| | (c) Provisions | 17 | 207.19 | 184.78 |
| | Total Current Liabilities | | 14,361.03 | 25,485.75 |
| | Total Liabilities | | 14,595.39 | 26,032.40 |
| | Total Equity and Liabilities | | 39,276.24 | 32,399.46 |

See accompanying notes forming part of the standalone financial statements **1-50**

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No.: 008072S

For and on behalf of the Board of Directors
R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED
AND R.K. SWAMY BBDO PRIVATE LIMITED)
CIN: L74300TN1973PLC006304

Ketan Vora
Partner

Membership No.: 100459
Place: Mumbai
Date: May 24, 2024

Srinivasan K Swamy
Chairman and
Managing Director
DIN: 00505093
Place: Mumbai
Date: May 24, 2024

Narasimhan Krishnaswamy
Group Chief Executive Officer
and Whole time Director
DIN: 00219883
Place: Mumbai
Date: May 24, 2024

Desikan Rajagopalan
Company Secretary
Membership No: A28348
Place: Mumbai
Date: May 24, 2024

Rajeev Newar
Group Chief
Financial Officer
Place: Mumbai
Date: May 24, 2024



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2024

(Rs in lakhs)

| Particulars | | Notes | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------|--|-------|-------------------------------------|-------------------------------------|
| | Income | | | |
| 1 | Revenue from operations | 21 | 16,213.62 | 14,405.30 |
| 2 | Other income | 22 | 277.08 | 451.77 |
| 3 | Total Income (1+2) | | 16,490.70 | 14,857.07 |
| | Expenses | | | |
| | (a) Operational expense | 23 | 5,643.53 | 5,572.42 |
| | (b) Employee benefits expense | 24 | 3,703.99 | 3,235.50 |
| | (c) Other expenses | 27 | 2,299.44 | 2,089.52 |
| 4 | Total Expenses | | 11,646.96 | 10,897.44 |
| | Earnings before interest, tax, depreciation and amortisation (3-4) | | 4,843.74 | 3,959.63 |
| | (d) Finance costs | 25 | 750.90 | 541.77 |
| | (e) Depreciation and amortization expenses | 26 | 545.73 | 540.72 |
| 5 | Profit before Tax | | 3,547.11 | 2,877.14 |
| 6 | Tax Expense | | | |
| | (a) Current tax | 20 | | |
| | - Current year | | 835.32 | 692.00 |
| | - Prior years | | - | 6.30 |
| | (b) Deferred tax charge/(credit) | 20 | 61.18 | 24.39 |
| | | | 896.50 | 722.69 |
| 7 | Profit After Tax (5-6) | | 2,650.61 | 2,154.45 |
| | Other Comprehensive Income | | | |
| A | (i) Items that will not be reclassified to profit or loss | | | |
| | Remeasurement of the defined benefit plans | 31 | (44.37) | (27.75) |
| | (ii) Income tax related to items that will not be reclassified to profit or loss | 20 | 11.17 | 6.98 |
| B | (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income tax related to items that will not be reclassified to profit or loss | | - | - |
| 8 | Total other comprehensive (loss) for the year [A(i-ii)+B(i-ii)] | | (33.20) | (20.77) |
| 9 | Total comprehensive income for the year (7+8) | | 2,617.41 | 2,133.68 |
| 10 | Earnings per equity share of Rs.5 each | 29 | | |
| | Basic (in Rs) | | 5.91 | 4.85 |
| | Diluted (in Rs) | | 5.91 | 4.85 |

See accompanying notes forming part of the standalone financial statements
In terms of our report attached

1-50

For Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No.: 008072S

For and on behalf of the Board of Directors
R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED
AND R.K. SWAMY BBDO PRIVATE LIMITED)
CIN: L74300TN1973PLC006304

Ketan Vora
Partner

Membership No.: 100459
Place: Mumbai
Date: May 24, 2024

Srinivasan K Swamy
Chairman and
Managing Director
DIN: 00505093
Place: Mumbai
Date: May 24, 2024

Narasimhan Krishnaswamy
Group Chief Executive Officer
and Whole time Director
DIN: 00219883
Place: Mumbai
Date: May 24, 2024

Desikan Rajagopalan
Company Secretary
Membership No: A28348
Place: Mumbai
Date: May 24, 2024

Rajeev Newar
Group Chief
Financial Officer
Place: Mumbai
Date: May 24, 2024

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024

A. Equity share capital

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Balance as at beginning of the year | 444.57 | 408.00 |
| Changes in equity share capital during the year: | | |
| Less: Shares cancelled pursuant to the Scheme of Arrangement (refer note 45) | - | (408.00) |
| Add: Shares Issued pursuant to the Scheme of Arrangement (refer note 45) | - | 444.57 |
| Add: Bonus shares issued during the year (refer note no 14(a)(iii)) | 1,778.29 | - |
| Add: Shares Issued through Initial Public Offer ("IPO") during the year (refer note 14(b)) | 301.01 | - |
| Balance as at end of the year | 2,523.87 | 444.57 |

B. Other equity

(Rs in lakhs)

| Particulars | Share application money pending allotment | Reserves and surplus | | | | Total |
|--|---|----------------------|--------------------|-----------------|-------------------|-----------------|
| | | General Reserve | Securities Premium | Capital Reserve | Retained Earnings | |
| Balance as at 1 April 2022 | 36.57 | 1,921.38 | - | (208.13) | 2,279.55 | 4,029.37 |
| Share issued during the year pursuant to the Scheme of Arrangement (refer note 45) | (36.57) | - | - | - | - | (36.57) |
| Revised Balance as at 1 April 2022 | - | 1,921.38 | - | (208.13) | 2,279.55 | 3,992.80 |
| Profit for the year | - | - | - | - | 2,154.45 | 2,154.45 |
| Other comprehensive (loss), net of tax | - | - | - | - | (20.77) | (20.77) |
| Total comprehensive income for the year | - | - | - | - | 2,133.68 | 2,133.68 |
| Dividend paid during the year (refer note 44) | - | - | - | - | 204.00 | 204.00 |
| Balance as at 31 March 2023 | - | 1,921.38 | - | (208.13) | 4,209.23 | 5,922.48 |
| Profit for the year | - | - | - | - | 2,650.61 | 2,650.61 |
| Other comprehensive (loss), net of tax | - | - | - | - | (33.20) | (33.20) |
| Total comprehensive income for the year | - | - | - | - | 2,617.41 | 2,617.41 |

B. Other equity (Contd.)**(Rs in lakhs)**

| Particulars | Share application money pending allotment | Reserves and surplus | | | | Total |
|---|---|----------------------|--------------------|-----------------|-------------------|------------------|
| | | General Reserve | Securities Premium | Capital Reserve | Retained Earnings | |
| Bonus shares issued during the year (refer note 14(a)(iii)) | - | (1,778.29) | - | - | - | (1,778.29) |
| Premium arising on issue of equity shares through IPO (refer note 47) | - | - | 16,998.99 | - | - | 16,998.99 |
| Share issue expense on IPO (refer note 47) | - | - | (1,425.78) | - | - | (1,425.78) |
| Dividend paid during the year (refer note 44) | - | - | - | - | (177.83) | (177.83) |
| Balance as at 31 March 2024 | - | 143.09 | 15,573.21 | (208.13) | 6,648.81 | 22,156.98 |

Note : In accordance with the notification issued by Ministry of Corporate Affairs dated 24 March 2021, re-measurement of defined benefit plan shall be recognised as a part of retained earnings. Accordingly, re-measurement of defined benefit plan has been disclosed as part of retained earnings.

See accompanying notes forming part of the standalone financial statements

1-50

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration No.: 008072S

For and on behalf of the Board of Directors

R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED AND R.K. SWAMY BBDO PRIVATE LIMITED)

CIN: L74300TN1973PLC006304

Ketan Vora

Partner

Membership No.: 100459

Place: Mumbai

Date: May 24, 2024

Srinivasan K Swamy

Chairman and Managing Director

DIN: 00505093

Place: Mumbai

Date: May 24, 2024

Narasimhan Krishnaswamy

Group Chief Executive Officer and Whole time Director

DIN: 00219883

Place: Mumbai

Date: May 24, 2024

Desikan Rajagopalan

Company Secretary

Membership No: A28348

Place: Mumbai

Date: May 24, 2024

Rajeev Newar

Group Chief Financial Officer

Place: Mumbai

Date: May 24, 2024

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| A. Cash Flow From Operating Activities | | |
| Profit before tax | 3,547.11 | 2,877.14 |
| <i>Adjustments for:</i> | | |
| Interest Income on bank deposits | (70.90) | (17.19) |
| Interest Income on loans to related parties | - | (155.94) |
| Write back of liabilities | (24.16) | (146.92) |
| Finance costs | 750.90 | 541.77 |
| Depreciation and amortisation expense | 545.73 | 540.72 |
| Profit on sale of Property, Plant and Equipment including assets held for sale (net) | (0.70) | (12.98) |
| Profit on sale of Investment property | (72.00) | - |
| Bad debts written off (net of provision utilised) | 14.04 | - |
| Allowance for Expected credit loss (net) | 31.45 | 56.33 |
| Net gain arising on financial assets measured at FVTPL | (11.10) | (4.67) |
| Dividend Income | (0.46) | (0.19) |
| Interest income on financial assets carried at amortised cost | (43.91) | (45.98) |
| Property, Plant and Equipment written off | - | 37.55 |
| Operating Profit before Working Capital / Other Changes | 4,666.00 | 3,669.64 |
| <i>Adjustments for (increase)/decrease in operating assets:</i> | | |
| Trade Receivables | 7,947.94 | (1,131.89) |
| Non-current and Current Financial Assets | (127.62) | (524.62) |
| Other Non Current and Current Assets | (260.71) | 638.84 |
| <i>Adjustments for increase/(decrease) in operating liabilities:</i> | | |
| Trade Payables | (10,801.42) | (2,810.00) |
| Other current and non current financial Liabilities | (932.97) | 1,890.49 |
| Other Non-current and Current Liabilities | 1,562.38 | (55.74) |
| Non-current and Current Provisions | (43.04) | 29.04 |
| Cash Flow Generated from Operations | 2,010.56 | 1,705.76 |
| Income Tax Paid (net of refunds) | (1,438.48) | (571.76) |
| Net Cash Flow Generated From Operating Activities (A) | 572.08 | 1,134.00 |
| B. Cash Flow From Investing Activities | | |
| Purchase of Property, Plant and Equipment (including Intangible Assets) | (63.09) | (132.21) |
| Sale Proceeds on Property, Plant and Equipment (including Investment Property) | 72.70 | 36.16 |
| Interest Received on Bank deposits | 70.90 | 17.19 |
| Inter corporate loan received back (including interest) | - | 6,880.07 |
| Inter corporate loan given | - | (1,300.00) |
| Purchase of equity interest in subsidiaries | - | (9,557.27) |
| Placement of Bank deposits | (10,563.27) | (1,068.07) |
| Maturities of Bank deposits | 100.00 | 1,013.32 |
| Dividend Income Received | 0.46 | 0.19 |
| Net Cash (Used in) Investing Activities (B) | (10,382.30) | (4,110.62) |

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2024 (Contd.)

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| C. Cash Flow From Financing Activities | | |
| Dividend paid | (177.83) | (204.00) |
| Finance Cost Paid | (554.17) | (452.30) |
| Payment of lease liabilities | (501.22) | (506.21) |
| Proceeds from intercompany loan taken | 2,355.00 | 5,258.00 |
| (Repayment) of intercompany loan | (3,292.70) | (1,471.75) |
| Proceeds from current borrowings | 5,000.00 | 350.00 |
| (Repayment) of Current borrowings | (5,000.00) | (1,800.00) |
| Proceeds from issue of equity shares | 17,300.00 | - |
| Share issue expenses | (1,425.78) | - |
| Net Cash Generated from Financing Activities (C) | 13,703.30 | 1,173.74 |
| Net Increase/(Decrease) in Cash and Cash Equivalents (A) + (B) + (C) | 3,893.08 | (1,802.88) |
| Cash and Cash Equivalents at the Beginning of the Year (refer note 13(a)) | 323.56 | 2,126.44 |
| Cash and Cash Equivalents at the End of the Year (refer note 13(a)) | 4,216.64 | 323.56 |

Notes:

- The Standalone Statement of Cash Flow has been prepared under the indirect method as set out in the Indian Accounting Standard (Ind As 7) Statement of Cash Flows
- The above Standalone Statement of Cash Flow does not include impact of acquisition of business / division by Company and leases being non-cash transaction. Please refer note 30 and 45 for details.

See accompanying notes forming part of the standalone financial statements **1-50**

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Firm's Registration No.: 008072S

For and on behalf of the Board of Directors**R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED AND R.K. SWAMY BBDO PRIVATE LIMITED)**

CIN: L74300TN1973PLC006304

Ketan Vora

Partner

Membership No.: 100459

Place: Mumbai

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Date: May 24, 2024

Narasimhan KrishnaswamyGroup Chief Executive Officer
and Whole time Director

DIN: 00219883

Place: Mumbai

Date: May 24, 2024

Desikan RajagopalanCompany Secretary
Membership No: A28348

Place: Mumbai

Date: May 24, 2024

Rajeev Newar

Group Chief Financial Officer

Place: Mumbai

Date: May 24, 2024

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. GENERAL INFORMATION

R.K. Swamy BBDO Private Limited ('the Company') was incorporated in the year 1973 and the Company changed its name from R.K. Swamy BBDO Private Limited to R K Swamy Private Limited on 21 June, 2022. Further, the Company has changed its name from R K Swamy Private Limited to R K Swamy Limited based on the approval received from Registrar of Companies, Chennai on 17 July, 2023 and accordingly it has become a Public Limited Company w.e.f. 17 July, 2023. The Company has completed its Initial Public Offer ('IPO') during the year and its equity shares got listed on National Stock Exchange of India Limited and BSE Limited on 12 March, 2024. The Company has its registered office located at No.19, Wheatcrofts Road, Nungambakkam, Chennai-600034, Chennai, Chennai, Tamil Nadu, India, 600034

The Company is primarily engaged in the business of advertising in various media, such as television, newspaper, radio, outdoor and strategic media planning and buying; undertaking market research activities offering research and analytics solutions and customer analytics, developing and managing campaigns in the space of creative services, promotions, through appropriate media and rendering such other service and carrying out such other activity as may be relating to any of the above.

The Board of Directors of the Company at its meeting held on 08 November, 2022, approved the Scheme of Arrangement of Demerger of the Marketing Communication and Allied Businesses division ("MARCOM" or "demerged undertaking") of Hansa Vision India Private Limited ("HVIPL") (Transferor Company), its erstwhile parent company, with the Company ("Transferee Company") under section 233 read with section 230 to 232 of the companies Act, 2013, with effect from 01 September, 2022, ("The Appointment Date") subject to obtaining necessary approvals of Regional Director (RD) at Chennai. The said Scheme received the approval of the Regional Director and other statutory authorities on 24 January 2023. The Scheme has become effective from 8 February 2023.

2. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The Standalone Financial Statements of the Company comprises the Standalone Balance Sheet as at 31 March, 2024, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity for the year then ended and a summary

of material accounting policies and other explanatory information (together referred to as the "Standalone Financial Statements").

These Standalone Financial Statements have been prepared in accordance with the provision of the Companies Act, 2013 (the 'Act') to the extent notified. The Indian Accounting standards ("Ind AS") are prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Standalone Financial Statements have been prepared and presented under the historical cost convention, on accrual and going concern basis except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on fair value of the consideration given in exchange of goods and services.

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

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. 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: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date;

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); and

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs). Fair values are determined in whole or part using a valuation model based on assumptions that are neither supported

by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

The financial statements of the Company for the year ended 31 March 2024 were approved for issue in accordance with the Resolution passed by the Board of Directors at their meeting held on 24 May 2024.

A. Determination of Functional and presentation currency

The Financial Statements are presented in Indian Rupees and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

B. Current / Non-Current Classification

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

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

1. the asset/liability is expected to be realised/settled in the Company's normal operating cycle;
2. the asset is intended for sale or consumption;
3. the asset/liability is held primarily for the purpose of trading;
4. the asset/liability is expected to be realised/settled within twelve months after the reporting period;
5. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date; in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

C. Critical accounting judgements and key source of estimation uncertainty

In applying the Company's accounting policies, which are described in Note 3 below, the directors are required to make judgments (other than those involving estimations) that have significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The Management believes that the estimates and associated assumptions made in the preparation of these financial statements are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The following are the significant areas of estimation, uncertainty, and critical judgements in applying accounting policies:

1. Determination of the estimated useful lives of property, plant and equipment and intangible assets.

Useful lives of property, plant and equipment and intangible assets are based on the life prescribed in Schedule II of the Act. In cases, where the useful lives are different from those prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

2. Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, vested future benefits, attrition rate and life expectancy. The discount rate is determined by reference to market yields of the government bonds at the end of the reporting period. The period of maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations.

3. Income Taxes

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions. The provision for taxation for the current year has been determined by the Management based on the tax position to be considered for tax filing and its assessment of the probability of acceptance of the same by the taxation authorities.

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management assumes that taxable profits will be available while recognising deferred tax assets.

4. Recognition and measurement of provisions

The recognition and measurement of provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the Balance Sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

Critical judgements:

a) Application of Ind AS 115:

In making the judgement, the directors considered the detailed criteria for the recognition of revenue set out in Ind AS 115 and in particular determination of the nature and timing of satisfaction of performance obligations duly considering the terms of the contract and the assessment of the amount of revenue to be recognised based on whether the Company acts as a principal or an agent for the individual contracts.

b) Application of Ind AS 116:

i. Critical judgements in determining the lease term:
At inception of an arrangement, the Company determines whether the arrangement is or contains a lease. At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other considerations required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. In case of short-term and low-value leases, all payments under the arrangement are treated as lease payments.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs,

which affects this assessment, and that is within the control of the lessee.

ii. Determination of the discount rate:

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

D. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

3. MATERIAL ACCOUNTING POLICIES

1. Property, plant, and equipment

a. Recognition and measurement

Property, plant, and equipment is recognised when it is probable that future economic benefit associated with the asset will flow to the Company, and the cost of the asset can be measured reliably.

Items of property, plant and equipment are measured at original cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- i. its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- ii. any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by the management, are recognised in the Statement of Profit and Loss.

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, and depreciated over their respective useful lives.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

b. 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.

c. Depreciation

The Company has followed the Straight Line method for charging depreciation on all items of property, plant, and equipment, at the rates specified in Schedule II to the Act; these rates are considered as the minimum rates. If management's technical estimate of the useful life of the property, plant and equipment is different than that envisaged in Schedule II to the Act, depreciation is provided at a rate based on management's estimate of the useful life. The useful lives followed for various categories of property, plant and equipment are given below:

| Asset Category | Useful Life |
|----------------------------------|---------------------|
| Buildings | 10 years |
| Photographic and Sound Equipment | 8 years |
| Furniture and fixtures | 10 years |
| Electrical Fittings | 3 years to 10 years |
| Computers | 3 years |
| Office and other equipment | 5 years |
| Air conditioners | 10 years |
| Vehicles | 5 years to 8 years |

In respect of additions to/deductions from the assets, the depreciation on such assets is calculated on a pro rata basis from/upto the month of such addition/deduction. Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase/acquisition.

Leasehold improvements are amortised over the period of the lease.

2. Intangible-assets**a. Recognition and measurement**

Intangible assets, including software, which is acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

b. 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.

c. Amortisation

Intangible assets are amortised over their estimated useful life on straight line method. The amortisation period followed for intangible assets are:

| Intangible assets | Amortisation period |
|--|---------------------|
| Computer software costs relating to ERP System | 3 years |

3. Financial Instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

a. Financial Assets**i. Initial recognition and measurements:**

The Company recognises a financial asset in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset.

Where the fair value of the financial asset at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through a valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to change in factor that market participants take into account when pricing the financial asset.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

ii. Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria;

- The Company's business model for managing the financial asset and
- The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through other comprehensive income ('FVOCI')
- Financial assets measured at fair value through profit or loss ('FVTPL')

a) Financial assets measured at amortised cost:

A financial asset is measured at the amortised cost if both the following conditions are met:

- The Company's business model objective for managing the financial asset is to hold financial assets 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.

This category applies to cash and cash equivalents, other bank balances, trade receivables, loans and other financial assets of the Company. Such financial assets are subsequently measured at amortised cost using the effective interest method.

Under the effective interest rate method, the future cash receipts are discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal/repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at the amortised cost at each reporting date. The corresponding effect of the amortisation under effective interest method is recognised as interest income over the relevant period of the financial asset. The same is included under other income in the Statement of Profit and Loss.

The amortised cost of financial asset is also adjusted for loss of allowance, if any.

b) Financial asset measured at FVOCI:

A financial asset is measured at FVOCI if both of the following conditions are met:

- The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial asset, and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding.

This category applies to certain investments in debt instruments. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the other Comprehensive Income ('OCI'). However, the Company recognises interest income and impairment losses and its reversals in the Statement of Profit and Loss.

On derecognition of such financial assets, cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss. However, the Company may transfer such cumulative gain or loss into retained earnings within equity.

c) Financial asset measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortised cost or at FVOCI as explained above. This is a residual category applied to all other financial assets of the Company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognised in the Statement of Profit and Loss.

d) Investment in subsidiaries:

Investment in subsidiaries are measured at cost less impairment as per Ind AS 27 - 'Separate Financial Statements'.

Impairment of investments:

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

iii. Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is derecognised (i.e. removed from the Company's balance sheet) when any of the following occurs:

- The contractual rights to cash flows from the financial asset expires;
- The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients thereby substantially transferring all the risks and rewards of ownership of the financial asset; or
- The Company neither transfers nor retains substantially all risk and rewards of ownerships and does not retain control over the financial assets.

In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognise such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognises an associated liability. The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On Derecognition of a financial asset, (except as mentioned in b) above for financial assets measured at FVOCI), the difference between the carrying amount and the consideration received is recognised in the Statement of Profit and Loss.

iv. Impairment of financial assets:

The Company applies expected credit losses ('ECL') model for measurement and recognition of loss allowance on the following:

- a) Trade receivables and Contract assets
- b) Financial assets measured at amortised cost (other than Trade receivables and Contract assets)
- c) Financial assets measured at fair value through other comprehensive income (FVOCI)

In case of Trade receivables the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as (b) and (c) above), the Company determines if there has been a significant increase in credit risk of the financial assets since initial recognition, if the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured as recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12- month from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcome, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

As a practical expedient, the Company uses a provision matrix to measure lifetime ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL allowance (or reversal) recognised during the period is recognised as expense (or income) in the Statement of Profit and Loss under the head 'Other expenses (or Other Income)'.

b. Financial Liabilities

i. Initial recognition and measurements:

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, shall be subsequently measured at fair value.

Where the fair value of a financial liability at initial recognition is different from its transaction price, the difference between the fair value and the transaction price is recognised as a gain or loss in the Statement of Profit and Loss at initial recognition if the fair value is determined through a quoted market price in an active market for an identical asset (i.e. level 1 input) or through valuation technique that uses data from observable markets (i.e. level 2 input).

In case the fair value is not determined using a level 1 or level 2 input as mentioned above, the difference between the fair value and transaction price is deferred appropriately and recognised as a gain or loss in the Statement of Profit and Loss only to the extent that such gain or loss arises due to a change in factor that market participants take into account when pricing the financial liability.

ii. Subsequent measurement:

All financial liabilities of the Company are subsequently measured at amortised cost using the effective interest method.

Under the effective interest method, the future cash payments are exactly discounted to the initial recognition value using the effective interest rate. The cumulative amortisation using the effective interest method of the difference between the initial recognition amount and the maturity amount is added to the initial recognition value (net of principal repayments, if any)

of the financial liability over the relevant period of the financial liability to arrive at the amortised cost at each reporting date. The corresponding effect of the amortization under effective interest method is recognised as interest expense over the relevant period of the financial liability. The same is included under finance cost in the Statement of Profit and Loss.

iii. Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When the existing financial liability is replaced by another from the same lender or 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 between the carrying amount of the financial liability derecognised and the consideration paid is recognised in the Statement of Profit and Loss.

4. Cash and cash equivalents

The Company considers all highly liquid investments, which are readily convertible into known amounts of cash as cash and cash equivalents. Cash and cash equivalents in the Balance Sheet comprise of cash on hand, bank balances which are unrestricted for withdrawal and usage and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

5. Dividend

The Company recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

6. Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Finance costs are recorded using the effective interest rate method. All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

7. Provisions and Contingent Liabilities and Contingent Assets

A provision is recognised only when there is a present legal or constructive obligation as a result of a past event that probably requires an outflow of resources to settle the obligation and in respect of which a reliable estimate can be made. Provision is not discounted to its present value and is determined based on the best estimate required to settle the obligation at the Balance Sheet date. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

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 and Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date. Contingent Assets and related income are recognised when there is virtual certainty that inflow of economic benefit will arise.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

8. Revenue Recognition

Revenue recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. Revenue is recognised either when the performance obligation in the contract has been performed (point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer. The Company enters into contracts which have combinations of services which are generally capable of being distinct and are accounted as separate performance obligations.

The transaction price, being the amount to which the Company expects to be entitled and has rights to under the contract is allocated to the identified performance obligations. The transaction price will also include an estimate of any variable consideration based on the achievement of agreed targets. Variable consideration is not recognised until the performance obligations are met. Revenue is stated exclusive of Goods and Service tax and other taxes, which are subsequently remitted to the government authorities. Following are the revenue recognition principles for major streams of business:

- a. Commission Revenue in respect of advertisements placed with media by the Company on behalf of its clients (net of trade discount, as applicable) is recognised on telecast or publishing of the advertisements.
- b. Revenue from creative jobs and other media related services is recognised at a point in time or over a period based on assessment of the terms of respective agreements.

The amount of revenue recognised depends on whether the Company acts as an agent or as a principal.

Certain arrangements with customers are such that the Company's responsibility is to arrange for a third party to provide a specified good or service to the customer. In these cases the Company is acting as an agent as the Company does not control the relevant good or service before it is transferred to the client. When the Company acts as an agent, the revenue recorded is the net amount retained. Costs incurred with external suppliers (such as production costs and media suppliers) are excluded from revenue and recorded as work in progress until billed.

The Company acts as principal when the Company controls the specified good or service prior to transfer. When the Company acts as a principal, the revenue recorded is the gross amount billed. Billings related to out-of-pocket costs such as travel are also recognised at the gross amount billed with a corresponding amount recorded as an expense.

9. Other Income

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

Dividend income is recognised when the right to receive the amount is established.

10. Employee benefits

a. **Defined contribution plans**

Provident Fund: Contribution towards provident fund is made to the regulatory authorities. 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 and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Employee State Insurance: Fixed contributions towards contribution to Employee State Insurance etc. are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and where services are rendered by the employees.

b. **Defined Benefit Plans**

Gratuity: The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972 as amended. The Gratuity Plan provides a lump sum payment to vested employees at the time of separation, retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period by an independent Actuary. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in the Statement of profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- i. Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- ii. Net interest expense or income; and
- iii. Remeasurements

The Company presents the service costs in profit or loss in the line item 'Employee benefits expense'. Net interest expense or income is recognised within employee benefit expenses (refer note 31). Curtailment gains and losses are accounted for as past service costs.

Remeasurement, comprising actuarial gains and losses, (excluding net interest), recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the Company recognises any related restructuring costs.

c. Long Term Employee Benefits:

The Company accounts for its liability towards compensated absences based on actuarial valuation done as at the Balance Sheet date by an independent actuary using the Projected Unit Credit Method. The liability includes the long-term component accounted on a discounted basis and the short-term component which is accounted for on an undiscounted basis.

d. Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.

11. Foreign currency transactions

Income and expenses in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are recognised in the Statement of Profit and Loss.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

12. Taxation

Income tax expense comprises current tax expense and the net change in deferred taxes recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

a. Current tax

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of expense or income that are taxable or deductible

in other years and it further excludes items that are never taxable or deductible. The Company's liability for tax is calculated using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if, the Company:

- i) has a legally enforceable right to set off the recognised amounts; and
- ii) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

b. 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 amounts used for taxation purposes. Deferred tax is not recognised for temporary differences 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.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at 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.

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable Company.

Deferred tax asset / liabilities in respect of temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred

tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. Deferred tax assets on unabsorbed tax losses and tax depreciation are recognised only to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for business combination, the tax effect is included in the accounting for the business combination.

A new section 115BAA was inserted in the Income Tax Act, 1961, by The Government of India on September 20, 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions / conditions defined in the said section. The provisions of MAT are also not applicable upon exercising this option. The Company has availed this option.

13. Lease (Where the Company is the lessee)

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise of fixed lease payments (less any lease incentives), variable lease payments, penalties, etc.

The lease liability is presented as a separate line in the Balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or changes in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is measured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the combination.

The Company has made such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under Ind AS 37. The costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset.

The right-of-use assets are presented as a separate line in Balance sheet. The Company applies Ind AS 36 Impairment of Assets to determine whether a right-of-use asset is impaired.

14. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the year, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each year presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

15. Segment Reporting

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

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue, expenses, assets and liabilities

which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

Changes are made to the segment reporting, wherever necessary, based on the change in the business model duly considering the above factors.

16. Impairment of non-financial assets

The Company assesses at each reporting dates as to whether there is any indication that any Property, Plant and Equipment or Other Intangible assets or Investment Property or other class of an asset or Cash Generating Unit ('CGU') may be impaired. If any such indication exists, the recoverable amount of the assets or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognized in the Statement of the Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

17. Events after reporting date

Where events occurring after the balance sheet date till the date when the financial statements are approved by the Board of Directors of the Company, provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the reporting balance sheet date of material size or nature are only disclosed.

18. Non-Current Assets held for Sale

Non-Current Assets classified as held for sale are measured at the lower of the carrying amount and fair value less cost of disposal. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify as a completed for recognition as a completed sale within one year from the date of classification.

19. Statement of Cash Flows

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

20. Goods and Service Tax Input Credit

Goods and Service Input Credit is accounted for in the books during the period in which the underlying service received is accounted and where there is no uncertainty in availing/utilizing the same.

21. Related party transactions

Related party transactions are accounted for based on terms and conditions of the agreement / arrangement with the respective related parties. These related party transactions are determined on an arms-length basis and are accounted for in the period in which such transactions occur and adjustments if any, to the amounts accounted are recognised in the period of final determination.

There are common costs incurred by the Holding Company / Other Group Companies on behalf of various entities in the group including the Company. The cost of such common costs are allocated among beneficiaries on appropriate basis and accounted to the extent debited separately by the said related parties.

22. Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in Statement of Profit and Loss in the period of derecognition. Depreciable investment properties have been ascribed a useful life in the range of 30 years.

23. Earnings before interest, tax, depreciation and amortisation ("EBITDA")

The Company presents EBITDA in the Statement of Profit and Loss; this is not specifically required by Ind AS 1. The term EBITDA is not defined in Ind AS. Ind AS compliant Schedule II allows line items,

sub-line items and sub-totals to be presented as an addition or substitution on the face of the Financial Statements when such presentation is relevant to an understanding of the Company's financial position or performance or to cater to industry/sector-specific disclosure requirements or when required for compliance with the amendments to the Companies Act or under the Indian Accounting Standards.

Measurement of EBITDA:

Accordingly, the Company has elected to present earnings before interest, tax, depreciation and amortisation (EBITDA) before exceptional items as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA before exceptional items on the basis of profit/(loss) from continuing operations including other income. In its measurement, the Company does not include exceptional items, depreciation and amortisation expense, finance costs, and tax expense.

24. Business Combinations of entities or businesses under common control

Business combinations involving entities or businesses under common control are accounted for using the pooling of interest method. The assets and liabilities of the transferor entity or business are accounted at their carrying amounts on the date of acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of the transferor entity or business is recognised as capital reserve under equity. The financial information in the financial statements in respect of prior periods shall be restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination.

4. RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company

5(a) PROPERTY, PLANT AND EQUIPMENT (OWNED)

Current Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|----------------------------------|---------------------|--------------|-------------|---------------------|--------------------------|---------------------------|-----------------------------------|---------------------|---------------------|---------------------|
| | As at 01 April 2023 | Additions | Deletions | As at 31 March 2024 | As at 01 April 2023 | Depreciation for the year | Elimination on Disposal of Assets | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 |
| Tangible Assets | | | | | | | | | | |
| Lease Hold Improvements | 118.64 | - | - | 118.64 | 60.01 | 12.62 | - | 72.63 | 46.01 | 58.63 |
| Office and Other Equipment | 83.70 | 11.54 | 0.85 | 94.39 | 32.42 | 15.24 | 0.85 | 46.81 | 47.58 | 51.28 |
| Photographic and Sound Equipment | 0.90 | 0.19 | - | 1.09 | 0.63 | 0.25 | - | 0.88 | 0.21 | 0.27 |
| Electrical Fittings | 10.68 | - | - | 10.68 | 6.41 | 0.81 | - | 7.22 | 3.46 | 4.27 |
| Furniture and Fixtures | 130.07 | 6.03 | - | 136.10 | 39.47 | 12.11 | - | 51.58 | 84.52 | 90.60 |
| Vehicles | 13.47 | 0.73 | - | 14.20 | 5.25 | 1.79 | - | 7.04 | 7.16 | 8.22 |
| Computers | 160.98 | 42.96 | 0.96 | 202.98 | 79.87 | 47.99 | 0.96 | 126.90 | 76.08 | 81.11 |
| Total | 518.44 | 61.45 | 1.81 | 578.08 | 224.06 | 90.81 | 1.81 | 313.06 | 265.02 | 294.38 |

Previous Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|----------------------------------|---------------------|---------------|--------------|---------------------|--------------------------|---------------------------|-----------------------------------|---------------------|---------------------|---------------------|
| | As at 01 April 2022 | Additions | Deletions | As at 31 March 2023 | As at 01 April 2022 | Depreciation for the year | Elimination on Disposal of Assets | As at 31 March 2023 | As at 31 March 2023 | As at 31 March 2022 |
| Tangible Assets | | | | | | | | | | |
| Lease Hold Improvements | 125.72 | - | 7.08 | 118.64 | 53.44 | 13.57 | 7.00 | 60.01 | 58.63 | 72.28 |
| Office and Other Equipment | 83.61 | 21.31 | 21.22 | 83.70 | 18.81 | 13.61 | - | 32.42 | 51.28 | 64.80 |
| Photographic and Sound Equipment | 0.91 | - | 0.01 | 0.90 | 0.40 | 0.25 | 0.01 | 0.63 | 0.27 | 0.52 |
| Electrical Fittings | 17.09 | 2.08 | 8.49 | 10.68 | 9.86 | 3.42 | 6.86 | 6.41 | 4.27 | 7.23 |
| Furniture and Fixtures | 112.16 | 34.61 | 16.71 | 130.07 | 32.42 | 18.20 | 11.16 | 39.47 | 90.60 | 79.74 |
| Vehicles | 5.72 | 7.77 | 0.02 | 13.47 | 3.38 | 1.89 | 0.02 | 5.25 | 8.22 | 2.34 |
| Computers | 117.66 | 50.38 | 7.05 | 160.98 | 44.38 | 36.38 | 0.89 | 79.87 | 81.11 | 73.27 |
| Total | 462.87 | 116.16 | 60.59 | 518.44 | 162.69 | 87.32 | 25.94 | 224.06 | 294.38 | 300.18 |

Note: Refer note 16 for charge created on Property, plant and equipment

5(b) INVESTMENT PROPERTY (OWNED)

Current Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation | | | | Net Block | |
|-------------|---------------------------|-----------|-----------|---------------------------|---------------------------|------------------------------|---|---------------------------|---------------------------|---------------------------|
| | As at 01 April 2023 | Additions | Deletions | As at 31 March 2024 | As at 01 April 2023 | Depreciation for the Year | Elimination on Disposal of Assets / Reclassification | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 |
| Building | - | - | - | - | - | - | - | - | - | - |

Previous Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Depreciation/Amortisation | | | | Net Block | |
|-------------|---------------------------|-----------|---------------------------------|---------------------------|---------------------------------------|------------------------------|---|---------------------------|---------------------------|---------------------------|
| | As at 01 April 2022 | Additions | Deletions / Reclassification | As at 31 March 2023 | As at 01 April 2022 | Depreciation for the Year | Elimination on Disposal of Assets / Reclassification | As at 31 March 2023 | As at 31 March 2023 | As at 31 March 2022 |
| Building | - | - | - | - | - | - | - | - | - | - |

Note:

1. The company does not own any Investment property as at 31 March 2024.
2. During the current year, the company has sold the investment property and the profit on sale has been disclosed under the head "other income" in the Standalone Statement of Profit and Loss. The fair value of the company's investment property (net carrying value as per books is Rs. Nil) at 31 March 2023 was Rs 97.47 lakhs. This has been arrived at on the basis of a valuation carried out at that date by an independent valuer not connected with the company. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties.
3. The investment property was pledged against credit facility obtained from bank which has been released during the year ended 31 March 2023.

6 RIGHT-OF-USE ASSETS

(Rs in lakhs)

| Gross Block | Office | Furniture | Total |
|------------------------------------|-----------------|--------------|-----------------|
| Balance as at 01 April 2023 | 2,252.45 | 12.29 | 2,264.74 |
| Additions | - | - | - |
| Disposals | - | - | - |
| Balance as at 31 March 2024 | 2,252.45 | 12.29 | 2,264.74 |
| Accumulated Depreciation | Office | Furniture | Total |
| Balance as at 01 April 2023 | 1,362.03 | 8.34 | 1,370.37 |
| Depreciation during the year | 445.94 | 2.78 | 448.72 |
| Elimination on disposals | - | - | - |
| Balance as at 31 March 2024 | 1,807.97 | 11.12 | 1,819.09 |
| Net Block | Office | Furniture | Total |
| Balance as at 31 March 2024 | 444.48 | 1.17 | 445.65 |

(Rs in lakhs)

| Gross Block | Office | Furniture | Total |
|------------------------------------|-----------------|--------------|-----------------|
| Balance as at 01 April 2022 | 2,011.73 | 12.29 | 2,024.02 |
| Additions | 240.72 | - | 240.72 |
| Disposals | - | - | - |
| Balance as at 31 March 2023 | 2,252.45 | 12.29 | 2,264.74 |
| Accumulated Depreciation | Office | Furniture | Total |
| Balance as at 01 April 2022 | 912.54 | 5.56 | 918.10 |
| Depreciation during the year | 449.49 | 2.78 | 452.27 |
| Elimination on disposals | - | - | - |
| Balance as at 31 March 2023 | 1,362.03 | 8.34 | 1,370.37 |
| Net Block | Office | Furniture | Total |
| Balance as at 31 March 2023 | 890.42 | 3.95 | 894.37 |

Note: The lease contracts are held in the erstwhile name of the company R K SWAMY Private Limited and R.K. SWAMY BBDO Private Limited.

7 INTANGIBLE ASSETS (OWNED)

Current Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Amortisation | | | | Net Block | |
|-------------------|---------------------|-------------|-----------|---------------------|--------------------------|---------------------------|----------------------------------|---------------------|---------------------|---------------------|
| | As at 01 April 2023 | Additions | Disposals | As at 31 March 2024 | As at 01 April 2023 | Amortisation for the year | Eliminated on Disposal of Assets | As at 31 March 2024 | As at 31 March 2024 | As at 31 March 2023 |
| Computer Software | 20.87 | 1.64 | - | 22.51 | 3.29 | 6.20 | - | 9.49 | 13.02 | 17.58 |
| Total | 20.87 | 1.64 | - | 22.51 | 3.29 | 6.20 | - | 9.49 | 13.02 | 17.58 |

Previous Year

(Rs in lakhs)

| Particulars | Gross Block | | | | Accumulated Amortisation | | | | Net Block | |
|-------------------|---------------------|--------------|-------------|---------------------|--------------------------|---------------------------|----------------------------------|---------------------|---------------------|---------------------|
| | As at 01 April 2022 | Additions | Disposals | As at 31 March 2023 | As at 01 April 2022 | Amortisation for the year | Eliminated on Disposal of Assets | As at 31 March 2023 | As at 31 March 2023 | As at 31 March 2022 |
| Computer Software | 6.45 | 16.05 | 1.63 | 20.87 | 3.79 | 1.13 | 1.63 | 3.29 | 17.58 | 2.66 |
| Total | 6.45 | 16.05 | 1.63 | 20.87 | 3.79 | 1.13 | 1.63 | 3.29 | 17.58 | 2.66 |



8 INVESTMENTS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Non-current Investments (Unsecured, Considered good) | | |
| Investment in Equity Instruments | | |
| i) In subsidiaries | | |
| Fully Paid Equity Shares - Unquoted (At Cost) | | |
| Hansa Research Group Private Limited* | 2,289.08 | 2,289.08 |
| 10,82,000 (31 March 23: 10,82,000) equity shares of Rs.10 each | | |
| Hansa Customer Equity Private Limited\$ | 7,287.41 | 7,287.41 |
| 52,66,760 (31 March 2023: 52,66,760) equity shares of Rs.1 each | | |
| | 9,576.49 | 9,576.49 |
| ii) In other entities | | |
| a) Fully Paid Equity Shares - Quoted (At Fair Value Through Profit and Loss - FVTPL) | | |
| Sundaram Brake Linings Limited | 6.63 | 2.76 |
| 976 (31 March 2023: 976) equity shares of Rs.10 each | | |
| Apollo Tyres Limited | 4.66 | 3.20 |
| 1,000 (31 March 2023:1,000) equity shares of Rs.1 each | | |
| Ashok Leyland Limited | 30.83 | 25.06 |
| 18,000 (31 March 2023: 18,000) equity shares of Rs.1 each | | |
| | 42.12 | 31.02 |
| Total Investments | 9,618.61 | 9,607.51 |
| Aggregate amount of quoted investments and market value thereof | 42.12 | 31.02 |
| Aggregate amount of unquoted investments | 9,576.49 | 9,576.49 |
| Total | 9,618.61 | 9,607.51 |

* In the previous year, the Company had entered into a share purchase agreement for the acquisition of Hansa Research Group Private Limited with the erstwhile Parent company, Hansa Vision India Private Limited, thereby Hansa Research Group Private Limited became wholly owned subsidiary w.e.f. 29 July 2022. Hence, the classification has been changed from FVTPL to Amortised cost during the previous year.

\$ In the previous year, the Company had entered into a share purchase agreement for the acquisition of Hansa Customer Equity Private Limited with the erstwhile Parent company, Hansa Vision India Private Limited, thereby Hansa Customer Equity Private Limited became wholly owned subsidiary w.e.f. 11 August 2022.

9 LOANS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Current | | |
| Loans receivable considered good: (unsecured) | | |
| - to others (refer note 9.2) | 100.00 | 100.00 |
| Less: Allowance for bad and doubtful loan (refer note 9.1) | (25.00) | (25.00) |
| | 75.00 | 75.00 |
| Total | 75.00 | 75.00 |

9.1 Allowance for bad and doubtful loan

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Balance at the beginning of the year | 25.00 | 25.00 |
| Movement in loss allowance on receivables at life time expected credit loss / additional provision | - | - |
| Balance at the end of the year | 25.00 | 25.00 |

9.2 Details of loan given:

(a) Related party loans were fully received back during the previous year ended 31 March 2023 with interest at 9% (being the Government Bond rates) in respect of the said loans.

(b) Details of loans given, investments made and guarantees given covered under section 186(4) of the Companies Act, 2013:

Disclosures for investments made are included under note 8 to the Standalone financial statements. For disclosures related to guarantees given, please refer note 37. Details of loan given are as below:

For the year ended 31 March 2024

(Rs in lakhs)

| Particulars of loan given | Name of the entity | Amount given during the year | Amount outstanding as at the year end | Purpose for which loan is proposed to be utilised by the recipient |
|---------------------------|-----------------------------------|------------------------------|---------------------------------------|--|
| Inter corporate loan | El Tech Appliance Private Limited | - | 100.00 | Business Purpose |

For the year ended 31 March 2023

(Rs in lakhs)

| Particulars of loan given | Name of the entity | Amount given during the year | Amount outstanding as at the year end | Purpose for which loan is proposed to be utilised by the recipient |
|---------------------------|------------------------------------|------------------------------|---------------------------------------|--|
| Inter corporate loan | Hansa Vision India Private Limited | 1,300.00 | - | Business Purpose |
| Inter corporate loan | El Tech Appliance Private Limited | - | 100.00 | Business Purpose |

10(A) OTHER FINANCIAL ASSETS

(Unsecured -considered good unless otherwise stated)

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Non-current | | |
| Security deposits | 24.77 | 14.61 |
| Rental deposits | | |
| - Related parties | - | 366.79 |
| - Others | 21.94 | 80.11 |
| Other deposits | 62.96 | 57.70 |
| Bank deposits with more than 12 months maturity [#] | 4.72 | - |
| Total | 114.39 | 519.20 |
| Current | | |
| Rental deposits | | |
| - Related parties | 398.97 | - |
| - Others | 188.69 | 119.54 |

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Other deposits | 306.00 | 6.45 |
| Other receivables* | 240.34 | 64.37 |
| Expenses recoverable from related parties (refer note 37.3) | 81.94 | 266.05 |
| Receivable from demerged company (refer note 45 and 37.3) | - | 178.47 |
| Total | 1,215.94 | 634.88 |

Bank deposits of Rs 4.72 lakhs (31 March 2023: Rs Nil) are lien against the bank guarantees. (also refer note 16.1)

*The Company has incurred expenses towards its Initial Public Offering (IPO) of its equity shares. The Company is to recover certain amount from its shareholders as above.

10(b) NON-CURRENT TAX ASSETS (NET)

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Advance Income-tax (net of provision of tax of 1,890.29 lakhs, 31 March 2023 -Rs. 1,054.97 lakhs) | 1,095.62 | 492.46 |
| Total | 1,095.62 | 492.46 |

11 OTHER ASSETS

(Unsecured, Considered Good unless otherwise stated)

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------------|------------------------|------------------------|
| Current | | |
| Prepaid expenses | 601.42 | 600.49 |
| Advances to employees | 4.06 | 1.76 |
| Advances to suppliers | 153.45 | 15.69 |
| Unbilled revenue (refer note 12.2) | 331.44 | 185.17 |
| Contract assets (refer note 21(f)) | 42.38 | - |
| Statutory dues - Input credit (net) | 133.07 | 180.51 |
| Others* | 14.05 | 35.53 |
| Total | 1,279.87 | 1,019.16 |

*(includes Rs 0.65 lakhs on account of carried forward excess CSR expenditure (Refer note 43))

12 TRADE RECEIVABLES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Trade Receivables considered good - Unsecured | 9,915.19 | 17,908.62 |
| Trade Receivables which have significant increase in credit Risk | 145.05 | 309.84 |
| | 10,060.24 | 18,218.46 |
| Less : Allowance for expected credit loss | (145.05) | (309.84) |
| Total | 9,915.19 | 17,908.62 |
| Of the above, trade receivables from: | | |
| - Related Parties (refer note 37.3) | 193.27 | 98.05 |
| - Others | 9,866.97 | 18,120.41 |

12.1 The Company is making provisions on trade receivables based on Expected Credit Loss (ECL) Model. The reconciliation of ECL is as follows:

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Balance as at beginning of the year | 309.84 | 253.52 |
| Allowance for credit loss allowance recognised during the year | 31.45 | 56.33 |
| Less: Write offs, net of recoveries | (196.24) | - |
| Balance as at end of the year | 145.05 | 309.84 |

Note:

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward - looking information. The expected credit loss allowance is based on the ageing of the receivables (other than related parties) from the date of the invoice and the rates are given in the provision matrix as per which trade receivables aged (from date of invoice) beyond 3 years are provided entirely, age of 2 to 3 years is provided 50%, age of 1 to 2 years at 25% and no provision is made upto 1 year. Additional provision, where required, has been made based on specific debtors and other conditions impacting recoverability. The Company believes that the carrying amount of allowance for expected credit loss with respect to trade receivables is adequate.

12.2 Trade Receivables ageing schedule:

As at 31 March 2024

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from date of invoice | | | | | |
|--|---------------|--|----------------------|----------------|----------------|-------------------------|------------------|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | - | 9,668.12 | 164.83 | 69.38 | 12.86 | - | 9,915.19 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | | | 23.13 | 12.86 | 109.06 | 145.05 |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| (iv) Disputed Trade receivables - considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| Total trade receivables | - | 9,668.12 | 164.83 | 92.51 | 25.72 | 109.06 | 10,060.24 |
| Unbilled revenue (refer note 11) | 331.44 | - | - | - | - | - | 331.44 |
| Total | 331.44 | 9,668.12 | 164.83 | 92.51 | 25.72 | 109.06 | 10,391.68 |

As at 31 March 2023

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from date of invoice | | | | | |
|--|----------|--|----------------------|----------------|----------------|-------------------------|------------------|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables - considered good | - | 17,777.53 | 88.35 | 30.70 | 12.04 | - | 17,908.62 |
| (ii) Undisputed Trade receivables - which have significant increase in credit risk | - | - | 0.06 | 10.95 | 15.58 | 283.25 | 309.84 |
| (iii) Undisputed Trade receivables - credit impaired | - | - | - | - | - | - | - |



(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from date of invoice | | | | | |
|---|---------------|--|-------------------|--------------|--------------|-------------------|------------------|
| | | Less than 6 months | 6 months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (v) Disputed Trade receivables - which have significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade receivables - credit impaired | - | - | - | - | - | - | - |
| Total trade receivables | - | 17,777.53 | 88.42 | 41.66 | 27.62 | 283.25 | 18,218.46 |
| Unbilled revenue (refer note 11) | 185.17 | - | - | - | - | - | 185.17 |
| Total | 185.17 | 17,777.53 | 88.42 | 41.66 | 27.62 | 283.25 | 18,403.63 |

Note:

- (a) Trade receivables includes Rs 4,549.87 lakhs (31 March 2023: Rs 9,806.96 lakhs) receivables outstanding from customers constituting individually 5% or more of the total trade receivables.
- (b) The average credit period on sales of services ranges from 30 to 60 days. No interest is charged on trade receivables up to the due date.
- (c) The Company maintains ageing based on the invoice date and not the due date of invoice. Hence, the ageing has been disclosed based on the invoice date.

13(a) CASH AND CASH EQUIVALENTS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------------------------------|------------------------|------------------------|
| Balances with Banks | | |
| - In current accounts ^{##} | 2,864.12 | 323.56 |
| - In deposit accounts | 1,352.52 | - |
| Cash on Hand* | 0.00 | - |
| | 4,216.64 | 323.56 |

\$ Include Rs 1.21 lakhs as on 31 March 2024 (31 March 2023: Rs 1.21 lakhs) pertaining to 2 bank accounts which have become in-operative and the balance in these bank accounts has been transferred by banks in financial years 2018-19 and 2022-23 in Depositor Education and Awareness Fund (DEAF) as per DEAF scheme. The Management of the Company is in the process of claiming the balance and closing the bank accounts.

Include amount of Rs 663.88 lakhs held in Public offer account on account of IPO. The Company will utilise this balance as per the Offer Document. (Refer note 47)

* less than 0.01 lakhs as at 31 March 2024 (31 March 2023 : Nil)

13 (b) OTHER BANK BALANCES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|------------------------|------------------------|
| Balance with banks | | |
| - In Deposit Accounts with original maturity of more than three months but less than one year | 10,860.29 | 401.74 |
| | 10,860.29 | 401.74 |

Note:

- (a) Bank deposits of Rs 416.81 lakhs (31 March 2023: Rs 401.74 lakhs) are lien against the bank guarantees. (also refer note 16.1)
- (b) The amount of Rs 10,443.48 lakhs as at 31 March, 2024 received from IPO proceeds has been temporarily invested in short term fixed deposits with Scheduled Commercial Bank as included above. Also refer note 47.

14 EQUITY SHARE CAPITAL

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Authorised | | |
| 6,00,00,000 Equity Shares of Rs. 5 each (31 March 2023 1,00,00,000 Equity Shares of Rs.10 each) | 3,000.00 | 1,000.00 |
| | 3,000.00 | 1,000.00 |
| Issued, Subscribed and Paid-up | | |
| 5,04,77,241 Equity Shares of Rs 5 Each (31 March 2023: 44,45,714 Equity Shares of Rs.10 each) fully paid up (refer note below) | 2,523.87 | 444.57 |
| Total | 2,523.87 | 444.57 |

Note:

(a) During the current year, pursuant to the resolution passed by the Board of Directors as on 21 July 2023 and the approval of shareholders granted in the extra-ordinary General meeting held on 25 July 2023:

- (i) the paid-up share capital of the Company has been sub-divided from the face value of Rs 10 per equity share to Rs 5 per equity share;
- (ii) the authorised share capital of the Company has been increased from Rs 1,000.00 lakhs divided into 1,00,00,000 equity shares of Rs 10 each to Rs 3,000.00 lakhs divided into 6,00,00,000 equity shares of Rs 5 each; and
- (iii) the Company has issued and allotted 3,55,65,712 fully paid up 'bonus shares' at par in proportion of 4 new equity shares of Rs 5 each for every one existing fully paid up equity share of Rs 5 each held on the record date of 25 July 2023. The Company has utilised General Reserves of Rs 1,778.29 Lakhs for issuing such bonus shares in accordance with the provisions of the Companies Act, 2013."

(b) Also refer note 47 for Initial Public Offering.

14.1 Reconciliation of Shares Outstanding at the beginning and at the end of the year

| Particulars | For the year ended 31 March 2024 | | For the year ended 31 March 2023 | |
|--|-------------------------------------|-------------------------|-------------------------------------|-------------------------|
| | Number of Shares | Amount (Rs.in lakhs) | Number of Shares | Amount (Rs.in lakhs) |
| At the Beginning of the year | 4,445,714 | 444.57 | 4,080,000 | 408.00 |
| Less: Shares cancelled pursuant to Scheme of Arrangement (refer note a below) | - | - | (4,080,000) | (408.00) |
| Add: Shares Issued pursuant to Scheme of Arrangement (refer note (a) below) | - | - | 4,445,714 | 444.57 |
| Add: Increase in number of shares on account of split (refer note 14(a)(i) above) | 4,445,714 | - | - | - |
| Add: Bonus Shares Issued during the year (refer note 14(a)(iii) above) | 35,565,712 | 1,778.29 | - | - |
| Add: Shares Issued through Initial Public Offer during the year (refer note 14(b) above) | 6,020,101 | 301.01 | | |
| Outstanding at the End of the year | 50,477,241 | 2,523.87 | 4,445,714 | 444.57 |

Note:

a) Pursuant to the Scheme of Arrangement, the Company has issued 44,45,714 new equity shares and cancelled 40,80,000 existing equity shares during the previous year. The Company has given the effect of the Scheme in accordance of Appendix C of Ind AS 103. Please refer note 45 for further details.

14.2 Shares held by the Holding Company

The Company does not have Holding Company, hence relevant disclosures is not applicable (refer note 14.4).

14.3 Details of Shareholders holding more than 5% Shares in the Company

| Particulars | As at 31 March 2024 | | As at 31 March 2023 | |
|-------------------------|---------------------|-----------|---------------------|-----------|
| | Number of Shares | % Holding | Number of Shares | % Holding |
| Srinivasan K Swamy | 15,458,987 | 30.63% | 1,858,108 | 41.80% |
| Narasimhan Krishnaswamy | 15,960,287 | 31.62% | 1,858,108 | 41.80% |
| Evanston Pioneer Fund | 1,795,806 | 3.56% | 624,152 | 14.04% |

Note:

During the current year, Mr. Srinivasan K Swamy, Chairman and Managing Director and Promoter of the Company, and Mr. Narasimhan Krishnaswamy, Group CEO and Whole Time Director and Promoter of the Company, transferred 1,334,000 (3.00%) and 832,700 (1.87%) Equity Shares of Rs 5 each, respectively, to certain individuals by way of a gift, for no consideration as on 31 January 2024. Also refer note 14.4 and note 47 for change in shareholding of promoters.

14.4 Details of shares held by promoters

As at 31 March 2024

| S. No | Promoter name | 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 |
|--------------|-------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Srinivasan K Swamy | 1,858,108 | 13,600,879 | 15,458,987 | 30.63% | 11.17% |
| 2 | Narasimhan Krishnaswamy | 1,858,108 | 14,102,179 | 15,960,287 | 31.62% | 10.18% |
| Total | | 3,716,216 | 27,703,058 | 31,419,274 | | |

As at 31 March 2023

| S. No | Promoter name | 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 |
|--------------|------------------------------------|--|------------------------|--------------------------------------|-------------------|--------------------------|
| 1 | Srinivasan K Swamy | 2,500 | 1,855,608 | 1,858,108 | 41.80% | 41.74% |
| 2 | Narasimhan Krishnaswamy | 2,500 | 1,855,608 | 1,858,108 | 41.80% | 41.74% |
| 3 | Hansa Vision India Private Limited | 2,647,000 | (2,647,000) | - | - | (100%) |
| Total | | 2,652,000 | 1,064,216 | 3,716,216 | | |

Note:

a) The Equity Shares held by BBDO Asia Pacific Pte Limited (14,28,000 shares of Rs.10 each) were transferred to Hansa Vision India Private Limited ('HVIPL') during the previous year. Similarly, shares held by Mr. Srinivasan K Swamy and Mr. Narasimhan Krishnaswamy aggregating to 5,000 shares of Rs. 10 each were transferred to Hansa Vision India Private Limited on 21 April 2022. Accordingly, effective 21 April 2022, the holding company was Hansa Vision India Private Limited with 100% shareholding (including 1 share held by Mr. Srinivasan K Swamy as a nominee shareholder) in the Company. However, pursuant to the Scheme of Arrangement approved by the Regional Director, Chennai vide order dated 8 Feb 2023 44,45,714 Equity shares held by HVIPL (including 14,33,000 Equity Shares acquired during the current year) have been cancelled. Hence, HVIPL ceases to continue as Holding Company w.e.f. 8 February 2023. Refer note 45 for further details.

b) Also refer note 14.3 and note 47 for change in shareholding of promoters.

14.5 Restriction of Rights

The Company has only one class of equity shares having a face value of Rs.5 per share. Each shareholder is entitled to one vote per equity share held. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

14.6 Shares issued for other than cash:

- i) The Company has issued 4,445,714 Equity Shares having a face value of Rs 10 each during the previous year pursuant to the Scheme of Arrangement. Refer note 45 for further details.
- ii) The Company has issued and allotted 3,55,65,712 fully paid up 'bonus shares' at par in proportion of 4 new equity shares of Rs 5 each for every one existing fully paid up equity share of Rs 5 each held on the record date of 25 July 2023.

15 OTHER EQUITY

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------|------------------------|------------------------|
| General Reserve | 143.09 | 1,921.38 |
| Securities Premium | 15,573.21 | - |
| Capital Reserve | (208.13) | (208.13) |
| Retained Earnings | 6,648.81 | 4,209.24 |
| Total | 22,156.98 | 5,922.49 |

Note: Please refer Standalone Statement of Changes in Equity for the movement

Nature and purpose of reserves

General Reserve

General reserve represents appropriation of retained earnings and are available for distribution to the shareholders. The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss except to the extent permitted as per Companies Act, 2013 and rules made thereunder.

Securities Premium

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. The same is available for utilisation in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

The reserve arises on account of business combination pursuant to the Scheme of Arrangement (refer note 45)

Retained earnings

Retained earnings represent surplus/accumulated earnings of the Company and are available for distribution to shareholders. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the standalone financial statements of the Company and considering the requirements of the Companies Act, 2013.

Share application money pending allotment

Pursuant to the Scheme of Arrangement, the Company has issued 44,45,714 new equity shares and cancelled 40,80,000 existing equity shares during the previous year. The Company has given the effect of the Scheme in accordance of Appendix C of Ind AS 103 and restated comparative period financials in the previous year. Therefore, 3,65,714 equity shares (being additional number of Equity Shares) has been disclosed as share application money pending allotment in previous year and subsequently shares has been issued. Please refer note 45 for details.

16 BORROWINGS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Current | | |
| Borrowings | | |
| Unsecured, repayable on demand | | |
| Loans from related parties (unsecured) (refer note 37.3) | 3,198.55 | 4,136.25 |
| Total | 3,198.55 | 4,136.25 |

16.1 Details of working capital and cash credit facilities:

- a. Working capital facility from the Bank are secured by:
 - i) First charge on the current assets and hypothecation of movable fixed assets and fixed deposits (also refer note 10(a) & 13(b))
 - ii) An equitable mortgage of the property owned by a Director of the Company and also by a corporate guarantee of Hansa Vision India Private Limited (erstwhile holding company)
- b. Interest on working capital facility ranges from 8.50% to 9.50% during the current year and 8.50% in previous year.
- c. During the current year, the Company utilized short-term working capital facilities provided by HDFC Bank, which were fully repaid before the fiscal year-end. As of 31 March, 2024, the Company maintained a positive balance in its Cash Credit (CC) account.

16.2 Borrowings from HDFC Bank Limited on the basis of Security of Assets

The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from bank on the basis of security of current assets. The quarterly returns or statements comprising information on book debt, ageing analysis of the debtors/other receivables and other stipulated financial information filed by the Company with such bank are in agreement with the unaudited books of account of the Company of the respective quarters and audited financial statements for the financial year end.

16.3 The terms and conditions laid down by the bank with respect of the above borrowing from bank contain certain stipulations / covenants which the Company has complied with. The bank also confirmed to the Company that the Company has complied with their lending terms as at 31 March 2024 and during the current year the account is in good order.

16.4 Loans from related parties

Loans taken from related parties during the year are unsecured and carries interest rate of 10% (31 March 2023: 9%) per annum. All the loans are repayable within one year from the reporting date.

17 PROVISIONS

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--------------------------------------|---------------------|---------------------|
| Non-current | | |
| Provision for employee benefits | | |
| Gratuity (refer note 31) | 27.52 | 48.60 |
| Total | 27.52 | 48.60 |
| Current | | |
| Provision for employee benefits | | |
| Compensated absences (refer note 31) | 207.19 | 184.78 |
| Total | 207.19 | 184.78 |

18(a) OTHER LIABILITIES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|---------------------|---------------------|
| Current | | |
| Advance from customers | 21.67 | 89.10 |
| Statutory dues | 1,769.89 | 140.09 |
| Total | 1,791.56 | 229.19 |

18(b) OTHER FINANCIAL LIABILITIES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Current | | |
| Interest accrued but not due on loan taken from related parties (refer note 37.3) | 132.38 | - |
| Book overdraft | 1,229.98 | 2,162.95 |
| Total | 1,362.36 | 2,162.95 |

19 TRADE PAYABLES

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Current | | |
| Trade Payables | | |
| - total outstanding dues of micro enterprises and small enterprises (refer note 28) | 522.94 | 535.35 |
| - total outstanding dues of creditors other than micro enterprises and small enterprises | 6,986.69 | 17,799.83 |
| Total | 7,509.63 | 18,335.18 |

19.1 Trade Payable ageing schedule

As at 31 March 2024

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from invoice date | | | | |
|-----------------------------|---------------|---|--------------|--------------|-------------------|-----------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) MSME | - | 522.94 | - | - | - | 522.94 |
| (ii) Others | - | 6,251.10 | 14.62 | 13.14 | - | 6,278.86 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Unbilled | 707.83 | - | - | - | - | 707.83 |
| Total | 707.83 | 6,774.04 | 14.62 | 13.14 | - | 7,509.63 |

As at 31 March 2023

(Rs in lakhs)

| Particulars | Unbilled | Outstanding for following periods from invoice date | | | | |
|-----------------------------|---------------|---|--------------|-------------|-------------------|------------------|
| | | Less than 1 year | 1 - 2 years | 2 - 3 years | More than 3 years | Total |
| (i) MSME | - | 535.35 | - | - | - | 535.35 |
| (ii) Others | - | 17,607.81 | 64.88 | 0.12 | 1.06 | 17,673.86 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| Unbilled | 125.97 | - | - | - | - | 125.97 |
| Total | 125.97 | 18,143.16 | 64.88 | 0.12 | 1.06 | 18,335.18 |

20 CURRENT TAX AND DEFERRED TAX

(i) Income Tax Expense

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Current Income-tax | 835.32 | 692.00 |
| Deferred tax (net) | 61.18 | 24.39 |
| Total Tax Expense for effective tax reconciliation | 896.50 | 716.39 |
| Prior year taxes | - | 6.30 |
| Deferred tax - Other Comprehensive Income | (11.17) | (6.98) |
| Total Tax Expense recognised in Standalone Statement of Profit and Loss | 885.33 | 715.70 |

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

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | | | |
|--|----------------------------------|----------------------------------|----------------------|--------------------|
| | Opening Balance | Recognised in Profit and Loss | Recognised in OCI | Closing Balance |
| Tax effect of items constituting deferred tax assets /(liability) | | | | |
| Property, Plant and Equipment including Intangible Assets | 33.80 | 12.13 | - | 45.93 |
| Provision for Employee Benefits | 72.13 | (23.56) | 11.17 | 59.74 |
| Gain on instruments measured at fair value through profit and loss | (7.69) | (2.79) | - | (10.48) |
| Financial assets carried at amortised cost | 18.16 | (8.46) | - | 9.70 |
| Right-of-use Assets | (225.09) | 112.93 | - | (112.16) |
| Lease Liabilities | 235.43 | (109.95) | - | 125.48 |
| Provision for expected credit loss- Trade Receivables | 77.98 | (41.48) | - | 36.50 |
| Provision for expected credit loss- Loans | 6.29 | (0.00) | - | 6.29 |
| | 211.00 | (61.18) | 11.17 | 161.00 |
| Net Tax Asset / (Liabilities) | 211.00 | (61.18) | 11.17 | 161.00 |

(Rs in lakhs)

| Particulars | For the year ended 31 March 2023 | | | |
|--|----------------------------------|----------------------------------|----------------------|--------------------|
| | Opening Balance | Recognised in Profit and Loss | Recognised in OCI | Closing Balance |
| Tax effect of items constituting deferred tax assets /(liability) | | | | |
| Property, Plant and Equipment including Intangible Assets | 41.14 | (7.36) | - | 33.80 |
| Provision for Employee Benefits | 70.27 | (5.13) | 6.98 | 72.13 |
| Gain on instruments measured at fair value through profit and loss | 11.18 | (18.87) | - | (7.69) |
| Financial assets carried at amortised cost | 15.62 | 2.54 | - | 18.16 |
| Right-of-use Assets | (278.34) | 53.25 | - | (225.09) |
| Lease Liabilities | 296.21 | (60.78) | - | 235.43 |
| Provision for expected credit loss- Trade Receivables | 72.32 | 5.66 | - | 77.98 |
| Provision for expected credit loss- Loans | - | 6.29 | - | 6.29 |
| | 228.40 | (24.39) | 6.98 | 211.00 |
| Net Tax Asset / (Liabilities) | 228.40 | (24.39) | 6.98 | 211.00 |

(iii) Effective tax reconciliation

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Profit before tax | 3,547.11 | 2,877.14 |
| Income Tax using the Company's Domestic Tax rate (%) | 25.17 | 25.17 |
| Tax expenses basis applicable tax rate | 892.74 | 724.12 |
| Tax Effect of : | | |
| Effect of expenses that are not deductible in determining taxable profit | 10.45 | 2.49 |
| Effect of income that are not taxable | (8.59) | (41.17) |
| Earlier year excess DTA reversal | - | 23.98 |
| Others | 1.90 | 6.97 |
| Income Tax recognised in the Statement of Profit and Loss | 896.50 | 716.39 |

21 REVENUE FROM OPERATIONS

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| <u>Revenue from contract with customers</u> | | |
| Sale of services - Integrated Marketing Services | 16,213.62 | 14,405.30 |
| Total revenue from operations | 16,213.62 | 14,405.30 |

21(a) Reconciliation of revenue recognised to amounts billed

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Gross amount billed/billable for media, advertisement and other similar contracts | 32,608.99 | 51,437.38 |
| Amount billed/billable for Film Production and other similar contracts | 14,292.16 | 11,696.83 |
| Total amount billed/billable on customers for services rendered by the Company | 46,901.15 | 63,134.21 |
| Less: costs incurred related to media, advertisement and other similar contracts | (30,687.53) | (48,728.91) |
| Total revenue recognised for services rendered | 16,213.62 | 14,405.30 |

21(b) Revenue from operations is net of discount offered to customers of Rs Nil. (31 March 2023 : Rs 51.81 Lakhs)

21(c) Disaggregation of revenue by time of revenue recognition

(Rs in lakhs)

| Major Category of Services | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Services transferred at a point in time | 1,921.46 | 2,708.47 |
| Services transferred over a period of time | 14,292.16 | 11,696.83 |
| Total | 16,213.62 | 14,405.30 |

21(d) Revenue from contracts with customers includes revenue from customers individually constituting more than 10% of the total revenue from contracts with customers of Rs. 4,591.75 lakhs for the year ended 31 March 2024 and Rs. 4,048.93 lakhs for the year ended 31 March 2023.

21(e) The Company receives payments from customers based upon contractual billing schedules; accounts receivable is recorded when the right to consideration becomes unconditional. The Company records unbilled revenue when revenue is recognised prior to billing or deferred revenue is recognised when revenue is recognised subsequent to invoicing. Details of contract assets represented by Trade receivables and Unbilled revenues are disclosed in Notes 12 and 11, respectively.

- 21(f) The entity has recognised contract asset for the costs related directly to a contract or to an anticipated contract that the entity can specifically identify for which performance obligation is not satisfied as on 31 March 2024. (Refer note 11)

22 OTHER INCOME

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Interest income earned on financial assets that are not designated at fair value through profit / loss | | |
| - Bank deposits | 70.90 | 17.19 |
| - Loans to related parties | - | 155.94 |
| - Financial assets carried at amortised cost | 43.91 | 45.98 |
| - Income tax refunds | - | 4.79 |
| Dividend income from investment in equity instruments | 0.46 | 0.19 |
| Write back of liabilities | 24.16 | 146.92 |
| Gain on sale of assets held for sale | - | 12.28 |
| Gain on sale of Investment property | 72.00 | - |
| Gain on sale of Property, plant and equipment (net) | 0.70 | 0.70 |
| Facility sharing income | 52.25 | 60.16 |
| Net gain arising on financial assets measured at FVTPL | 11.10 | 4.67 |
| Miscellaneous income | 1.60 | 2.96 |
| Total | 277.08 | 451.77 |

23 OPERATIONAL EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|------------------|-------------------------------------|-------------------------------------|
| Production costs | 5,291.38 | 5,244.51 |
| Others | 352.15 | 327.91 |
| Total | 5,643.53 | 5,572.42 |

24 EMPLOYEE BENEFITS EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Salaries and Bonus* | 3,397.57 | 2,972.38 |
| Contribution to Provident and Other Funds (refer note 31) | 176.86 | 171.41 |
| Staff Welfare Expenses | 129.56 | 91.70 |
| Total | 3,703.99 | 3,235.50 |

*After netting off of reimbursement received/receivables of Rs. 222.60 lakhs (31 March 2023: 239.20 lakhs)

25 FINANCE COSTS

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|------------------------------------|-------------------------------------|-------------------------------------|
| Interest Expense: | | |
| - on loan from related party | 410.05 | 258.90 |
| - on cash credit | 200.84 | 148.18 |
| - on working capital facility | 70.64 | 28.42 |
| - on Lease Liabilities | 64.35 | 90.35 |
| Interest expense on statutory dues | 5.02 | 15.92 |
| Total | 750.90 | 541.77 |

26 DEPRECIATION AND AMORTISATION EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Depreciation on Property, plant and equipments (refer note 5(a)) | 90.81 | 87.32 |
| Amortisation on Intangible assets (refer note 7) | 6.20 | 1.13 |
| Depreciation on Right-of-use assets (refer note 6) | 448.72 | 452.27 |
| Total | 545.73 | 540.72 |

27 OTHER EXPENSES

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Rent | 120.05 | 99.39 |
| Electricity expenses | 79.59 | 72.18 |
| Communication expenses | 85.73 | 82.73 |
| Office maintenance | 67.82 | 75.65 |
| Printing & stationery | 68.10 | 61.97 |
| Repairs and maintenance- Others | 163.57 | 137.94 |
| Books, subscription and membership | 10.17 | 10.07 |
| Rates and taxes | 9.25 | 44.44 |
| Insurance | 13.62 | 5.57 |
| Travelling and Conveyance | 163.88 | 169.83 |
| Legal & Professional fees | 3.88 | 6.50 |
| Auditors' Remuneration (Net of GST Input Credit)* | | |
| - Statutory Audit | 35.80 | 25.00 |
| - Other services | 1.25 | 2.75 |
| - Out of pocket expenses | 1.68 | 0.54 |
| Bad Debts written off | 210.28 | - |
| Less: bad debt against opening provision | (196.24) | - |
| Software expenses | 39.19 | 46.84 |
| Corporate Social Responsibility expenses (refer note 43) | 26.77 | 9.12 |
| Donations | - | 0.77 |
| Bank Charges | 66.73 | 52.91 |
| Consultancy Fees | 1,179.59 | 1,049.43 |
| Allowance for Expected credit loss (net) | 31.45 | 56.33 |
| Interest on PF Trust obligation (refer note 46) | (10.75) | (29.33) |
| Loss on Foreign Exchange Fluctuation (Net) | - | 3.90 |
| Property, Plant and Equipment written off | - | 37.55 |
| Director sitting fees | 32.50 | 0.07 |
| Miscellaneous Expenses | 95.53 | 67.39 |
| Total | 2,299.44 | 2,089.52 |

* Excludes payment to auditors of Rs 216.94 lakhs (March 31, 2023: Rs Nil) towards IPO related services.

28 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Based on and to the extent of information received by the Company from the suppliers during the year regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars are furnished below:

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| (a) Dues remaining unpaid to any supplier as at the end of the accounting year: | | |
| (i) Principal amount remaining unpaid | 522.94 | 535.35 |
| (ii) Interest due thereon remaining unpaid | NIL | NIL |
| (b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year | - | 3.83 |
| (c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act; | NIL | NIL |
| (d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and | NIL | NIL |
| (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act. | NIL | NIL |

29 EARNINGS PER SHARE

Basic and Diluted earnings per share

During the year ended 31 March 2024, pursuant to resolution passed by our Board on 21 July 2023 and the approval of shareholders granted in the extra-ordinary General meeting held on 25 July 2023:

(i) the paid-up share capital of the Company has been sub-divided from face value of Rs 10 per equity share to Rs 5 per equity share;

(ii) the authorised share capital of the Company has been increased from Rs 1,000 Lakhs to Rs 3,000 Lakhs divided into 6,00,00,000 equity shares of Rs 5 each.

(iii) the Company has issued and allotted fully paid up 'bonus shares' at par in proportion of 4 new equity shares of Rs 5 each for every one existing fully paid up equity share of Rs 5 each held on the record date of 25 July 2023.

(iv) the Company has issued and allotted 60,20,101 fully paid up equity shares of Rs 5 each via fresh issue through an initial public offering.

Post sub-division, issue of bonus shares and fresh issue, the issued, subscribed and paid-up equity share capital of the Company stood at Rs 2,523.87 Lakhs divided in 5,04,77,241 fully paid equity shares of Rs 5 each.

Considering the above capital structure changes, in accordance with IND AS 33 - Earnings per share, the earnings and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

(Rs in lakhs)

| Particulars | | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------|-------------------------------------|-------------------------------------|
| Basic Earnings per share | (A/B) | 5.91 | 4.85 |
| Diluted Earnings per share | (A/B) | 5.91 | 4.85 |
| Profit for the year used in the calculation of basic and diluted earnings per share | (A) | 2,650.61 | 2,154.45 |
| Weighted average number of equity shares | (B) | 448.36 | 444.57 |

30 LEASE LIABILITY

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------|------------------------|------------------------|
| Non-Current | 206.84 | 498.05 |
| Current | 291.74 | 437.40 |
| | 498.58 | 935.45 |

Movement in Lease Liabilities

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|------------------------------|--|--|
| Opening Balance | 935.45 | 1,176.93 |
| Additions | - | 174.38 |
| Deletions | - | - |
| Finance Costs | 64.35 | 90.35 |
| Payment of Lease liabilities | 501.22 | 506.21 |
| Closing Balance | 498.58 | 935.45 |

Contractual Maturity of lease liabilities (undiscounted):

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------------|------------------------|------------------------|
| Less than one year | 321.94 | 501.34 |
| One to five years | 214.64 | 518.71 |
| More than five years | 26.73 | 44.60 |
| Total | 563.31 | 1,064.65 |

Amounts recognised in Profit or Loss

(Rs in lakhs)

| Particulars | Disclosed in |
|--|--------------|
| Amortisation | Note 26 |
| Finance Cost on Lease Liabilities | Note 25 |
| Rent expense - Short term/low value leases | Note 27 |

Amount recognised in Cash Flows

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--------------------|--|--|
| Total Cash outflow | 501.22 | 506.21 |

31 EMPLOYEE BENEFITS

31.1 Defined Contribution Plan

The Company makes Provident Fund and Employee's State Insurance Scheme contributions for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable by the Company are at rates specified in the rules of the Schemes/Policy are as below:

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Employer's Contribution to Provident Fund | 154.58 | 137.05 |
| Employer's contribution to Employee's State Insurance Scheme | 0.43 | 0.40 |
| Total | 155.01 | 137.45 |

31.2 Defined Benefit Plans

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the greater of the amount calculated as per the Payment of Gratuity Act, 1972 or the Company scheme applicable to the employee subject to ceiling of Rs 20 lakhs. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India. The following table sets out the status of the Gratuity scheme and the amount recognised in the standalone financial statements as per the Actuarial Valuation done by an Independent Actuary:

These plans typically expose the Company to actuarial risks such as actuarial risk, investment risk, liquidity risk, legislative risk and Interest Risk

| | |
|------------------|--|
| Actuarial Risk | The risks that benefits costs more than expected. All assumptions used to compute the liability and cash-flows are a source of risk. If actual experience turns out to be worse than expected experience, there could be a risk of being unable to meet the liabilities as and when they fall due. For example, if assumed salary growth rates turns out to be lesser than reality - this could cause a risk that the provisions are inadequate in comparison to the actual benefits required to be paid. |
| Investment Risk | There is a minimum investment return guaranteed to the Sponsor (LIC) (called the minimum floor rate) which is a non-zero positive percentage. Hence there is no market risk - risk due to reductions in the market value of the underlying investments backing the insurance policy of the Sponsor. Also there is a Guaranteed Surrender Value to the extent of 90% of contributions made net of withdrawals and charges. |
| Liquidity Risk | The investments are made in an insurance policy which is also very liquid - withdrawals can happen at any time. There is no Market Value adjustment imposed for withdrawals done by the Sponsor at an untoward time except when the amount withdrawn exceeds 25% of the opening balance at the beginning of the financial year. This can be easily managed by making multiple withdrawals to ensure that the amount withdrawn per transaction does not breach the limit above. Also note that there are no surrender charges after three years. During the first three years, the surrender charges are minimal. |
| Legislative Risk | There could be changes to Regulation/legislation governing this Plan that could affect the Company adversely (for example, introduction of a minimum benefit). The changes in regulation could potentially increase the plan liabilities. |
| Interest Risk | A decrease in the interest rate will increase the plan liabilities, however this will be partially offset by an increase in the return of plan assets. |

In respect of the above plans, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2024 by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(a) Amount recognised in the standalone statement of profit and loss and total comprehensive income in respect of the defined benefit plan are as follows :

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|----------------------------------|----------------------------------|
| Service Cost | | |
| - Current Service Cost | 31.71 | 33.97 |
| - Past Service Cost | - | - |
| - Net interest expense | (9.86) | - |
| Components of defined benefit costs recognised in Standalone Statement of Profit and Loss (A) | 21.85 | 33.97 |
| Remeasurement on the net defined benefit liability : | | |
| - Remeasurement of Plan Assets | 4.40 | (2.86) |
| - Actuarial loss/(gains) arising from changes in financial assumptions | 20.13 | (18.69) |
| - Actuarial loss arising from experience adjustments | 19.84 | 49.30 |
| - Actuarial loss arising from Demographic assumptions | - | - |
| Components of defined benefit costs recognised in other comprehensive income (B) | 44.37 | 27.75 |
| Total (A) + (B) | 66.22 | 61.72 |

(i) The current service cost and net interest expense for the year are included in the "Employee Benefit Expenses" line item in the Standalone Statement of Profit and Loss under contribution to provident and other funds.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

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

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Net Asset/(Liability) recognised in the Standalone Balance Sheet: | | |
| Gratuity: | | |
| Present value of defined benefit obligation | 595.66 | 552.55 |
| Fair value of plan assets | 568.14 | 503.96 |
| (Deficit) | (27.52) | (48.60) |
| Non Current portion of the above | (27.52) | (48.60) |
| Current portion of the above | - | - |
| Total | (27.52) | (48.60) |

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

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Present value of defined benefit obligation at the beginning of the year | 552.55 | 569.37 |
| Expenses Recognised in the Standalone Statement of Profit and Loss: | | |
| Service Cost | | |
| - Current Service Cost | 31.71 | 33.97 |
| - Past Service Cost | - | - |
| - Interest Cost | 37.40 | 31.38 |
| Recognised in Other Comprehensive Income | | |
| - Actuarial (Gain) / Loss arising from: | | |
| i. Financial Assumptions | 20.13 | (18.69) |
| ii. Experience Adjustments | 19.84 | 49.30 |
| iii. Demographic Assumptions | - | - |
| Transfer In/(Out) Obligation | 8.42 | - |
| Benefit payments | (74.39) | (112.78) |
| Present value of defined benefit obligation at the end of the year | 595.66 | 552.55 |

(d) Movement in fair value of plan assets are as follows :**(Rs in lakhs)**

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Fair value of plan assets at the beginning of the year | 503.96 | 556.37 |
| Expenses Recognised in the Standalone Statement of Profit and Loss: | | |
| - Expected return on plan assets | 47.25 | 31.38 |
| Recognised in Other Comprehensive Income | | |
| Remeasurement (loss)/gains | (4.40) | 2.86 |
| - Return on plan assets (excluding amount included in net interest expense) | | |
| Transfer In/(Out) Obligation | 8.42 | - |
| Contributions by employer | 87.30 | 26.13 |
| Benefit payments | (74.39) | (112.78) |
| Fair Value of Plan assets at the end of the year | 568.14 | 503.96 |

(e) Movement in Net defined benefit obligation**(Rs in lakhs)**

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|--|-------------------------------------|-------------------------------------|
| Net defined benefit liability / (asset) at the beginning of the year | 48.60 | 13.01 |
| Transfer In/(Out) Obligation | - | - |
| Amount recognised in Standalone Statement of Profit and Loss | 21.85 | 33.97 |
| Amount recognised as Other Comprehensive Income | 44.37 | 27.75 |
| Actual contribution by the sponsor | (87.30) | (26.13) |
| Net defined benefit liability/(asset) at the end of the year | 27.52 | 48.60 |

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------------------------|---------------------|---------------------|
| Discount rate | 6.97% | 7.14% |
| Expected rate of salary increase | 6.00% | 5.00% |
| Expected return on plan assets | 7.14% | 6.12% |
| Attrition Rate | 14.00% | 14.00% |
| Retirement Age | 60.00 | 60.00 |
| Mortality * | IALM 2012-14 | IALM 2012-14 |

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

(g) Experience Adjustments
(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Projected Benefit Obligation | 595.66 | 552.55 |
| Fair Value of Plan Assets | 568.14 | 503.96 |
| Deficit | 27.52 | 48.60 |
| Experience Adjustments on Plan Liabilities - (gain) | (19.84) | (49.30) |
| Experience Adjustments on Plan Assets - (loss) / gain | (4.40) | 2.86 |

(h) Defined Benefit Obligation Sensitivity
(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------------|---------------------|---------------------|
| DBO - Changes | | |
| Discount Rate: +1% | (19.02) | (17.02) |
| Discount Rate: -1% | 20.51 | 18.26 |
| Salary Escalation Rate: +1% | 17.64 | 16.19 |
| Salary Escalation Rate: -1% | (16.99) | (15.78) |
| Attrition Rate: 25% Increase | 0.68 | 3.65 |
| Attrition Rate: 25% Decrease | (1.32) | (4.80) |

(i) Maturity Profile - Future Expected Payments
(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|-------------|---------------------|---------------------|
| Year 1 | 145.40 | 140.40 |
| Year 2 | 104.16 | 109.39 |
| Year 3 | 133.71 | 82.65 |
| Year 4 | 81.37 | 109.94 |
| Year 5 | 55.05 | 62.04 |
| Years 6-10 | 170.48 | 149.85 |

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Best Estimate of contribution over the next year | 64.63 | 78.80 |
| Estimated term of liability in years (decrement-adjusted) | 4.86 | 4.80 |

(j) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---------------|---------------------|---------------------|
| Fund with LIC | 100% | 100% |



31.3 Compensated Absences

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|------------------------|---------------------|---------------------|
| Assumptions | | |
| Discount Rate | 6.97% | 7.14% |
| Future Salary Increase | 6.00% | 5.00% |
| Attrition Rate | 14.00% | 14.00% |
| Mortality * | IALM 2012-14 | IALM 2012-14 |

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

The following table sets out the status of the compensated absences and the amount recognised in the Standalone financial statements: (Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| Expenses recognised during year: | 23.13 | 21.19 |
| Provision at year end: | | |
| Non Current Portion | - | - |
| Current Portion | 207.19 | 184.78 |

32 SEGMENT REPORTING

The Company operates in a single operating segment i.e. 'Integrated Marketing Communications' and the information reported to the Chief Operating Decision Maker (CODM) for the purposes of resource allocation and assessment of performance focuses on this operating segment. Accordingly, there is single reportable operating segment in accordance with Ind AS 108 'Operating Segments'.

33 CAPITAL MANAGEMENT

"For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt - leases, interest bearing loans and borrowings as reduced by cash and cash equivalents and excluding discontinued operations.

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|----------------------------------|---------------------|---------------------|
| Borrowings | 3,198.55 | 4,136.25 |
| Leases (Current and Non-current) | 498.58 | 935.45 |
| Less: Cash and cash equivalents | (4,216.64) | (323.56) |
| Net debt | (519.51) | 4,748.14 |
| Capital (Equity) | 24,680.85 | 6,367.06 |
| Net Debt + Capital | 24,161.34 | 11,115.20 |
| Gearing ratio* | Nil | 0.43 |

*Net debt position is negative as at 31 March 2024 hence represented as Nil.

34 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT

34.1 Accounting classification and fair values

Categories of financial instruments

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|---------------------|---------------------|
| Financial assets* | | |
| Measured at Fair Value | | |
| Investment in Quoted Equity Instruments | 42.12 | 31.02 |
| Measured at Amortised Cost | | |
| Other Financial Assets - Current and Non Current | 1,330.33 | 1,154.08 |
| Trade Receivables | 9,915.19 | 17,908.62 |
| Cash and Cash Equivalents | 4,216.64 | 323.56 |
| Other Bank Balances | 10,860.29 | 401.74 |
| Loans | 75.00 | 75.00 |
| Financial liabilities | | |
| Measured at amortised cost | | |
| Borrowings | 3,198.55 | 4,136.25 |
| Trade Payables | 7,509.63 | 18,335.18 |
| Other Financial Liabilities | 1,362.36 | 2,162.95 |

*other than investments in subsidiaries accounted at cost in accordance with Ind AS 27 'Separate Financial Statements'.

Some of the Company's financial assets and liabilities are measured at fair value at the end of the year. The following table gives information above how the fair values of these financial assets and liabilities are determined:

(Rs in lakhs)

| Particulars | Fair Value as at | | | |
|-----------------------------|------------------------|------------------------|-------------------------|--|
| | As at 31 March 2024 | As at 31 March 2023 | Fair Value Hierarchy | Valuation techniques and key inputs |
| Financial assets | | | | |
| Other investments | | | | |
| Quoted equity shares | 42.12 | 31.02 | Tier I | Quoted share price in active market |

Financial assets and financial liabilities that are not measured at fair value:

The Management considers that the carrying amount of all the financial asset and financial liabilities that are not measured at fair value in the standalone financial statements approximate fair values and, accordingly, no disclosure of the fair value hierarchy is required to be made in respect of these assets/liabilities.

35 FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established the Risk Management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The committee reviews and agrees policies for managing each of these risks, which are summarized below:

35.1 Market Risk

The Company is exposed to market risks such as price, interest rate fluctuation and foreign currency rate fluctuation risks, capital structure and leverage risks.

35.2 Foreign Currency Risk Management:

The Company predominantly undertakes transactions in Indian rupees. The Company undertakes few transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuation arises. The Company does not enter into trade financial instruments including derivative financial instruments for hedging its foreign currency risk. The appropriateness of the risk policy is reviewed periodically with reference to the approved foreign currency risk management policy followed by the Company.

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

A. Balances outstanding

| Particulars | Currency | Amount as at 31 March 2024 | | Amount as at 31 March 2023 | |
|----------------------------|----------|------------------------------------|--------------------|------------------------------------|--------------------|
| | | Amount in Foreign Currency (Lakhs) | Amount Rs in lakhs | Amount in Foreign Currency (Lakhs) | Amount Rs in lakhs |
| Trade Payables | USD | 0.32 | 25.72 | 0.51 | 46.47 |
| Trade Receivables | USD | 2.04 | 170.08 | 0.31 | 25.49 |
| Net Payables/(Receivables) | | (1.72) | (144.36) | 0.20 | 20.98 |

Out of the above foreign currency exposures, none of the monetary assets and liabilities are hedged by a derivative instrument or otherwise.

B. Foreign Currency Sensitivity Analysis

The following table details the company's sensitivity to a 10% increase and decrease in the Indian Rupee against the relevant foreign currencies (USD). 10% is in the rate in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate (USD). The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in the foreign currency rates (USD). A positive number below indicates an increase in profit or equity where the Indian Rupee strengthens 10% against the relevant currency. For a 10% weakening of the Indian Rupee against the relevant currency (USD), there would be a comparable impact on the profit or equity and balance below would be negative.

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---------------------|---------------------|
| Impact on Standalone Statement of Profit and Loss for the year | | |
| Increase by 10% | 14.44 | (2.10) |
| Decrease by 10% | (14.44) | 2.10 |
| Impact on total equity as at the end of the year | | |
| Increase by 10% | 10.80 | (1.57) |
| Decrease by 10% | (10.80) | 1.57 |

C. Remittance in foreign currency on account of dividends to non-resident shareholders

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|----------------------------------|----------------------------------|
| Number of non-resident shareholders | 1 | - |
| Number of equity shares (Face Value of Rs. 10 each) | 624,152 | - |
| Dividend (excluding withholding tax) | 24.97 | - |

35.3 Liquidity Risk Management :

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

Interest Risk Management

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company does not have any long term debt as at reporting date.

The Company manages its interest rate risk by having a mixed portfolio of fixed and variable rate loans and borrowings.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Rs in lakhs)

| Non Derivative Financial Liabilities | Carrying amount | Contractual maturities | | | |
|---|-----------------|------------------------|------------------|--------------|-------------------|
| | | Total | Less than 1 year | 1 to 5 years | 5 years and above |
| As at 31 March 2024 | | | | | |
| Borrowings | 3,198.55 | 3,198.55 | 3,198.55 | - | - |
| Lease liabilities (Non current and Current) | 498.58 | 563.31 | 321.94 | 214.64 | 26.73 |
| Trade Payable | 7,509.63 | 7,509.63 | 7,509.63 | - | - |
| Other Financial Liabilities | 1,362.36 | 1,362.36 | 1,362.36 | - | - |
| Total | 12,569.12 | 12,633.85 | 12,392.48 | 214.64 | 26.73 |
| As at 31 March 2023 | | | | | |
| Borrowings | 4,136.25 | 4,136.25 | 4,136.25 | - | - |
| Lease liabilities (Non current and Current) | 935.45 | 1,064.65 | 501.34 | 518.71 | 44.60 |
| Trade Payable | 18,335.18 | 18,335.18 | 18,335.18 | - | - |
| Other Financial Liabilities | 2,162.95 | 2,162.95 | 2,162.95 | - | - |
| Total | 25,569.83 | 25,699.03 | 25,135.72 | 518.71 | 44.60 |

The Company has sufficient current assets comprising of Trade receivables, Cash and cash equivalents, Other bank balances, Loans and other current financial assets to manage the liquidity risk, if any, in relation to current financial liabilities. The fact that the Company also has credit facilities with Banks, the Company believes that it has enough sources to meet its financial obligations as they fall due, in case of any deficit.

35.4 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 and investments in debt securities. The carrying amount of financial assets represents the maximum credit exposure.

Trade receivables, loans and other receivables

Credit risk arises from the possibility that customers may not be able to settle their obligations as agreed. To manage this, the businesses periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. The Company establishes

an allowance for doubtful receivables that represents its estimate of expected losses in respect of trade receivables, loans and other receivables (refer note 9, 11 and 12). The credit risk from Government agencies, which form a significant portion of the Company's revenue and receivables, is minimal considering the sovereign nature of the receivables.

Cash and cash equivalents

The Company maintains its cash and cash equivalents with creditworthy banks and reviews it on ongoing basis. The creditworthiness of such banks is evaluated by the management on an ongoing basis and is considered to be good.

Other financial assets

Other financial assets are neither past due nor impaired. The loan to Hansa Vision India Private Limited was fully realised during previous year.

35.5 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the standalone financial statements approximate their fair values.

35.6 Offsetting of financial assets and financial liabilities

The Company does not offset financial assets and financial liabilities

36 RATIO ANALYSIS AND ITS ELEMENTS

| Ratio | For the year ended 31 March 2024 | For the year ended 31 March 2023 | % variance | Reason for variance |
|--|-------------------------------------|-------------------------------------|------------|------------------------|
| Current ratio (times) | 1.92 | 0.80 | 140.21% | Note 1 |
| Debt- Equity Ratio (times) | 0.15 | 0.80 | -81.19% | Note 2 |
| Debt Service Coverage ratio (times) | 0.41 | 0.75 | 45.67% | Note 3 |
| Return on Equity ratio (%) | 17.07% | 39.88% | -57.19% | Note 4 |
| Inventory Turnover ratio (times) | * | * | NA | NA |
| Trade Receivables Turnover Ratio (times) | 3.37 | 3.63 | -7.24% | Less than 25% |
| Trade Payables Turnover Ratio (times) | 2.99 | 2.85 | 5.04% | Less than 25% |
| Net Capital Turnover Ratio (times) | 3.55 | [12.32] | 128.83% | Note 5 |
| Net Profit ratio (%) | 16.35% | 14.96% | 9.31% | Less than 25% |
| Return on Capital Employed (%) | 15.13% | 29.94% | -49.48% | Note 6 |
| Return on Investment (%) | * | * | NA | NA |

* None to report

Formulae used for calculation:

- Current Ratio (times) = Current Assets / Current Liabilities
- Debt-Equity Ratio = Debt [Non-Current and Current Borrowings and Lease liabilities] / Equity [Equity Share Capital + Other Equity]
- Debt service coverage ratio = Earnings available for Debt service/ Debt service
Earnings available for Debt Service = Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
Debt service = Interest & Lease Payments + Principal Repayments
"Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.
- Return on Equity Ratio = Net Profits after taxes / Average Shareholder's equity
- Trade Receivable Turnover (times) = Gross Billings / Average Trade Receivables (Simple Average: Opening + Closing)
- Trade Payable Turnover (times) = Net Credit Purchases / Average Trade Payables (Simple Average: Opening + Closing)
- Net Capital Turnover = Gross Billings / Working Capital (Current Assets - Current Liabilities)
- Net Profit Ratio = Net Profit After Tax /Revenue from Operations
- Return on Capital employed = EBIT/ Capital Employed (Total Debt + Tangible Net Worth + Deferred Tax Liability)

Reason For Variance (where variance > 25%).

- 1 The Company's bank and other balances has increased significantly during the current year as a result of Initial Public Offering. Further, there is increase in Net receivables (Trade Receivables - Trade Payables) due to increase in operations in current year as compared to previous year. This has resulted in significant improvement in Current ratio.
- 2 The Debt to Equity ratio of the company has improved due to increase in total equity of the company as a result of the Initial public offering. Additionally, the Company has repaid the related party loan of Rs 937.70 lakhs during the year and also there is a reduction of lease liability to the extent of Rs 436.86 lakhs.
- 3 The Company has availed various short term working capital facilities during the current year and the same been repaid before the year end. This has resulted in a decrease in the Debt Service Coverage Ratio which is partially offset by improved earnings available for Debt service in current year.
- 4 During the year, despite of increase in the profits the return on equity ratio has fallen down due to increase in the Average shareholder's equity as a result of Initial Public Offering.
- 5 During the year companies working capital has improved significantly as a result of capital raised via Initial Public Offer. This has resulted in improvement of Net Capital Turnover ratio.
- 6 During the year despite of increase in the EBIT the return on Capital employed ratio has fallen down due to increase in the Average shareholder's equity as a result of Initial public offering.

37 Related Party Transactions

37.1 Names of Related Parties and Nature of Relationship

| Relationship | Name of Related Party |
|--|---|
| Subsidiaries | Hansa Research Group Private Limited* |
| | Hansa Customer Equity Private Limited# |
| | Dsquare Solutions Private Limited#\$ |
| | Hansa Direct Private Limited#\$ |
| | Autosense Private Limited#\$ |
| | Hansa Marketing Services LLC#\$ |
| | Hansa Marketing Services Private Limited#\$ |
| Companies under common control^ | Hansa Estates Private Limited |
| | Hansa Holdings Private Limited |
| | Hansa Marketing Services Inc, USA |
| | Hansa Vision India Private Limited (w.e.f. 8 February 2023)** |
| Key Management Personnel | Mr. Srinivasan K Swamy- Managing Director |
| | Mr. Narasimhan Krishnaswamy - Whole time Director |
| | Mrs. Sangeetha Narasimhan - Whole time Director |
| | Mr Rajeev Newar - Group CFO (w.e.f. 5 July 2022) |
| | Mr Desikan Rajagopalan - Company Secretary |
| Relatives of Key Management Personnel^ | Mrs. Sruti Swamy |
| | Mrs. Sudha Srinivasan |
| Promoter Group^ | Mrs Vimala Ramanan |
| | Mrs Bhooma Parthasarathy |
| | Mrs Vathsala Ravindran |
| | Mrs Kala Santhanaraman |
| Firms/AOPs/Trusts/Companies in which directors are interested^ | Continued Medical Education Foundation of India |
| | Centre of Excellence For Clinical Studies |
| | Asian Society of Continuing Medical Education |

* Fellow subsidiary up till 28 July 2022

Fellow subsidiary up till 11 August 2022

\$ Subsidiary through Hansa Customer Equity Private Limited ^ Parties whom there were transactions during the year

** Holding Company up till 7 February 2023 (refer note 14.4)

37.2 Transactions with the Related Parties

(Rs in lakhs)

| Transaction | Related Party | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------------|---|-------------------------------------|-------------------------------------|
| Income | | | |
| Rendering of services | Hansa Research Group Private Limited | 0.45 | - |
| Rendering of services | Hansa Estates Private Limited | 0.58 | 0.54 |
| Rendering of services | Hansa Marketing Services Inc, USA | 169.54 | 11.07 |
| Rendering of services | Asian Society of Continuing Medical Education | - | 30.00 |
| Rendering of services | Centre of Excellence For Clinical Studies | 9.95 | 39.64 |
| Rendering of services | Continued Medical Education Foundation of India | - | 110.36 |
| Rendering of services | Hansa Holdings Private Limited | 45.00 | - |
| Interest income | Hansa Vision India Private Limited | - | 155.83 |
| Facility sharing income | Hansa Research Group Private Limited | 44.84 | 52.74 |
| Facility sharing income | Hansa Customer Equity Private Limited | 7.42 | 7.42 |
| Reimbursement of expenses recovered | Hansa Research Group Private Limited | 121.44 | 110.80 |
| Reimbursement of expenses recovered | Hansa Customer Equity Private Limited | 119.39 | 120.04 |
| Reimbursement of expenses recovered | Hansa Vision India Private Limited | - | 74.41 |
| Expenses | | | |
| Interest expense | Hansa Research Group Private Limited | 191.98 | 99.20 |
| Interest expense | Hansa Customer Equity Private Limited | 209.38 | 114.83 |
| Interest expense | Hansa Estates Private Limited | - | 6.22 |
| Interest expense | Hansa Vision India Private Limited | 8.69 | 38.65 |
| Office Expenses | Hansa Holdings Private Limited | - | 0.42 |
| Receipt of services | Hansa Research Group Private Limited | 45.35 | 15.58 |
| Receipt of services | Hansa Customer Equity Private Limited | 136.09 | 5.52 |
| Receipt of services | Hansa Holdings Private Limited | 513.72 | 3.35 |
| Rent | Hansa Customer Equity Private Limited | 20.81 | 12.54 |
| Rent | Hansa Vision India Private Limited | 93.18 | 93.00 |
| Rent | Mrs. Sudha Srinivasan | 6.08 | 6.00 |
| Rent | Hansa Research Group Private Limited | 14.18 | 10.23 |
| Remuneration | Mr. Srinivasan K Swamy | 114.47 | 106.01 |
| Remuneration | Mr. Narasimhan Krishnaswamy | 105.05 | 106.01 |
| Remuneration | Mrs. Sangeetha Narasimhan | 99.96 | 103.21 |
| Remuneration | Mr Rajeev Newar | 207.00 | 245.00 |
| Remuneration | Mr. Desikan Rajagopalan | 21.00 | 18.45 |
| Remuneration | Mrs. Sruti Swamy | 24.00 | 24.00 |
| Others | | | |
| Dividend Paid | Hansa Vision India Private Limited | - | 204.00 |
| Dividend Paid | Mr. Srinivasan K Swamy | 74.32 | - |
| Dividend Paid | Mr. Narasimhan Krishnaswamy | 74.32 | - |
| Dividend Paid | Promoter Group | 1.50 | - |
| Loan Advanced | Hansa Vision India Private Limited | - | 1,300.00 |
| Loan Recovered | Hansa Vision India Private Limited | - | 6,376.20 |
| Loan received | Hansa Research Group Private Limited | 1,425.00 | 2,400.00 |
| Loan received | Hansa Customer Equity Private Limited | 930.00 | 2,025.00 |
| Loan received | Hansa Vision India Private Limited | - | 833.00 |
| Loan received | Hansa Estates Private Limited | - | 350.00 |
| Repayment of loan | Hansa Customer Equity Private Limited | 1,470.00 | - |
| Repayment of loan | Hansa Research Group Private Limited | 1,411.45 | 700.00 |
| Repayment of loan | Hansa Estates Private Limited | - | 350.00 |
| Repayment of loan | Hansa Vision India Private Limited | 411.25 | 421.75 |

37.3 OUTSTANDING BALANCES AT THE END OF THE REPORTING PERIOD

(Rs in lakhs)

| Transaction | Related Party | As at 31 March 2024 | As at 31 March 2023 |
|---|---|------------------------|------------------------|
| Other Financial Assets - Rental Deposit (FV) (Face Value of Deposit Rs. 425 lakhs (31 March 2023 - Rs. 425 lakhs)) | Hansa Vision India Private Limited | 398.97 | 366.79 |
| Other Financial Assets - Receivable on account of demerger | Hansa Vision India Private Limited | - | 178.47 |
| Financial Liabilities - Loans | Hansa Research Group Private Limited | 1,713.55 | 1,700.00 |
| Financial Liabilities - Loans | Hansa Vision India Private Limited | - | 411.25 |
| Financial Liabilities - Loans | Hansa Customer Equity Private Limited | 1,485.00 | 2,025.00 |
| Trade Receivables | Hansa Customer Equity Private Limited | 2.10 | - |
| Trade Receivables | Hansa Holdings Private Limited | 6.96 | - |
| Trade Receivables | Hansa Marketing Services Inc, USA | 170.08 | - |
| Trade Receivables | Asian Society of Continuing Medical Education | - | 32.40 |
| Trade Receivables | Hansa Research Group Private Limited | 2.39 | - |
| Trade Receivables | Centre of Excellence For Clinical Studies | 11.74 | 21.62 |
| Trade Receivables | Continued Medical Education Foundation of India | - | 44.03 |
| Expenses recoverable | Hansa Research Group Private Limited | 61.28 | 93.84 |
| Expenses recoverable | Hansa Customer Equity Private Limited | 20.67 | 105.24 |
| Expenses recoverable | Hansa Vision India Private Limited | - | 66.97 |
| Other financial liabilities - Interest accrued | Hansa Customer Equity Private Limited | 44.76 | - |
| Other financial liabilities - Interest accrued | Hansa Research Group Private Limited | 87.62 | - |
| Trade Payables | Hansa Holdings Private Limited | 0.32 | 4.05 |
| Trade Payables | Hansa Research Group Private Limited | 6.32 | - |
| Trade Payables | Hansa Customer Equity Private Limited | 78.72 | 5.83 |

Notes:

- The Company has given corporate guarantee of Rs 1000 lakhs to bank in previous year in favour of loan taken by Hansa Research Group Private Limited from bank. The same is outstanding at year end.
- Hansa Vision India Private Limited has given corporate guarantee in earlier years to bank in favour of cash credit and working capital demand loan taken by the Company. The same is outstanding as at year end.
- The Company has given corporate guarantee of Rs 300 lakhs to bank in the current year in favour of loan taken by Hansa Customer Equity Private Limited from bank. The same is outstanding at year end.
- Land held by one of the directors has been pledged as collateral towards the working capital facilities obtained from the bank.
- Compensation of key management personnel of the Company are as below:

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|-------------------------------------|----------------------------------|----------------------------------|
| Short Term Employee Benefits | | |
| Mr. Srinivasan K Swamy | 114.47 | 106.01 |
| Mr. Narasimhan Krishnaswamy | 105.05 | 106.01 |
| Mrs. Sangeetha Narasimhan | 99.96 | 103.21 |
| Mr Rajeev Newar | 207.00 | 245.00 |
| Mr. Desikan Rajagopalan | 21.00 | 18.45 |

38 CONTINGENT LIABILITIES, COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR) AND OTHER DISPUTES

38.1 Contingent Liabilities

(Rs in lakhs)

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|--|------------------------|------------------------|
| Claims against the Company not acknowledged as Debts: | | |
| Taxation matters | | |
| Income Tax | 209.43 | 289.25 |

38.2 Commitments

The Company has other commitments for purchase/sale orders which are issued considering the requirements per operating cycle for purchase/sale of services, employee benefits. The Company does not have any long-term commitments or material non-cancellable contractual commitments/contracts, which might have material impact on the financial statements.

39 WILFUL DEFAULTER

The Company has not been declared as a wilful defaulter by any bank, financial institutions or any other lender.

40 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

During the current and previous year the Company has not traded or invested in Crypto or Virtual Currency.

41 UNDISCLOSED INCOME

There are no transactions which are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

42 UTILISATION OF BORROWED FUNDS

- a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- b.) The Company has not received any fund from any person or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with the transactions of the Company during the year and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

43 CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act 2013 (the Act), the Company was required to spend Rs.26.77 lakhs, being 2% of the average net profits for the three immediately preceding financial years (calculated in accordance with the provisions of Section 198 of the Act), in pursuance of its Corporate Social Responsibility Policy. A CSR committee has been formed by the Company as per the Act.

(Rs in lakhs)

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|-------------------------------------|-------------------------------------|
| (i) Gross amount required to be spent by the Company | 26.77 | 8.72 |
| (ii) Amount of expenditure incurred: | | |
| (a) Construction/Acquisition of any asset | - | - |
| (b) On purposes other than (i) above* | 26.77 | 9.12 |
| (iii) shortfall at the end of the year, | - | - |
| (iv) total of previous years shortfall, | - | - |
| (v) reason for shortfall | - | - |
| The Company has during the year contributed towards Point ii(b) of the Schedule VII of the Companies Act 2013 which is promoting education and protection of culture, heritage and food for the underprivileged people. | | |

*The Company has carried forward the excess expenditure incurred during the current year amounting to Rs 0.65 lakhs (Refer note 11)

44 DECLARATION AND PAYMENT OF DIVIDEND

Dividends paid during the year ended 31 March 2024 include an amount of Rs 4.00 per equity share towards dividend for the year ended 31 March 2023 amounting to Rs.177 lakhs. Dividends paid during the year ended 31 March 2023 include an amount of Rs 5.00 per equity share towards dividend for the year ended 31 March 2022 amounting to Rs.204 lakhs.

The Board of Directors at its meeting held on 24 May, 2024 have recommended payment of dividend of Rs. 2 per equity share of face value of Rs.5 each for the financial year ended 31 March 2024, amounting to Rs.1,009.54 lakhs. The proposed dividend is subject to approval by shareholders at the ensuing Annual General Meeting of the Company.

The Company has complied with provisions of Section 123 of Companies Act, 2013 with respect to declaration and payment of proposed final dividend during respective years.

45 ACCOUNTING FOR THE SCHEME OF ARRANGEMENTS

The Board of Directors of Hansa Vision India Private Limited (Holding company before demerger) and Board of Directors of the Company at their respective meeting held on 8 November 2022, approved the Scheme of Arrangement of Demerger of the Marketing Communication and Allied Businesses division ("MARCOM" or "demerged undertaking") of Hansa Vision India Private Limited ("HVIPL" or "Demerged Company"), and transfer to the Company ("Resulting Company") under section 233 read with section 230 to 232 of the companies Act, 2013, with effect from 1 September 2022, ("The Appointment Date") subject to obtaining necessary approvals of Regional Director (RD) at Chennai.

The said Scheme received the approval of the Regional Director and other statutory and regulatory authorities on 24 January 2023. The Scheme has become effective from 8 February 2023.

As per the share swap ratio approved by RD in its Order, the Company has allotted Equity Shares in the ratio of 1,000 Equity Shares of Rs 10 each for every 6,660 Equity Shares of Rs 10 each held by the shareholders of HVIPL. Therefore, the Company has issued 44,45,714 Equity Shares of Rs 10 each ("New Equity Shares") to Shareholders of HVIPL during the year ended 31 March 2023. Further, as per the Order, existing Equity Shares of the Company held by HVIPL comprising of 40,80,000 shares (including 14,33,000 equity shares acquired during the previous year) of Rs 10 each stand cancelled. Hence, HVIPL ceases to continue as Holding Company w.e.f. 8 February 2023.

The Merger is accounted as per the "pooling of interest" method since the conditions as per the requirements of Ind AS 103 – Business Combinations of entities under common control are met. Further, previous year numbers have been restated as per the requirements of Ind AS 103 from the earliest period presented i.e 1 April 2021, as if the Appointed date is 1 April 2021. Accordingly, the carrying values of the assets and liabilities pertaining to the MARCOM Division as appearing in the standalone financial statements of the Demerged Company have been recorded in the books of the Company. All the transaction of MARCOM Division were carried out on behalf the Company and the same is recorded as receivables as at 31 March 2023 from the Demerged Company. The said receivables have been fully received during the current year amounting to Rs. 178.47 lakhs.

Book value of assets and liabilities as on 1 April 2021 related demerged undertaking are as under:

(Rs in lakhs)

| Particulars | 1 April 2021 |
|---|---------------|
| Assets | |
| Property, Plant and Equipment | 48.99 |
| Deferred Tax Assets (net) | 22.24 |
| Trade receivables | 319.56 |
| Other Current Assets | 428.27 |
| (A) | 819.06 |
| Liabilities | |
| Non-current provisions | 4.43 |
| Trade payables | 893.91 |
| Other Current Liabilities | 92.27 |
| (B) | 990.62 |
| Net assets acquired C (A-B) | (171.55) |
| New Shares issued (D) | 444.57 |
| Cancellation of existing share capital of the Company (E) | 408.00 |
| Capital reserve (C-D+E) (refer note 15) | (208.13) |

46 INVESTMENTS IN IL&FS SECURITIES BY PROVIDENT FUND TRUST ADMINISTERED BY THE COMPANY AND RELATED ACCOUNTING

The Company had an exempted (exempted from the operation of the provisions of the Employees Provident Funds Scheme, 1952) Provident Fund (PF) Trust (Trust) which was administered by it and as per the trust deed, the Company shall make good any deficiency in the interest rate declared by the Trust below the statutory limit as well as any loss on account of investments made by the Trust. The Company had surrendered the exemption in the month of August 2019 and effective 1 October 2019, pursuant to an in-principle acceptance by the PF Department of the surrender of exemption subject to specified conditions, the Company started making contributions to the fund administered by the Central Government of India for qualifying employees. Consequent to the surrender of exemption in August 2019, the Company initiated the process of transfer of investments held by the Trust in favour of the PF Department in September 2019 and had also committed to the PF Department that any losses on account of the investments held by the PF Trust would be borne by the Company. The PF Department had carried out a special audit of the PF Trust and the settlement process related to the surrender of exemption with the PF Department was completed in the financial year ended 31 March 2022.

As part of the investments held by the PF Trust at the time of surrender, an amount of Rs. 331 lakhs were investments in the securities of Infrastructure Leasing & Finance Services Limited, in respect of which the proceedings before the National Company Law Appellate Tribunal (NCLAT) are ongoing since 2018-2019. The PF Department required the Company to pay the amount of principal and the interest shortfall in respect of this investment and during the year ended 31 March 2022, the Company has paid an amount of Rs. 417.14 lakhs to the PF Department, comprising of Rs. 331.00 lakhs of the principal portion and Rs. 86.44 lakhs being the interest/other charges for the period upto the date of settlement. The securities of IL&FS have been transferred in the name of the Company in April 2022 and the Company is awaiting the outcome of the proceedings before the NCLAT.

Considering the obligations of the Company pursuant to the Trust Deed, the commitment to the PF Department that any losses on account of the investments held by the PF Trust would be borne by the Company and the ongoing proceedings relating to IL&FS at the NCLAT, the Company has accounted for Rs. 331.00 lakhs as provision towards shortfall in realization of the principal value of investments (Provision for Expected PF Trust Loss) on grounds of prudence and has debited the retained earnings on 1 April 2020, the earliest balance sheet presented, in respect of the same. Interest/other charges obligations upto 1 April 2020 of Rs. 29.54 lakhs has been accounted in retained earnings and interest differential for the periods ended 31 March 2021 and 31 March 2022 of Rs. 36.14 lakhs and Rs. 20.76 lakhs has been accounted in the Statement of Profit and Loss for these periods, respectively.

As part of ongoing proceeding before NCLAT, the Company has received Rs 10.75 lakhs for the year ended 31 March 2024 (31 March 2023: Rs. 29.33 lakhs) against the said investment which the Company has accounted as income.

47 UTILISATION OF IPO PROCEEDS

During the year, the company has completed initial public offering (IPO) of ₹ 42,356.00 lakhs (including fresh issue of ₹ 17,300.00 lakhs) comprising of (i) equity shares of 58,79,751 each at an issue price of ₹ 288 per share towards fresh issue of equity shares (ii) equity shares of 87,00,000 each at an issue price of ₹ 288 per share towards offer for sale (iii) equity shares of 1,40,350 each at an issue price of ₹ 261 per share for employee quota towards fresh issue. The equity shares of the company were listed on National Stock Exchange of India Limited and BSE Limited w.e.f 12 March 2024. The Company has incurred issue expenses amounting to Rs 4,127.22 lakhs. These expenses are borne by the Company and Selling Shareholders, in proportion of the Equity Shares issued by the Company and sold by each of the Selling Shareholders in the Offer for Sale and in accordance with Applicable Law amounting to Rs.1,667.48 lakhs and Rs.2,459.74 lakhs respectively. The Company's share of expense of Rs.1,425.78 lakhs (excluding taxes) has been adjusted against Securities Premium as at 31 March 2024.

The utilisation of the IPO proceeds is summarised below:

(Rs in lakhs)

| Objects of the issue as per prospectus | Estimated amount to be utilised as per Prospectus | Utilization upto 31 March 2024 | Unutilized amount as at 31 March 2024 |
|---|---|--------------------------------|---------------------------------------|
| 1. Funding working capital requirements | 5,400.00 | 5,400.00 | - |
| 2. Funding capital expenditure incurred for setting up a DVCP Studio | 1,098.50 | - | 1,098.50 |
| 3. Funding investment in IT infrastructure development of Company, and its Material Subsidiaries Hansa Research and Hansa Customer Equity | 3,334.20 | - | 3,334.20 |
| 4. Funding setting up of new CEC and CATI | 2,173.60 | - | 2,173.60 |
| 5. General corporate purposes | 3,626.22 | - | 3,626.22 |
| Total net proceeds | 15,632.52 | 5,400.00 | 10,232.52 |

48 ADDITIONAL DISCLOSURES

(i) Title deeds of Immovable Properties not held in name of the Company:

The Company does not hold any immovable properties whose title deeds are not in the name of the Company (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).

(ii) Loans or Advances:

The Company has not granted Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment,

(iii) Intangible Assets under Development:

No assets have been classified as intangible assets under development.

(iv) Details of Benami Property held:

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(v) Relationship with Struck off Companies:

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(vi) Registration of charges or satisfaction with Registrar of Companies (ROC):

The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period.

(vii) Compliance with number of layers of companies:

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

49 PREVIOUS YEAR COMPARATIVE

Previous year's numbers have been regrouped/reclassified, wherever necessary, to make them comparable with the figure of the current year.

50 OTHER MATTERS

Information with regards to other matters specified in Schedule III of the Companies Act, 2013 are either Nil or not applicable to the Company.

For and on behalf of the Board of Directors

R K SWAMY LIMITED (FORMERLY KNOWN AS R K SWAMY PRIVATE LIMITED AND R.K. SWAMY BBDO PRIVATE LIMITED)

CIN: L74300TN1973PLC006304

Srinivasan K Swamy
Chairman and Managing
Director
DIN: 00505093
Place: Mumbai
Date: May 24, 2024

Desikan Rajagopalan
Company Secretary
Membership No: A28348
Place: Mumbai
Date: May 24, 2024

Narasimhan Krishnaswamy
Group Chief Executive Officer
and Whole time Director
DIN: 00219883
Place: Mumbai
Date: May 24, 2024

Rajeev Newar
Group Chief Financial Officer

Place: Mumbai
Date: May 24, 2024

INTEGRATED MARKETING COMMUNICATION
ADVERTISING CREATIVE DIGITAL MEDIA
EVENTS & ACTIVATION MEDIA PLANNING & BUYING
DIGITAL CONTENT SOCIAL & RURAL COMMUNICATION
HEALTHCARE COMMUNICATION BRAND CONSULTING
CONTINUING MEDICAL EDUCATION
CUSTOMER DATA ANALYTICS
CUSTOMER EXPERIENCE – CX MARKETING TECHNOLOGY
CUSTOMER RELATIONSHIP MARKETING – CRM
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QUALITATIVE RESEARCH SYNDICATED STUDIES
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Registered office: R K SWAMY Limited, 19 Wheatcrofts Road, Nungambakkam, Chennai 600 034.

Corporate office: Esplanade House, 29 Hazarimal Somani Marg, Fort, Mumbai 400 001.

CUSTOMER RELATIONSHIP MARKETING – CRM
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