ProConnect
Supply Chain Solutions Limited

ANNUAL REPORT

2022-23

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2022-23

Index

Changing Strategies

Changing Strategies

The financial year 2022-23 proved to be one filled with many challenges. However, we believe these challenges helped us to revisit our understanding on the prevailing market situation specially the post covid scenarios. Overcoming these challenges have triggered a change in our strategy. During the year we identified vertical focus, technology investments, organization building, sales and operational excellence, adjacent business opportunities and Merger and Acquisitions as probable Critical Success Factors (CSFs) for future strategy.

Vertical Focus

We identified FMCG, FMCD, E-com, Lifestyle, IT & Telco and Healthcare as robust industry verticals for our growth. During the year we also planned for customer retention through Monthly/Quarterly business review.

Technology Investments

We planned technology investments in SALESFORCE, Infor and Shipsy as RAMCOs current version has not performed well for core functions like Customer Relationship Management, Warehouse Management, Transport Management, Finance & Accounting, Human Resources, Enterprise Asset Management and Service Procurement and new functional architecture recommended to support a strong core and launch of "control tower" for customer SLA monitoring and tracking.

Organisation Building

Organizational building in a logistics company involves creating a robust framework that supports efficient operations and enhances overall performance. This process starts with establishing a clear organizational structure that defines roles and responsibilities, ensuring that every team member understands their contributions to the supply chain. Implementing effective communication channels and technology solutions, such as advanced inventory management systems and real-time tracking tools, is crucial for streamlining operations and improving coordination. Additionally, fostering a culture of continuous improvement through employee training and development programs helps in adapting to industry changes and technological advancements. By prioritizing these elements, a logistics company can build a resilient and agile organization capable of meeting the dynamic demands of the global market.

We focussed on following action areas for organisation building during the year-

1. Robust organization design and culture
2. Strong HR team to support growth
3. Tech solutions for resolution of staff issues, helpdesk, payroll, etc
4. "Best place to work for" for talent-pull and morale

Sales and Operational Excellence

To achieve excellence in both sales and operations, a company must integrate strategic initiatives that foster alignment and efficiency across departments. This involves creating a clear, data-driven sales strategy that targets key markets and customer segments, while simultaneously streamlining operational processes to support these sales efforts. Leveraging technology and analytics can provide valuable insights into customer behaviour and operational performance, allowing for more informed decision-making and agility in responding to market changes. Training and development are crucial, ensuring that teams are well-equipped to execute the strategy and adapt to evolving demands. By fostering collaboration between sales and operations, setting measurable goals, and continuously reviewing performance metrics, companies can drive sustainable growth, improve customer satisfaction, and enhance overall organizational effectiveness.

During the year we identified following initiatives to address challenges-

- Move towards account (SAM/KAM/SME) structure
- Team strength and leadership
- Sales pipeline by vertical
- One PCS, one contract, one face to customer
- Pro-active approach to WH capacity building
- Profitability dashboard

We also identified the following Key Success Factors for sales and operational excellence-

- Robust funnel/pipeline management
- Vertical-wise expertise to meet acquisition plans
- Customer retention via higher satisfaction
- Process stability across teams and locations
- Right contractual terms

Adjacent Business Opportunities

We identified Cold Chain and Mission Critical as a potential area of interest under adjacent business opportunity. We also evaluated partnership model in short and medium term for cold chain business. For expansion of Mission critical service division, we evaluated Redington's oversees relationship.

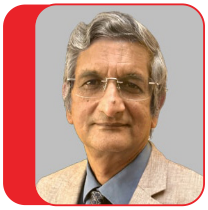
Merger and Acquisition

We identified last mile, VAS, Tech and Cold Chain as potential areas for Merger and Acquisition (M&A).

Corporate Information

Board of Directors - Proconnect

Mr. E H Kasturi Ranjan
Director
(Resigned with effect from 10th May 2023)



Mr. B Ramaratnam
Independent Director

Mr. S V Krishnan
Director

Prof J Ramachandran
Independent Director
(Resigned with effect from 10th May 2023)

Ms. Anita Belani
Independent Director
(Appointed with effect from 10th May 2023)

Ms. Purnima Rao
Director
(Resigned with effect from 10th May 2023)

Mr. Kumar Malay Shankar- Managing Director & Chief Executive Officer
(Appointed as Managing Director with effect from 10th May 2023)

Key Management Team

Mr. Dilip Sharma
Chief Operating Officer

Mr. S Vijayaraghavan
Chief Financial Officer

Mr. N Jayendran
Chief Technology Officer

Mr. Karan Puri
Chief Sales Officer

Mr. M Muthukumarasamy
Company Secretary

Corporate Information

Corporate Information	**Registered Office:** Block 3, Plathin, Redington Tower, Inner Ring Road, Saraswathy Nagar West, 4th Street, Puzhuthivakkam, Chennai 600091
Website	**www.proconnect.co.in**
Group Company	**Redington Limited**
Subsidiaries	**Proconnect Holding Limited, Dubai**
Directors	I. Mr. E H Kasturi Ranjan — Director II. Mr. B Ramaratnam — Independent Director III. Mr. S V Krishnan — Director IV. Mr. Prof J Ramachandran — Independent Director V. Ms. Anita Belani — Independent Director VI. Ms. Purnima Rao — Director VII. Mr. Kumar Malay Shankar — Managing Director & Chief Executive Officer
Chief Financial Officer	Mr. S Vijayaraghavan
Company Secretary	Mr. M Muthukumarasamy
Statutory Auditors	Deloitte Haskins & Sells
Secretarial Auditors	B Chandra & Associates
Internal Auditors	Protiviti India Member Private Limited
Bankers	• HDFC Bank Limited • Kotak Mahindra Bank Limited • State Bank of India • IDFC First Bank Limited • Axis Bank Limited

Awards and Recognitions

FY 22-23

Q4 – FY 22-23 • Won CII Scale award for Overall Excellence in 3 Category.

Customer Satisfaction / Appreciation

From: Falguni Koshti <Falguni.Koshti@Sophos.com>
Sent: 03 October 2022 09:31
To: sophosscm <sophosscm@proconnect.co.in>; MAULIK HARESHKUMAR PRAJAPATI <Maulik.prajapati@proconnect.co.in>; Vipulbhai Koli <Vipulbhai.koli@proconnect.co.in>; Utsav Rathod <Utsav.Rathod@proconnect.co.in>
Cc: BIPIN DINESHKUMAR JAYPAL <bipin.jaypal@proconnect.co.in>; indiafulfillment <indiafulfillment@sophos.com>; George Thomas <George.Thomas@Sophos.com>; Ashish Oza <Ashish.Oza@Sophos.com>
Subject: A big thank you

Hello Proconnect Team,

We really appreciate great support for a very smooth quarter end closure.

With such a huge volume of inbound and outbound, you have tremendously assisted us with great zeal. May it be RMA or sales or any special project, we had a great support from all of you.

Many thanks from Sophos team.

WE APPRECIATE YOUR HARD WORK
THANK YOU
FOR GIVING 100% EVERY DAY

Falguni Koshti | Sophos Supply Chain – APJ
Email : | Falguni.koshti@sophos.com

reckitt

Quality audit for H1 has been successfully Completed at Guwahati site and got GREEN rating from auditors appointed by the reckitt Benckiser. Appreciation mail received from customer as well.

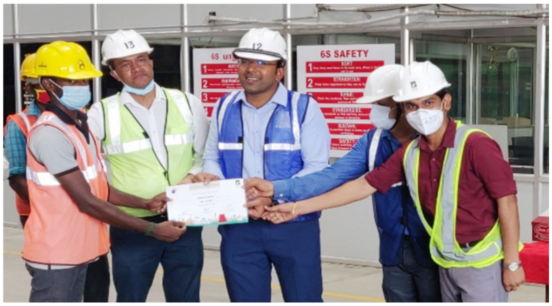
SOPHOS

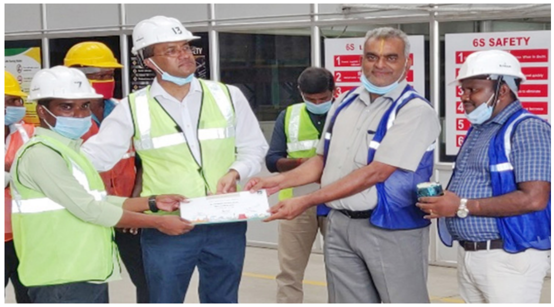
Appreciation mail with thank you Card received from customer for completing the Quarter end smoothly – Great support extended by the warehouse Team.

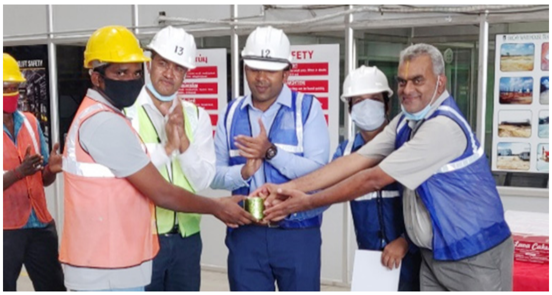
Highlights / achievements

Q2 FY22-23

RR - Awards and Recognitions FY 22-23.








Reward and Recognition program has been conducted at Indus sites

WAREX Audit

CII WAREX Warehouse Excellence Certification






Successfully completed WAREX certification audit at all Indus site Bangalore, Trichy and Lucknow and got "Titanium Grade"

Notice to the Shareholders

To

The Members of the Company

The Directors of the Company

The Statutory Auditors of the Company

The Secretarial Auditors of the Company

NOTICE

NOTICE IS HEREBY GIVEN THAT THE ELEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF THE COMPANY WILL BE HELD ON WEDNESDAY, 7th JUNE 2023, AT 3.00P.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 Balance Sheet of the Company as of 31st March 2023,the Statement of Profit and Loss Account for the financial year ended on that date, the Cash Flow Statement for the financial year ended on that date and statement of changes in equity for the period ended on that date, and the Reports of the Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Balance Sheet of the Company as of 31st March 2023, the Statement of Profit and Loss Account for the financial year ended on that date, the Cash Flow Statement for the financial year ended on that date and statement of changes in equity for the period ended on that date, and the Reports of the Directors and Auditors thereon.
3. To appoint Mr. S V Krishnan (DIN:07518349) as a Director who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To approve the appointment of Ms. Anita Belani (DIN: 01532511) as an Independent Director of the Company.

   To consider and, if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("the Act"), Companies (Appointment and Qualifications of Directors) Rules, 2014,Ms. Anita Belani (DIN: 01532511), who was appointed as an Additional Director (Independent and Non-Executive) of the Company, with effect from May 10, 2023 under section 161 of the Act and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director, be appointed as an Independent Director of the Company,not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from May 10, 2023."

   "RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and the Company Secretary of the company be and hereby severally authorized to do all things, deeds, acts and matters and take all matter and take all such steps as may be necessary, proper, or expedient to give effect to this resolution."

5. To approve appointment of Mr. Kumar Malay Shankar (DIN: 10095199) as Managing Director of the Company.

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, and pursuant approval of the Board of Directors, Mr. Kumar Malay Shankar (DIN: 10095199), Chief Executive Officer, be and is hereby appointed as Managing Director of the Company for a period of five years effective from May 10, 2023, on the terms and conditions of appointment and remuneration as set out in the explanatory statement attached to this notice.”

RESOLVED FURTHER THAT pursuant to the provisions of Sections 197 and 198 read with Schedule V, approval of the members of the Company, be and is hereby accorded for payment of remuneration to Mr. Kumar Malay Shankar (DIN: 1095199), whose remuneration is in excess of the prescribed limit of 5% of the net profits of the Company computed in accordance with Section 198 of the Act without entitlement to sitting fees with effect from May 10, 2023

Fixed Pay	INR1,13,82,000
Variable Pay:	INR 48,78,000
LTI	INR 30,00,000
Total	INR1,92,60,000

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration subject to the same not exceeding the limits specified under Section 197, 198 read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force).”

“RESOLVED FURTHER THAT the Board of Directors, Chief Financial Officer and the Company Secretary of the company be and hereby severally authorized to do all things, deeds, acts and matters and take all matter and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

6. To ratify increase the limit of managerial remuneration payable to Mr. E.H. Kasturi Rangan in excess of 5% of the net profits of the Company.

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

RESOLVED THAT pursuant to a resolution passed by the members in the Annual General Meeting dated July 25, 2019 and June 29, 2022 and pursuant to the provisions of Sections 197 and 198 read with Schedule V, approval of the members of the Company, be and is hereby accorded for payment of remuneration to Mr. E.H. Kasturi Rangan (DIN: 01814089), Managing Director in excess of the prescribed limit of 5% of the net profits of the Company computed in accordance with Section 198 of the Actwithout entitlement to sitting fees with effect from April 1, 2022.

Fixed Pay	INR 1,13,75,000
Variable Pay:	INR 61,25,000
Ex-Gratia	INR 18,95,833
Total	INR 1,93,95,833

RESOLVED FURTHER THAT any Director or the Key Managerial Personnel of the Company be and is hereby authorized to do all such acts, deeds, matters and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 197 read along with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, (the 'Act') a sum not exceeding one percent per annum of the net profits of the Company, calculated in accordance with the provisions of Section 198 of the Act, be paid to and distributed amongst the directors of the Company or some or any of them (other than the Managing Director and Whole-time Directors, if any) in such amounts, subject to such ceiling/s and in such manner and in such respects, as may be decided by the Board of Directors of the Company and such payments shall be made in respect of the profits of the Company for each year for a period of five years commencing from April 1, 2022.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the term mentioned above, the Non-executive Directors shall be paid remuneration by way of Commission as set out above, as may be decided by the Board of Directors of the Company, notwithstanding that it may exceed one percent of the net profits of the Company and subject to such restrictions, if any, as may be set out in the applicable provisions of and Schedule V to the Act, from time to time."

For and On Behalf of the Board

For **ProConnect Supply Chain Solutions Limited**

Date: May 10, 2023

Place: Chennai

M Muthukumarasamy

Company Secretary

Membership No. A13301

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. MEMBERS ARE REQUESTED TO SUBMIT THEIR PROXY FORMS AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN AT LEAST FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. CORPORATE MEMBERS INTENDING TO SEND THEIR AUTHORISED REPRESENTATIVE TO ATTEND THE MEETING ARE REQUESTED TO SEND A DULY CERTIFIED COPY OF THE BOARD RESOLUTION AUTHORIZING THEIR REPRESENTATIVE TO ATTEND AND VOTE AT THE MEETING.

3. THE MINISTRY OF CORPORATE AFFAIRS (MCA), VIDE ITS GENERAL CIRCULAR NO. 20/ 2022 DATED MAY 5, 2022 READ WITH GENERAL CIRCULAR NO. 20/2020 DATED 5TH MAY, 2020, GENERAL CIRCULAR NO. 14/2020 DATED 8TH APRIL, 2020 AND GENERAL CIRCULAR NO. 17/2020 DATED 13TH APRIL, 2020 AND ALSO VIDE GENERAL CIRCULAR NO. 02/2021 DATED 13TH JANUARY, 2021 AND ALSO VIDE GENERAL CIRCULAR NO. 21/2021 DATED 14TH DECEMBER, 2021 HAS ALLOWED THE COMPANIES TO CONDUCT THE AGM THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM) TILL 31ST DECEMBER, 2022. THE COMPANY IS PLEASED TO INFORM THAT THE AGM OF THE COMPANY WILL ALSO BE HELD THROUGH VIDEO CONFERENCING FACILITY. THE WEB-LINK OF THE MEETING SHALL BE PROVIDED SEPARATELY. THE FACILITY FOR JOINING THE MEETING SHALL BE KEPT OPEN 15 MINUTES BEFORE THE TIME SCHEDULED TO START THE MEETING AND SHALL NOT BE CLOSED TILL THE EXPIRY OF 15 MINUTES AFTER THE SCHEDULED TIME OF THE MEETING. ATTENDANCE OF MEMBERS IS ALLOWED AT THE MEETING THROUGH VIDEO CONFERENCING AND THE SAME SHALL BE COUNTED FOR QUORUM AS REQUIREMENT FOR PHYSICAL QUORUM HAS BEEN DISPENSED.

Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013(the “Act”)

Item No. 4

The Board of Directors of the Company has proposed to the members of the Company, the appointment of Ms. Anita Belani (DIN: 01532511) as Independent Director on the Board of the Company, not liable to retire by rotation, who shall hold office for a term of 5 (five) consecutive years commencing from May 10, 2023.Ms. Anita Belani is interested in the resolution as set out in Item No. 3of this notice with regard to his appointment as a Director. The Company has received the requisite disclosures/declarations pursuant to the provisions of the Act.

Her qualifications and experience from diverse sectors in the field of Leadership assessment & development process, Succession planning and Leadership compensation have been considered to meet the required skills.

Except Ms. Anita Belani, being an appointee, none of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise.

The Board of Directors of your Company recommends passing of the resolution as set out at Item No. 3 as Ordinary Resolution.

Item No.5

As part of succession planning, the Board at its meeting held on January 30, 2023 had approved for applying Director Identification Number (DIN) for proposed appointment of Mr. Kumar Malay Shankar, Chief Executive Officer (CEO) of the Company. The Board of Directors at its meeting held on May 10, 2023 has proposed appointment of Mr. Kumar Malay Shankar as Managing Director of the Company for a term of 5 (five) years commencing from May 10, 2023.

Keeping the above into consideration, it is proposed to seek the approval of shareholders to appoint Mr. Kumar Malay Shankar as Managing Director of the company on the following terms and conditions with effect from May 10, 2023:

Salary

Gross CTC: INR 1,62,60,000 (Fixed INR 1,13,82,000, Variable INR 48,78,000, LTI INR 30,00,000 PA for 2 yrs)

Performance Linked bonus

As included in CTC above.

Annual Revision

The salary and performance linked bonus shall be revised with an increment as may be decided by the Board. The increments will be merit based and taking into account the Company's performance.

Employee benefits

During the term of office, Mr. Kumar Malay Shankar will be entitled to all Employee benefits as per the policies of the Company. He will be included as part of all incentive schemes of the company including the share based incentive schemes.

Expenses

The Company will reimburse the expenses incurred by Mr. Kumar Malay Shankar in furtherance of or in connection with the performance of his duties, in accordance with the Company's policy.

Minimum Remuneration

The remuneration as set out above may be paid as the minimum remuneration to Mr. Kumar Malay Shankar, in the event of absence or inadequacy of profits in any financial year, provided that the total remuneration payable by way of salary, perquisites and any other allowance shall not exceed the ceiling provided in Section II of Part II of Schedule V of the Companies Act, 2013."

Disclosures as per Schedule V of the Companies Act, 2013

I. General Information

i. Nature of Industry

The Company is engaged in business of Supply Chain Solutions

ii. Commencement of commercial production:

The Company got incorporated on August 31, 2012 and started business since October 1, 2012.

iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

iv. Financial performance based on given indicators:

(Rs in crores)

Particulars	F.Y.22-23			F.Y.21-22		
	India Consolidated	Overseas Consolidated	Total Consolidated	India Consolidated	Overseas Consolidated	Total Consolidated
Total revenue	526.31	-	526.31	492.11	-	492.11
Profit Before Tax	10.29	(0.30)	9.99	21.43	-	21.43
Net Profit After Tax	7.51	(0.30)	7.21	14.90	-	14.90

v. **Foreign investments or collaborators, if any:**

The Company has incorporated Proconnect Holding Limited LLC ,a wholly owned subsidiary, in United Arab Emirates.

II. Information about the Appointee

i. Background Details

The background details of Mr. Kumar Malay Shankar are annexed herewith the notice.

ii. Past Remuneration

a. Fixed component: INR 1,05,00,000

b. Variable component: INR 45,00,000

c. LTI: INR 30,00,000 PA (for 2 yrs)

iii. Recognition or Awards: NA

iv. Job Profile and his Suitability

Professional. Currently Chief Executive Officer of the Company.

v. Remuneration Proposed

The remuneration proposed is as detailed above.

vi. Comparative remuneration profile with respect to Industry, Size of the Company, Profile of the position and person

Considering the work handled, and responsibilities shouldered to Mr. Kumar Malay Shankar, the proposed remuneration is in consensus with remuneration paid to the KMP's of other industries of similar size for similarly placed persons.

vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: NIL

III. OTHER INFORMATION

i. Reasons of loss or inadequate profits:

Not Applicable

ii. Steps taken or proposed to be taken for improvement:

Not Applicable

iii. Expected increase in productivity and profit in measurable terms:

Not Applicable

IV. DISCLOSURES:

i. Remuneration package of all the Directors

Directors Name	Director's Commission	Sitting Fees	Grand Total
Kasturi Rangan E.H	0	60,000	60,000
J. Ramachandran	10,00,000	3,05,000	13,05,000
B. Ramaratnam	4,16,667	4,10,000	8,26,667
Dr. Purnima Rao	0	1,50,000	1,50,000

ii. Details of fixed component and performance linked incentives along with the performance criteria

a. Fixed component: INR 1,13,82,000

b. Variable component: INR 48,78,000

c. LTI: INR 30,00,000 PA (for 2 yrs)

iii. Service contracts, notice period, severance fees;

Notice period of 90 days

iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.: NA

A brief profile of Mr. Kumar Malay Shankar is enclosed as Annexure A to this notice.

Except Mr. Kumar Malay Shankar, being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 4.

The Board of Directors recommends the resolution at Item No. 2 for approval of the Members by way of ordinary resolution.

Item No. 6

The Board of Directors and the members at its Annual General Meeting ('AGM') held on July 25, 2019 approved the appointment and remuneration payable to Mr. E.H. Kasturi Rangan as Managing Director of the Company effective from May 23, 2019. Further, the members had authorised the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time for Mr. E.H. Kasturi Rangan, but such remuneration payable shall be within the limits specified in Section 197 and other applicable provisions of the Companies Act, 2013 ('the Act'). Further the Members at AGM held on June 29, 2022 increased the limit of managerial remuneration payable to Mr. Kasturi Rangan in excess of 5% of the net profits of the Company.

As per Section 197 and other applicable provisions of the act, the remuneration payable to any one managing director or whole-time director or manager shall not exceed 5% of the net profits of the Company and if there is more than one such director remuneration shall not exceed 10% of the net profits to all such directors and manager taken together. In accordance with the applicable provisions of the Companies Act, 2013, approval of members by way of ratification is being sought, by way of a special resolution, for payment of remuneration in excess of the prescribed limit of 5% of net profit of the Company as detailed in the resolution to Mr. E.H. Kasturi Rangan, Managing Director, in this AGM.

Disclosures as per Schedule V of the Companies Act, 2013

I. General Information

i. Nature of Industry

The Company is engaged in business of Supply Chain Solutions

ii. Commencement of commercial production:

The Company got incorporated on August 31, 2012 and started business since October 1, 2012.

iii. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

iv. **Financial performance based on given indicators:**

(Rs in crores)

Particulars	F.Y.22-23			F.Y.21-22		
	India Consolidated	Overseas Consolidated	Total Consolidated	India Consolidated	Overseas Consolidated	Total Consolidated
Total revenue	526.31	-	526.31	492.11	-	492.11
Profit Before Tax	10.29	(0.30)	9.99	21.43	-	21.43
Net Profit After Tax	7.51	(0.30)	7.21	14.90	-	14.90

v. **Foreign investments or collaborators, if any:** The Company has incorporated Proconnect Holdings LLC ,a wholly owned subsidiary, in United Arab Emirates.

II. Information about the Appointee

i. Background Details

Mr. Kasturi Rangan is a Professional. He was the Managing Director of the Company since 2019.

ii. **Past Remuneration**

a. Fixed component: INR 72,80,000

b. Variable component: INR 39,20,000

iii. **Recognition or Awards:** NA

iv. **Job Profile and his Suitability**

Professional. Managing Director of the Company since 2019.

v. **Remuneration Proposed**

The remuneration proposed is as detailed above.

vi. **Comparative remuneration profile with respect to Industry, Size of the Company, Profile of the position and person**

Considering the work handled, and responsibilities shouldered to Mr. Kasturi Rangan, the proposed remuneration is in consensus with remuneration paid to the KMP's of other industries of similar size for similarly placed persons.

vii. **Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: NIL**

III. OTHER INFORMATION

i. **Reasons of loss or inadequate profits:**

Not Applicable

ii. **Steps taken or proposed to be taken for improvement:**

Not Applicable

iii. **Expected increase in productivity and profit in measurable terms:**

Not Applicable

IV. DISCLOSURES:

i. Remuneration package of all the Directors

Directors Name	Director's Commission	Sitting Fees	Grand Total
Kasturi Rangan E.H	0	60,000	60,000
J. Ramachandran	10,00,000	3,05,000	13,05,000
B. Ramaratnam	4,16,667	4,10,000	8,26,667
Dr. Purnima Rao	0	1,50,000	1,50,000

ii. Details of fixed component and performance linked incentives along with the performance criteria

a. Fixed component: INR 1,13,75,000

b. Variable component: INR 61,25,000

c. Ex-gratia: INR 18,95,8333

iii. Service contracts, notice period, severance fees

Notice period of 90 days. Two months ex-gratia paid as severance fees.

iv. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.

Mr. Kasturi Rangan was granted SARs as per the terms contained under Redington Stock Appreciation Rights Scheme in 2017. He has exercised all vested exercisable SARs granted to him.

Except Mr. E.H. Kasturi Rangan, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 7

Section 197 of the Act permits the payment of remuneration to a director who is neither a whole-time director nor a managing director of a company, by way of commission not exceeding one percent of the net profits of the company, if the Company authorises such payment by a special resolution.

In view of the increased demands on non-executive directors' participation in Board and Committee meetings and the higher responsibilities they are expected to bear in the interest of higher level of excellence in corporate governance,it is proposed to pay such commission to the non-executive directors for a period of 5 years from 1 April 2022 up to 31 March 2027. The amount of commission shall be payable each year after the annual accounts are approved by the Board of Directors and adopted by the shareholders.

Pursuant to the Companies (Amendment) Act, 2020, read with rules made thereunder, if a company fails to make profits or makes inadequate profits in a financial year, any non-executive director of such company, including an independent director, may be paid remuneration in accordance with Schedule V of the Act.

The above payment to non-executive directors will be in addition to the sitting fees payable to them.

None of the Directors/key managerial personnel and/or their relatives, except the concerned non-executive directors are directly or indirectly concerned or interested, financially or otherwise, to the extent of their shareholding, if any, and remuneration that may be received by them in the resolution set out in Item No. 7 of the Notice. The Board commends the special resolution set out in Item No. 7 for approval of the shareholders.

For and On Behalf of the Board

For **ProConnect Supply Chain Solutions Limited**

Date: May 10, 2023

Place: Chennai

M Muthukumarasamy

Company Secretary

Membership No. A13301

Boards Report 2022-23

To the Members,

Your directors take pleasure in presenting the 11th Annual Report together with the Audited Standalone and consolidated Financial Statements of the Company for the Financial Year ended on 31st March 2023.

FINANCIAL HIGHLIGHTS

(Figures in Rs. / Crores)

Particulars	2022-23		2021-22	
	Standalone	Consolidated	Standalone	Consolidated*
Revenue from operations	526.31	526.31	492.11	492.11
Add: Other income	6.17	6.17	10.49	10.49
Total Revenue	532.48	532.48	502.60	502.60
Less: Expenses:				
Purchase of spares	0.02	0.02	0.05	0.05
Employee benefits	50.54	50.54	43.66	43.66
Other Expenses	436.62	436.92	403.65	403.65
Finance cost	6.10	6.10	6.63	6.63
Depreciation & Amortisation	28.91	28.91	27.18	27.18
Profit before tax	10.29	9.99	21.43	21.43
Less: Income Tax expense	2.78	2.78	6.53	6.53
Profit after tax	7.51	7.21	14.90	14.90

*** The company was not required to do the consolidation of accounts for FY 2021-22. The figures mentioned in the consolidation column relate to standalone accounts for FY 2021-22 for maintaining uniformity.**

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

OPERATIONAL PERFORMANCE & FUTURE OUTLOOK

Logistics players like your Company who have embraced a combination of latest trends and established business strengths have seen an uptick. There has been an exponential growth in last mile deliveries and the industry has gone through an end-to end transformation in handling its operations. Adoption of WMS (Warehouse Management System), TMS (Transport Management System), on-demand warehouses/ fulfilment centres, end-to-end customised solutions, push towards multimodal Connectivity, big data analytics, drones and EV have been certain important talk points/trends of the industry.

Today and in the future, India's requirement is for comprehensive end-to-end logistics solutions. This would include a platform for integrated infrastructure and assets, a platform for integrated services, and a platform for integrated digital infrastructure. The domain is populated by a diverse range of actors, from extremely tiny distributors and importers through medium-sized and large traders to multinational corporations. As a result, the sector will continue to see consolidation, process standardization, technological advancements, and digital transformations for increased agility and integration not just across modes of transportation but also between users and third-party service providers. Customers seek efficient, cost-effective, customized solutions.

With the launch of significant government initiatives like 'Gati Shakti' Master Plan for multimodal connectivity, a smooth logistics infrastructure development is being looked forward to in the coming years. With a monetization and execution plan in-place, this surely is the right move towards creation of an 'Atmanirbhar Bharat'. It will give a big fill-up to supply chains, help in cutting down needless logistics cost and reduce turnaround time in 2022 and beyond. It will also act as an important step towards improving global competitiveness and promoting local manufacturers.

A just-in-time inventory management philosophy emerged over the last several decades that requires producers to forecast demand accurately. International trade disputes and the pandemic challenged that model, which led to extreme shortages of many goods during the crisis. Supply chain managers are now evolving more to a "just-in-case" model where larger inventories are kept on hand as safety stock. The result is a need for more warehousing and increased shipping capacity. As producers look for more resiliency and redundancy in their supply chains, companies will benefit from increased outsourcing as they can leverage their technology and ability to scale warehousing and transportation investments across their entire customer base.

While there is a lot of opportunities available, there is also equivalent competition in this industry along with strict terms on service level agreements. We have equipped more digital capabilities to capture more opportunities in the forthcoming year and optimistic of steady growth.

With strategically positioned automated distribution centers in key areas and a robust global network spanning Asia, Africa, CIS and Middle East, ProConnect facilitates business expansion, enhances visibility, optimises costs, and elevates overall supply chain management. Emphasizing sustainability and customer satisfaction, ProConnect integrates logistic practices with innovative technology, empowering businesses to achieve operational excellence. With a steadfast focus on future growth, ProConnect aims to become a leader in tech enabled logistics solutions, amplifying its global presence and driving transformation in the dynamic marketplace. During the Financial Year 2022-23, the Company has incorporated an Overseas entity ProConnect Holding Ltd., to integrate our overseas operation to cross leverage the capability across the geography as "One ProConnect"

BUSINESS PERFORMANCE

During the financial year under review, your Company's revenue was Rs. 532.48 Crores as compared to Rs. 502.60 Crores during the previous year. Further, your Company has made a profit of Rs. 7.51 Crores as against a profit of Rs. 14.90 Crores during the previous year.

DIVIDEND

The Board has not declared any dividend during the year and has decided to carry forward the profits into the next financial year.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with Section 134(5) of the Companies Act, 2013, the Directors of the Company, after due enquiry confirms that:

a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

b) the Directors 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 of March 31, 2023, and of the profit of the Company for the year ended on that date;

c) The Directors have taken proper and sufficient care for 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) The Annual Accounts have been prepared on a 'going concern' basis.

e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD MEETING

During the financial year 2022-23, Eight Board Meetings were held on 19th May 2022, 31st May 2022, 20th June 2022, 25th July 2022, 26th October 2022, 30th January 2023, 10th March 2023 and 21st March 2023.

Attendance records of the Board Meeting

Name	No. of Meetings eligible to attend	No. of Meetings attended
Mr. Kasturi Rangan E H	8	7
Mr. S V Krishnan	8	8
Prof. J Ramachandran	8	7
Mr. B. Ramaratnam	8	8
Dr. Purnima Kolhapur Rao	7	6

COMMITTEE MEETINGS

During the Financial Year 2022-23, Corporate Social Responsibility Committee met two times on 19th May 2022 and 26th October 2022.

The Composition and attendance records of the Corporate Social Responsibility Committee are as follows: -

Name	Category	Position	No. of meetings	
			Held	Attended
Mr. B. Ramaratnam	Independent Director	Chairman	2	2
Mr. E H Kasturi Rangan	Non-executive Director	Member	2	1
Mr. S V Krishnan	Non-executive Director	Member	2	2

During the year, the Board constituted Audit Committee met five times on 19th May 2022, 20th June 2022, 25th July 2022, 26th October 2022 and 30th January 2023.

The Composition and attendance records of the Audit Committee are as follows: -

Name	Category	Position	No. of meetings	
			Held	Attended
Mr. B. Ramaratnam	Independent Director	Chairman	5	5
Prof. J. Ramachandran	Independent Director	Member	5	5
Mr. S V Krishnan	Non-executive Director	Member	5	5

VIGIL MECHANISM

The Company has established a vigil mechanism to provide a framework to promote responsible and secure whistle blowing and to provide a channel to the employees and Directors to report to the management, concerns about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policy/ies of the Company, as adopted / framed from time to time. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and alsoprovide for direct access to the Chairperson of the Audit Committee in exceptional cases.

DECLARATION OF INDEPENDENCE

Prof. Ramachandran Jayaraman (DIN: 00004593) and Mr. B. Ramaratnam (DIN: 07525213) Independent Directors have given their declaration in terms of Section 149(6) of the Companies Act 2013.

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

Directors and KMPs appointed during the year-

During the year under review, the following directors and KMPs wereappointed on the Board of the Company.

Sl. No.	Name of the Director and KMPs	DIN /PAN	Designation	Date of Appointment
1	Purnima Kolhapur Rao	07143025	Additional Director	19.05.2022
2	Malay Kumar Shankar	AYFPS3938J	Chief Executive Officer	01.06.2022
3	M Muthukumarasamy	AARPM6893N	Company Secretary	26.02.2023

Directors and KMPs resigned during the year-

During the year under review, the following directors and KMPs have resigned from the Board

Sl. No.	Name of the Director and KMPs	DIN /PAN	Designation	Date of Resignation
1	E H Kasturi Rangan*	00184089	Managing Director	31.01.2023
2	M Balaji Prasad	AWCPB9097J	Company Secretary	24.02.2023

*Mr. E H Kasturi Rangan was redesignated as Director wef 31.01.2023.

STATUTORY AUDITORS

The Company at its Board Meeting held on June 20, 2022, appointed M/s. Deloitte Haskins and Sells, Chartered Accountants (Firm Registration No: 008072S) as Statutory Auditors which was subsequently approved by the Shareholders at the Annual General Meeting held on June 20, 2022.

M/s. Deloitte Haskins and Sells, Chartered Accountants, issued their report on the financial statements of the Company and the same is appended here to the report. The Auditors' Reports do not contain any qualifications, reservations or adverse remarks.

SECRETARIAL AUDITORS

The Company at its Board Meeting held on July 25, 2022, appointed M/s. B. Chandra & Associates, Practicing Company Secretaries, as Secretarial Auditors for FY23. The secretarial Report is appended as Annexure A to this Report.

There are no qualifications, reservations or adverse remarks in the Secretarial Auditors Report Other than one remark of non-filing of two e-forms with Ministry of Corporate Affairs (MCA) as on date of this report. The delay was due to the migration of the MCA website from V2 to V3 and the Company is in the process of filing the said two e-forms.

COST RECORDS AND COST AUDIT

Maintenance of Cost Records and requirement of Cost Audit as prescribed under Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT 2013

Details of Loans, Guarantees and Investments are provided in the financial statements of the company.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Your Company has constituted Corporate Social Responsibility Committee in accordance with the requirements of Section 135 of Companies Act, 2013, and a Corporate Social Responsibility Policy containing the list of CSR projects/ programmes to be undertaken were formulated and approved by the Board.

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-B** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

INTERNAL FINANCIAL CONTROLS

The reliability of the financial reporting and preparation of financial statements is based on the effectiveness of the internal financial controls of the Company. It includes control environment, risk assessment, control activities, information system and communication, monitoring activities and reporting. The Board of Directors believes that the Company has adequate internal controls for safeguarding 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.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has constituted an Internal Complaints Committee as required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint was reported by any employee pertaining to Sexual Harassment during the year under review.

ANNUAL RETURN

Pursuant to subsection (3) of section 92 of the Companies Act 2013, your Company has placed a copy of the annual return for the financial year 2022-23 on its website and it can be viewed from the company's website viz **www. proconnect.co.in.**

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO SECTION 134 (3)(M)

Information on Conservation of Energy and Technology Absorption

A. Conservation of Energy:

(i)	the steps taken or impact on conservation of energy	The operations of your Company involve low energy consumption. Warehouses are designed to absorb natural light in the maximum possible areas. This enables savings in electricity consumption.
(ii)	the steps taken by the company for utilizing alternate sources of energy.	N.A
(iii)	the capital investment on energy conservation equipment's	N.A

B. Technology Asorption:.

(i)	the effort made towards technology absorption	Your Company continues to use the latest technologies to improve the quality of service.
(ii)	the benefits derived like product improvement cost reduction, product development or import substitution	N.A
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) (a) the details of technology imported; (b) the year of import; (c) whether the technology been fully absorbed. (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A
(iv)	the expenditure incurred on Research and Development	Since your Company is not involved in manufacturing activities, it did not incur any expenditure on Research and Development.

C. Foreign exchange earnings and Outgo -

Foreign exchange earnings Rs. 71,69,65,972.59

Foreign exchange expenditure Rs. 87,66,098.21

COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT AND REMUNERATION

The company is not required to frame any policy on Director's appointment and remuneration, since the Company is not covered under section 178(1) of Companies Act 2013.

PARTICULARES OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

All Contracts/ arrangements/ transactions entered by the Company during the year under review with related parties were in the ordinary course of business and on an arm's length basis. A statement containing related party transactions during the year are provided as Annexure – C to this report in form AOC-2.

TRANSFER TO RESERVES

The company has not transferred any amount to reserves during the year under review.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There were no material changes and commitments affecting the financial position of the Company occurred between the end of the financial year i.e., 31st March 2023 to which these financial statements relate and to the date of this report.

DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

During the year under review, your directors have been entrusted with the responsibility of:

(a) Overseeing and approving the Company's enterprise-wide risk management framework; and

(b) Overseeing that all the risks that the organisation faces such as strategic, financial, credit, market, security, property, IT, legal, regulatory, reputational, and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

Your Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management system, organizational structures, processes, standards, code of conduct governs how the Company conducts business and manages associated risks.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Your Company is not required to carry out the annual evaluation of the Board's performance during the year under review per Section 134 (3) (p) read with Rule 8(4) of Companies (Accounts) Rules, 2014.

CHANGE IN NATURE OF BUSINESS, IF ANY

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

OPINION OF THE BOARD ABOUT THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

This disclosure is not applicable to your company since the company has not appointed any Independent Director during the year.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the year under review no company has become or ceased to be a subsidiary, joint venture or associate company of your company.

In terms of provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of each of the subsidiaries, associates and Joint venture are provided as **Annexure - D** to this report.

DEPOSITS

The Company has not accepted any deposit within the meaning of Chapter 5 of the Companies Act, 2013, for the year ended 31st March 2023.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the company's operations in the future.

PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE

No application has been made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) against the Company during the year under review.

THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

Since the company has not made any one-time settlement during the year with banks or financial institutions this clause is not applicable to the company for the financial year under review.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

During the year under review, there were no instances of frauds reported by auditors under section 143(12) of the Companies Act 2013.

EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY STATUTORY AUDITORS AND SECRETARIAL AUDITORS

There were no qualifications, reservations or adverse remarks in the report of the Statutory Auditors and Secretarial Auditors for the year under review.

SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and that such systems are adequate and operating effectively.

ACKNOWLEDGMENT

Your directors take this opportunity to express their sincere appreciation for the cooperation and assistance received from the Bankers, Regulatory Bodies and other Business Associates who have extended their valuable support and encouragement during the period under review. Your directors also wish to thank the employees of the company for their valuable contribution during the year and look forward to their continued support for the growth and success of the organization in the years ahead.

For and on behalf of the Board of Directors
E.H. Kasturi Rangan
Chairman
DIN:01814089

Place: Chennai
Date: May 10, 2023

INDEX OF ANNEXURES

A. Secretarial Audit Report
B. Annual Report on Corporate Social Responsibility
C. Form AOC-2
D. Form AOC-1

B. CHANDRA & ASSOCIATES
PRACTISING COMPANY SECRETARIES

AG 3 RAGAMALIKA
No.26, Kumaran Colony Main Road,
Vadapalani, Chennai – 600026
REGN TNOP2017TN065700

E-mail: bchandraandassociates@gmail.com
bchandracosecy@gmail.com
H/P: 9840276313, 9840375053

To

The Members,
Proconnect Supply Chain Solutions Limited
Block3, Plathin, Redington Tower, Inner Ring Road,
Saraswathy Nagar West, 4th Street, Puzhuthivakkam
Chennai TN 600091

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. I have followed the audit practices and processes as were appropriate. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I 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.
4. Wherever 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. My examination was limited to the verification of procedures on test basis regarding compliance with the applicable laws to the Company.
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.
7. 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 Standards

Place: Chennai
Date: 10-05-2023

Signature:
Name of partner signing: **Chandrasekar Anuradha**
ACS No.: 38746 C P No.: 21407

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

[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,

Proconnect Supply ChainSolutions Limited

Block3, Plathin, Redington Tower,Inner Ring Road,

Saraswathy NagarWest, 4th Street, Puzhuthivakkam

Chennai TN 600091

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PROCONNECT SUPPLY CHAIN SOLUTIONS LIMITED bearing CIN U63030TN2012PLC087458 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that, in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Company being an unlisted Public Company, the provisions of Securities Exchange Board of India are not applicable to the said Company.

(iii) The Depositories Act 1996 and the Regulations and Rules framed thereunder

(iv) In addition to the compliance with the generally applicable laws such as labour laws, revenue laws and others Laws as are applicable to a company,based on the study of the systems and processes in place and a review of the report of the representation provided by the Company Secretary of the Company, I report that the Company has systems and process in place for complying with the provisions of the various statutes and the rules made there under to the extent they are applicable to them:

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above to a large extent. The company is in the process of filing certain eforms including Return of allotment for the Rights issue made during the year, pending increase of Authorised capital by the Registrar of Companies, Chennai consequent to the approval of Regional Director (SR) Chennai in the Scheme of amalgamation involving the company as a Transferee company, appointment of Company Secretary due to technical issues.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors
- Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent. The Company is at present complying with the applicable secretarial standards through a digital app and is in the process of setting up a mechanism to monitor the compliance with secretarial standards.
- Based on the minutes made available to us, we report that the Majority decision was carried through and that there were no dissenting votes from any Board member which was required to be captured and recorded as part of the minutes.

I further report that the company is in the process of setting up adequate systems and processes in the company commensurate with the size and operations of the company to monitor, report deviations, if any, to the Board, take corrective actions and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Chennai
Date: 10-05-2023

Signature:
Name of partner signing: **Chandrasekar Anuradha**
ACS No.: 38746 C P No.: 21407
UDIN A038746E000281010
Peer Review No 1711/2022

Annexure - B

Annual Report on CSR activities

1. Brief outline on CSR Policy of the Company.

For ProConnect, the Corporate Social Responsibility (CSR) is a planned set of activities taking into consideration the Company's capabilities and the expectations of the communities living in and around the areas of its operation. The aim is to play a catalytic role in the sustainable socio-economic development in the regions where the industry is located or where its interests lie, attempting to create an enabling working environment for ProConnect. ProConnect is deeply committed towards enriching the lives of the underprivileged sections of society. It believes that every organization which exists in society is obliged to give back to society a portion of what it receives from it. It is guided by the principle "Create value, profits will follow". In line with the same, it strives to create value by promoting employability, skill development, health and wellness.

The CSR policy of your Company lays down the approach and direction including guiding principles for the Company to select, implement and monitor various Corporate Social Responsibility (CSR) initiatives and activities that ensures sustainable development of the community within which it exists and also for formulation of annual action plans.

The CSR activities of the Company are implemented through "Foundation for CSR @ Redington" (Foundation), a trust formed by the Company to see the vision transforming into a reality. The details about the Foundation can be accessed at **www.proconnect.co.in.**

2. Composition of CSR Committee:

S. 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	Mr. B Ramaratnam	Chairman	2	2
2	Mr. S V Krishnan	Member	2	2
3	Mr. E.H. Kasturi Rangan	Member	2	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company:

The CSR Committee composition, CSR policy and the details of the projects undertaken by the Company can be accessed from the following link www.proconnect.co.in.

4. Provide the executive summary along with the web link of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

The average CSR obligation of the Company in the three immediately preceding financial years does not exceed₹ 10 Crore in accordance with Rule 8 of Companies (Corporate Social responsibility Policy) Rules, 2014. At present, this requirement is not applicable for the Company mandatorily.

5. **(a) Average net profit of the Company as per section 135(5): Rs. 1479lakhs**

   (b) Two percent of average net profit of the Company as per section 135(5): Rs. 30 lakhs

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years – Nil

(d) Amount required to be set off for the financial year, if any – Nil

(e) Total CSR obligation for the financial year (b+c-d): Rs. 30 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)- 51.20 lakhs

(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. 51.20 lakhs

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial year (Rs. in lakhs)	Amount Unspent (in Crores)				
	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 (in Crores)	Date of transfer	Name of the Fund	Amount (in Crores)	Date of transfer
51.20	Nil	NA	NA	NA	NA

(f) Excess amount for set -off if any,

S No	Particular	Amount (Rs. In lakhs)
(i)	Two percent of average net profit of the Company as per Sub section (5) of Section 135	30.00
(ii)	Total amount spent for the Financial Year **(Including Rs. 21.20 lakhs Unspent amount of FY 2020-21)**	51.20
(iii)	Excess amount Spent for the Financial Year (ii-i)	NIL
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in Succeeding Financial years (iii-iv)	NIL

(g) Excess amount for set off, if any: Not Applicable

7. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. In Lakhs)	Amount spent in the Financial Year (Rs. In Lakhs)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(6), if any.			Amount remaining to be spent in the succeeding financial years. (Rs. In Lakhs)	Deficiency, if any
				Name of the Fund	Amount	Date of Transfer		
1	2020-21	63.40	-	-		-	63.40	-
2	2021-22	-	21.20	-	-	-	42.20	-
3	2022-23	-	21.20	-	-	-	21.00	-

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year

No

If Yes, enter the number of Capital assets created/acquired- Not Applicable

Furnish the details relating to such assets so created or acquired through Corporate Social Responsibility amount spent in the financial year-

S No	Short Particulars of the Property or assets (including complete address and location of the property)	Pin code of the property or assets	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							

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

E H Kasturi Rangan
Director
DIN-01814089
Date : May 10, 2023
Place: Chennai

B Ramaratnam
Chairman CSR Committee
DIN-07525213

Annexure - C

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

   The Company has not entered into any contracts/arrangements/transactions with its related parties which are not in ordinary course of business or at arm's length during FY 2022-23.

   a) Name(s) of the related party and nature of relationship: Not Applicable

   b) Nature of contracts/arrangements/transactions: Not Applicable

   c) Duration of the contracts/arrangements/transactions: Not Applicable

   d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

   e) Justification for entering into such contracts or arrangements or transactions: Not Applicable

   f) Date(s) of approval by the Board: Not Applicable

   g) Amount paid as advances, if any: Not Applicable

   h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable

2. **Details of material contracts or arrangements or transactions at arm's length basis:**

   a) Name (s) of the related party and nature of relationship: Not Applicable

   b) Nature of contracts/arrangements/transactions: Not Applicable

   c) Duration of the contracts /arrangements/transactions: Not Applicable

   d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable

   e) Date(s) of approval by the Board, if any: Not Applicable

   f) Amount paid as advances, if any: Not Applicable

Note: The above disclosures on material transactions are based on the principle and fact that transactions with wholly owned subsidiaries are exempt for purpose of section 188(1) of the Act and no material transactions entered into with associate companies.

For and on behalf of the Board of Directors

Place: Chennai

Date: May 10, 2023

E.H Kasturi Rangan
Chairman
DIN: 01814089

Annexure - D

FORM AOC-1

(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 or associate companies or joint ventures.

Part A Subsidiaries

Name of the subsidiary	Proconnect Holding Limited
The date since when subsidiary was acquired	12-10-2022
Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	January 2022 - December 2022
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	AED 22.41/22.37
Share capital	67,12,440.00
Reserves and surplus	(27,96,010.00)
Total assets	15,57,566.00
Total Liabilities	43,52,682.00
Investments	-
Turnover	-
Profit before taxation	(27,96,010.00)
Profit after taxation	(27,96,010.00)
Proposed Dividend	-
Extent of shareholding (in percentage)	100%

Notes:

1. Names of subsidiaries which are yet to commence operations – **Not Applicable**
2. Names of subsidiaries which have been liquidated or sold during the year- **Not Applicable**

Part B Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2O13 related to Associate Companies and Joint Ventures

Not Applicable

For and on behalf of the Board of Directors

Place: Chennai

Date: May 10, 2023

E.H Kasturi Rangan
Chairman
DIN: 01814089

INDEPENDENT AUDITOR'S REPORT

To The Members of ProConnect Supply Chain Solutions Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of ProConnect Supply Chain Solutions Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flowsand the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, 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 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.

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 Board of 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 we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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.

Management's Responsibility 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, statement of cash flows and changes in equity of the

Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 reason able and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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 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 Board of Directors either intends 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to 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 standalone 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 control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our auditwe 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 relevant 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 April 1, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to 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 37 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 it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds orshare 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 it's knowledge and belief, 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 that has 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 Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN:23209252BGXMJU7965

Place: Chennai
Date: 10 May 2023

(Referred to in paragraph 1(f) 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 ProConnect Supply Chain Solutions Limited (the "Company") as of March 31, 2023 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 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 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. 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 system 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 system 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 system with reference to standalone financial statements and such internal financial controlswere operating effectively as at March 31, 2023, based on the criteria for internal financial control established by the respective 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

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN:23209252BGXMJU7965

Place: Chennai
Date: 10 May 2023

(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) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress, and relevant details of Right-of-use assets.

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

(b) The Property, Plant and Equipment, Capital work-in-progress and Right-of-use assets were physically verified during the year by the Management in accordance with a programme of verification in a phased manner over a period of three years 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.

(c) The Company does not have any immovable properties, which are reported under Property, Plant and Equipment, Capital work-in-progress and hence reporting under clause(i)(c) of the CARO 2020 is not applicable.

In respect of immovable properties of buildings that have been taken on lease and disclosed as Right of use assets as at the Balance sheet date, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion, according to the information and explanations given to us, the quarterly returns or statements (book debt statements, statements on ageing analysis of the debtors/ other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) (a) The Company has made investments to companies, during the year and details of which are given below:

(Rs. In Crores)

Particulars	Investment
A. Aggregate amount of investment made during the year: - Subsidiary - ProConnect Holding LLC	0.69
B. Balance outstanding as at balance sheet date in respect of above cases:* - Subsidiary ProConnect Holding LLC	0.69

The Company has not provided guarantee or security, granted any advances in nature of loans or security to any other entity, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

(b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) According to information and explanations given to us and based on the audit procedures performed, 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:

(Rs. In Crores)

Name of the entity	Nature	Amount	Due date	Extent of delay	Remarks, if any
Rajprotim Agencies Private Limited	Loan amount - Principal Outstanding	5.00	08-Jul-17	More than 4 Years	Loan has been provided for.
Rajprotim Agencies Private Limited	Loan amount - Principal Outstanding	5.00	06-Sep-18	More than 4 Years	Loan has been provided for.
Rajprotim Agencies Private Limited	Loan amount - Principal Outstanding	2.00	29-Mar-18	More than 4 Years	Loan has been provided for.
Total		**12.00**			

(Rs. In Crores)

Name of the entity	Nature	Amount	Due date	Extent of delay	Remarks, if any
Rajprotim Agencies Private Limited	Interest on Loan Outstanding	0.90	30-Sep-18, 31-Dec-18, 31-Mar-19	More than 4 Years	Interest has been provided for.
Rajprotim Agencies Private Limited	Interest on Loan Outstanding	1.20	30-Jun-19, 30-Sep-19, 31-Dec-19, 31-Mar-20	3 to 4 Years	Interest has been provided for.
Rajprotim Agencies Private Limited	Interest on Loan Outstanding	1.20	30-Jun-20, 30-Sep-20, 31-Dec-20, 31-Mar-21	2 to 3 Years	Interest has been provided for.
Rajprotim Agencies Private Limited	Interest on Loan Outstanding	**0.95**	30-Jun-21, 30-Sep-21, 31-Dec-21, 31-Mar-22	1 to 2 Years	Interest has been provided for.
TOTAL		**4.25**			

(d) According to information and explanations given to us and based on the audit procedures performed,In respect of following loans granted by the Company, Principal outstanding amounting to Rs. 12.00 crores and Interest Accrued thereon amounting to Rs. 4.25 Crores 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.The Company had already provided for the loan in the earlier years and interest has been provided as and when accrued/due for payment.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any 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) According to information and explanation given to us, the Company has not granted any loans or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of, investments made.

(v) According to the information and explanations given to us, 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 regard 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:

(a) Undisputed statutory dues, including Goods and Service tax, Duty of Custom, Provident Fund, Employee's State Insurance, Cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of dues towards Income tax and Professional Tax.

(b) There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of Custom, Professional Tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(c) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as onMarch 31, 2023 on account of disputes are given below:

(Rs. In Crores)

Name of statute	Nature of dues	Forum where dispute is pending	Disputed amount	Period to which the amount relates to
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax(Appeals) Chennai	0.39	AY 2018-19
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax(Appeals) Chennai	0.23	AY 2020-21
TOTAL			**0.62**	

(viii) In our opinion and according to the information and explanations given to us, 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) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the explanation and information provided to us, 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.

(d) On overall examination of financial statements of the Company and according to the information and explanations given to us, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) In our opinion and according to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not hold any investment in any joint venture as defined under the Companies Act.

(x) (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) The Company has made private placement of Equity Shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised, other than temporary deployment pending application. The Company has not made any preferential allotment or private placement of convertible debentures (fully or partly or optionally) during the year.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge and according to the information and explanations given to us, 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 up to the date of this report.

(c) As represented by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2020 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, 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 and according to the information and explanations given to us, the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period up to March 31, 2023 under audit, in determining the nature, timings and extent of our audit procedures.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

(xvi) (a) to (c) 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.

(d) In our opinion and according to the information and explanations given to us, there is no core investment company (CIC) within the Group (as defined in the Core Investment Companies

(Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

(xvii) In our opinion and according to the information and explanations given to us, 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 is 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

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN:23209252BGXMJU7965

Place: Chennai
Date: 10 May 2023

Standalone Balance Sheet as at 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	16A	10.29	9.44
Capital work in progress	16B	0.06	0.04
Right-of-use assets	18	60.59	54.47
Goodwill	17	15.74	15.74
Other intangible assets	17	8.33	11.38
Financial assets			
Investments	19	0.69	-
Other financial assets	25	20.72	16.55
Deferred tax assets (net)	15	9.99	8.12
Income tax assets	15	8.13	6.76
Other non-current assets	26	63.35	2.49
Total non-current assets		197.89	124.99
Current Assets			
Inventories	20	-	-
Financial assets			
Trade receivables	21	86.69	81.51
Cash and cash equivalents	22	64.34	13.71
Other bank balances	23	7.62	22.05
Loans	24	-	-
Other financial assets	25	39.21	35.19
Other current assets	26	3.41	6.58
Total current assets		201.27	159.04
Total Assets		399.16	284.03
Equity and Liabilities			
Equity			
Equity share capital	27A	13.62	10.73
Other equity	27B	181.80	97.03
Total equity		195.42	107.76
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease liabilities	18	39.40	40.12
Other financial liabilities	31	5.94	7.26
Provisions	33	6.32	6.16
Other non-current liabilities	32	0.52	-
Total non-current liabilities		**52.18**	**53.54**

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Current Liabilities			
Financial liabilities			
Borrowings	29	-	7.97
Lease liabilities	18	22.44	17.27
Trade payables	30		
		3.70	0.70
		81.61	69.93
Other financial liabilities	31	14.85	13.62
Other current liabilities	32	17.02	7.85
Provisions	33	11.94	5.39
Total current liabilities		**151.56**	**122.73**
Total liabilities		**203.74**	**176.27**
Total equity and liabilities		**399.16**	**284.03**
Significant accounting policies	3		
The notes referred to above form an integral part of standalone financial statements			0.09
As per our report of even date attached			

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

for and on behalf of the board of directors of
ProConnect Supply Chain Solutions Limited
CIN: U63030TN2012PLC087458

Ananthi Amarnath
Partner
Membership No: 209252
Place: Chennai
Date: 10 May 2023

Malay Kumar Shankar
Managing Director
DIN: 10095199
Place: Canada
Date: 10 May 2023

Krishnan S.V
Director
DIN: 07518349
Place: Chennai
Date: 10 May 2023

Muthu Kumarasamy
Company Secretary
Place: Chennai
Date: 10 May 2023

S Vijayaraghavan
Chief Financial Officer
Place: Chennai
Date: 10 May 2023

Standalone Statement of changes in equity for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

(a) Equity share capital

Particulars	Note	Amount
Balance as at 1 April 2021	27A	9.08
Changes in equity share capital due to prior period errors		-
Restated balance as at 1 April 2021		9.08
Changes in equity share capital during the year		1.65
Balance as at 31 March 2022	27A	10.73
Balance as at 1 April 2022	27A	10.73
Changes in equity share capital due to prior period errors		-
Restated balance as at 1 April 2022		10.73
Changes in equity share capital during the year	27A	2.89
Balance as at 31 March 2023	27A	13.62

(b) Other equity

Particulars	Reserves and surplus			Items of other comprehensive income	Total
	Capital reserve	Securities premium	Retained earnings	Items that will not be reclassified to profit and loss Remeasurement of defined benefit obligations	
Balance as at 1 April 2021	5.41	35.47	22.97	(1.48)	62.37
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April , 2021	5.41	35.47	22.97	(1.48)	62.37
Profit for the year	-	-	14.90	-	14.90
Other comprehensive income for the year	-	-	-	0.41	0.41
Transferred to retained earnings	-	-	-	-	-
Securities Premium		19.35	-		19.35
Balance as at 31 March 2022	5.41	54.82	37.87	(1.07)	97.03
Balance as at 1 April 2022	5.41	54.82	37.87	(1.07)	97.03
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April, 2022	5.41	54.82	37.87	(1.07)	97.03
Profit for the year	-	-	7.51	-	7.51
Other comprehensive income for the year	-	-	-	0.16	0.16
Transferred to retained earnings	-	-	-	-	-
Securities Premium	-	77.10	-	-	77.10
Balance as at 31 March 2023	5.41	131.92	45.38	(0.91)	181.80

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

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Date: 10 May 2023

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Chief Financial Officer
Place: Chennai
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Standalone Statement of Profit and Loss for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Note	Year Ended 31 March 2023	Year ended 31 March 2022
Revenue			
Revenue from operations	6	526.31	492.11
Other income	7	6.17	10.49
Total income		**532.48**	**502.60**
Expenses			
Purchase of spares	8	0.02	0.05
Changes in inventories of spares	9	-	-
Other operating expenses	10	374.32	345.12
Employee benefits expense	11	50.54	43.66
Finance costs	12	6.10	6.63
Depreciation and amortisation expense	13	28.91	27.18
Other expenses	14	62.30	58.53
Total expenses		**522.19**	**481.17**
Profit before tax		**10.29**	**21.43**
Income tax	**15**		
Current tax		4.71	6.29
Deferred tax		(1.93)	0.24
Income tax expense		2.78	6.53
Profit for the year		7.51	14.90
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liability	33	0.22	0.55
Income tax relating to items that will not be reclassified to profit or loss	15	(0.06)	(0.14)
Net other comprehensive income not to be reclassified subsequently to profit or loss		**0.16**	**0.41**

Particulars	Note	Year Ended 31 March 2023	Year ended 31 March 2022
Other comprehensive income for the year, net of income tax		**0.16**	**0.41**
Total comprehensive income for the year		**7.67**	**15.31**
Earnings per share (Face value Rs 10 per share)			
Basic (in Indian Rupees)	28	6.94	15.26
Diluted (in Indian Rupees)		6.94	15.26
Significant accounting policies	3		
The notes referred to above form an integral part of standalone financial statements			

for Deloitte Haskins & Sells
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Date: 10 May 2023

Standalone Statement of Cash Flow for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities			
Profit before taxes		10.29	21.43
Adjustments for:			
Depreciation and amortisation		28.91	27.18
Provision no longer required written back		(0.92)	(4.41)
Provision for financial asset		-	0.95
Bad debts written off		-	4.59
(Gain) on sale of property, plant and equipment		(0.68)	(0.85)
Finance costs		6.10	6.63
Interest income on security deposits at amortised cost		(2.15)	(2.07)
Interest income on cash and cash equivalents and loans		(0.69)	(1.33)
		40.86	**52.12**
Working capital adjustments:			
(Increase) / Decrease in trade receivables		(4.26)	17.81
(Increase) in other current / non-current financial assets		(7.82)	(10.87)
Decrease in other current / non current assets		1.37	14.28
Increase in trade payable and other financial liabilities		14.58	6.22
Increase in provisions and other current liabilities		16.31	0.11
Cash generated from operating activities		**61.04**	**79.67**
Income tax (paid) / refund		(6.08)	3.59
Net cash generated from operating activities (A)		**54.96**	**83.26**
Cash flow from investing activities			
Interest received		0.70	0.86
Proceeds from sale of property, plant and equipment		1.13	1.07
Acquisition of property, plant and equipment including capital advances		(64.26)	(4.61)
(Investments) in/ Redemption of bank deposits with original maturity of more than 3 months		14.43	(13.18)
(Investment) in subsidiaries		(0.69)	-
Net cash used in investing activities (B)		**(48.69)**	**(15.86)**

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from financing activities			
Repayment of long term borrowings		(7.97)	(14.02)
Repayment of borrowings from related parties		-	(20.00)
Net proceeds from short term borrowings		-	(15.00)
Proceeds from Issue of Share capital (including securities premium)		80.00	21.00
Payment of finance lease obligations		(26.95)	(24.28)
Interest paid		(0.72)	(3.43)
Net cash used in financing activities (C)		**44.36**	**(55.73)**
Net increase in cash and cash equivalents (A+B+C)		**50.63**	**11.67**
Cash and cash equivalents as at 1 April		13.71	2.04
Cash and cash equivalents as at 31 March	**22**	**64.34**	**13.71**
Significant accounting policies	3		
The notes referred to above form an integral part of standalone financial statements			

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No:008072S

Ananthi Amarnath
Partner
Membership No: 209252
Place: Chennai
Date: 10 May 2023

for and on behalf of the board of directors of
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Chief Financial Officer
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Date: 10 May 2023

Notes forming part of the standalone financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

1 Background

ProConnect Supply Chain Solutions Limited ('ProConnect' / 'the Company') incorporated on 31 August 2012, is a wholly owned subsidiary of Redington Limited ('Formerly known as Redington (India) Limited)'). The Company is engaged in the business of comprehensive Supply Chain Management ('SCM'), providing total logistic solutions services including warehousing management and allied services for various corporate customers.

2 Basis of preparation

2.1 Statement of compliance

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

These standalone financial statements were authorised for issue by the Company's Board of Directors on 10 May 2023.

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

2.2 Functional and presentation currency

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

2.3 Basis of measurement

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

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Defined benefit liability	Present value of defined benefit obligations

Historical cost is generally based on the fair value of the consideration given in exchange for 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 transaction between market participants at the measurement date. When measuring fair value, the Company takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

2.4 Current and Non-current classification

The Company presents assets and liabilities in the Balance Sheet based on the requirement under Schedule III to be classified as current or non-current. An asset is classified as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period;

4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

2.5 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions considered in the reported amount of assets, liabilities (including contingent assets and contingent liabilities), the reported income and the expenses during the year. The management believes that these estimates, judgements and assumptions used in the preparation of the standalone financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise. Estimates, judgements, and underlying assumptions are reviewed on an ongoing basis. Key sources of judgement and estimation uncertainties at the date of the standalone financial statements, which may cause a material adjustment to income and expenditure or the carrying amounts of assets and liabilities, are in respect of revenue recognition, provision for tax and contingent liability, stock appreciation rights, Service Level Agreement (SLA) Provision, Lease accounting under IND AS 116, allowance for doubtful trade receivables and impairment of financial assets and goodwill.

Judgements

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

- Note 6 – revenue : whether the Company acts as an agent rather than as a principal in a transaction; and
- Note 18 – lease accounting under Ind AS 116
- Note 33 – SLA provision (Provision others)

Assumptions and estimation uncertainties

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

- Note 33 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 25 – impairment of financial assets.
- Note 17 – Goodwill
- Note 15 – Provsison for taxation and Contingent Liabilities. (Income Tax assets)
- Note 40 – Stock Appreciation Rights.

2.6 Measurement of fair values

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

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

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

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3:** valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

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

- Note 34 – financial instruments
- Note 40 – stock appreciation rights

3 Significant accounting policies

3.1 i. Business combinations

Business combinations (other than common control business combinations) on or after 1 April 2015.

The Company has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, retrospectively to those business combinations that occurred on or after 1 April 2015. In accordance with Ind AS 103, the Company accounts for these business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations (other than common control business combinations) before 1 April 2015.

In respect of such business combinations, goodwill represents the amount recognised under the Company's previous accounting framework under Indian GAAP.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions.

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. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

3.3 Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

ii. **Classification and subsequent measurement**

Financial Assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. **Derecognition**

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised as gain or loss in the statement of profit and loss.

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

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The difference between the carrying amount of the financial liability de-recognised and the sum of consideration paid and payable is recognised as gain or loss in the statement of profit and loss.

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

iv. Offsetting

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

v. Derivative financial instruments

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The company does not hold derivative financial instruments for speculative purposes. Forward contracts are recognised initially at fair value on the date the contract is entered into and are subsequently remeasured at fair value. The resulting gain or loss is recognised in the statement of profit and loss.

3.4 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment except capital work-in-progress are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Capital work-in-progress is stated at cost less any recognised impairment loss

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

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.

Gains or losses arising from the disposal of property, plant and equipment are measured as the difference between the net proceeds from disposal and the carrying amount of the asset and are recognised in the statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other costs including repairs and maintenance costs are charged to the statement of profit and loss as and when incurred.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

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

Asset	Management estimate of useful life	Useful life as per Schedule II
Plant and Machinery	5 years	15 years
Computer and accessories	3 years	3 years
Furniture and fixtures	4 years	10 years
Office equipment's	5 years	5 years
Vehicles	5 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. Property, plant and equipment is depreciated on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or technical estimate made by the Company, whichever is lower and is recognised in statement of profit and loss.

Individual assets whose cost does not exceed INR 5,000/- are fully depreciated in the month of addition.

Depreciation on additions (disposals) is provided from (upto) the month in which asset is ready for use (disposed of).

3.5 Intangible assets

i. Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Useful life
Software	3 - 5 years
Customer contracts	5 years
Customer relationships	8 years

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

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash-generating units (CGU) or groups of cash-generating units that are expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the CGU.

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average method and cost of inventories comprise all cost of purchase and other cost incurred in bringing the inventories to the present location and condition, net of discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.7 Impairment

i. Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

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

The Company assumes that the credit risk on financial assets has increased significantly if it is more than 180 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held)
- the financial asset is 365 days or more past due.

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Employee benefits

i. Short-term employee benefits

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

ii. Share based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

iii. Defined contribution plans

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

iv. Defined benefit plans

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

The Company's gratuity plan is unfunded. Defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method at each balance sheet date. The defined benefit obligation is determined as the present value of the estimated future cash flows expected to be made by the Company in respect of services rendered by its employees upto the reporting date.

Remeasurements of the defined benefit liability, which comprise actuarial gains and losses are recognised in OCI. The Company determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then defined benefit liability. Interest expense and other expenses related to defined benefit plans are recognised in profit or loss under finance costs and employee benefit expenses respectively.

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

v. Other long-term employee benefits

The Company's obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

3.9 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3.10 Revenue recognition

The Company earns revenue primarily from the business of comprehensive Supply Chain Management ('SCM'), providing total logistic solutions services including warehousing management and allied services for various corporate customers.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services.

- Revenue from warehousing management services where the Company leases out warehouse space along with warehousing equipment's is measured based on the mutually agreed monthly rent with customers. Revenue for warehousing management services are recorded at gross or net basis depending on whether the Company is acting as the principal or as an agent of the customer. The Company recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.

- Revenue from third party logistics services is recognised based on the consignment notes issued by the Company. Revenue is measured based on the mutually agreed rate as per the contract with the customer.
- Revenue from allied services is recognised on output basis, measured by number of orders processed.
- Revenue from sales of goods and scrap sales is recognised at the point in time when control is transferred to the customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Company recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Disaggregation of revenue

The Company disaggregates revenue from contracts with customers by the nature of services offered to the customers. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors. Refer Note 5.

3.11 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A. Company as a lessee:

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

The lease payments shall include:

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

Short term leases and low value assets:

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

B. Company as a lessor:

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Company applies derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other income'.

3.12 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.13 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent when it relates to an item recognised directly in equity or in other comprehensive income respectively.

i. Current tax

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax will not be recognised, when:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.14 Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The Company did not have any potentially dilutive securities in any of the years presented.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.15 Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

3.16 Cash flows

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

3.17 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.18 Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant; they are then recognised in profit or loss as other operating revenue on a systematic basis. Grants that compensate the Company for expenses incurred are recognised in statement of profit or loss as other income on a systematic basis in the periods in which such expenses are recognised.

3.19 Dividend to share holders

Final dividend is distributed to Equity share holders is recognised in the period in which it is approved by the members of the Company in the Annual General Meeting. Final dividend net of divided distribution tax are recognised in the Statement of Changes in Equity.

4 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2023, with respect to Ind AS 1 Presentation of Financial Statements, Ind AS 8 Changes in accounting policies, estimates and errors, Ind AS 12 Income taxes, Ind AS 103 Business Combinations, Ind AS 102 Share Based Payments, Ind AS 109 Financial Instruments and Ind AS 115 Revenue from Contract with Customers. The Company does not expect these amendments to have any significant impact in its standalone financial statements.

(All amounts are in Indian Rupees in crores, except share data and as stated)

5 Operating segments

The Company is engaged in only one business namely providing supply chain management ('SCM') services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assesses its performance. Accordingly, the Company does not have multiple segments and the standalone financial statements are reflective of the information required by the Ind AS 108 for SCM segment.

A. Geographic information:

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
India	501.15	473.45
USA	25.16	18.66
Total	526.31	492.11

The Company's operations are entirely carried out from India and as such all its non-current assets are located in India.

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Customer A	111.74	93.31
Customer B	105.74	82.88
Customer C	87.41	82.99
Total	**304.89**	**259.18**

6 Revenue from operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	0.08	0.18
Sale of services		
Income from supply chain management services ^^		
Domestic	500.64	472.98
Export	25.16	18.66
Less: Provision for specific Revenue	-	-
Other operating revenue		
Scrap Sales	0.43	0.29
Total	**526.31**	**492.11**

^^ Includes revenue INR 0.54 crores (31 March 2022: INR 0.67 crores) from renting of warehouse, net of related cost in respect of which the Company acts as an agent in the transaction rather than as the principal.

7 Other income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on		
Cash and cash equivalents and other bank balances	0.69	0.39
Loan to corporates	-	0.94
Security deposits at amortised cost	2.15	2.07
Net gain on sale of property, plant and equipment	0.68	0.85
Net gain on foreign currency transactions	0.05	0.13
Gain on lease termination	0.75	-
Insurance claim	0.37	-
Provision no longer required written back	0.92	4.41
Finance income on lease	0.54	0.67
Miscellaneous income	0.02	1.03
	6.17	**10.49**

8 Purchase of spares

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchases of spares	0.02	0.05
Total	**0.02**	**0.05**

9 Changes in inventories of spares

Particulars	Year ended 31 March 2023			Year ended 31 March 2022		
	Opening stock	Closing stock	Increase / Decrease	Opening stock	Closing stock	Increase / Decrease
Stock-in-trade of spares*	-	-	-	-	-	-
	-	-	-	-	-	-

* Decrease in inventory of spares of INR 5,941 for year ended 31 March 2023 (31 March 2022: INR 13,539) has been rounded off in crores to Nil.

10 Other operating expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Freight, delivery and shipping charges	153.14	142.68
Rent	58.89	47.87
Outsourced manpower cost	131.87	130.81
Warehouse handling charges	30.42	23.76
Total	**374.32**	**345.12**

11 Employee benefits expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	41.37	34.13
Contribution to provident & other funds	1.64	1.56
Gratuity	1.29	0.63
Expenses related to compensated absences	0.55	0.31
Staff welfare expenses	5.69	7.03
Total	**50.54**	**43.66**

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund INR 1.55 crores (31 March 2022: INR 1.47 crores) and ESI for the year INR 0.09 crores (31 March 2022: INR 0.09 crores).

(All amounts are in Indian Rupees in crores, except share data and as stated)

12 Finance costs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on cash credit / working capital loans	0.01	2.27
Interest on loan from related parties	-	0.59
Interest on lease liabilities	5.08	2.83
Other interest cost	1.01	0.94
Total	6.10	6.63

13 Depreciation and amortisation expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment (refer note 16A)	3.89	4.90
Amortisation of intangible assets (refer note 17)	3.05	3.33
Depreciation of right-of-use assets (refer note 18)	21.97	18.95
Total	28.91	27.18

14 Other expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of packing materials	1.14	0.65
Power and fuel	5.36	4.40
Rates and taxes	4.18	3.40
Insurance	3.30	1.12
Repairs and maintenance		
Buildings	1.55	0.66
Machinery	1.87	1.81
Others	12.01	8.40
Directors' sitting fees	0.39	0.04
Legal and professional charges	5.77	3.97
Auditor's Remuneration (refer note (a) below)	0.25	0.45
Travel and Conveyance	3.81	4.86
Sales promotion expenses	0.32	0.12
Communication expenses	2.04	3.16
Security services	15.15	15.18
Printing and stationery	3.36	2.67
Provision for financial asset (refer note (c) below)	-	0.95
Bad debts written off (net of adjustment against provision for doubtful receivables INR Nil crores (31 March 2022: INR Nil crores)	-	4.59
Trade Advance written off	-	20.69
Less: Provision for Trade advance reversed	-	(20.69)
Provision for other assets	-	0.25
Bank charges	0.21	0.12
Expenditure on Corporate social responsibility (refer note (b) below)	0.30	0.45
Miscellaneous expenses	1.29	1.28
Total	62.30	58.53

a. Payment to auditors

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Statutory audit	0.17	0.30
Tax audit	0.02	0.06
Limited Review	0.04	0.03
Other services	0.02	0.01
Reimbursement of expenses	-	0.00
Payment to component auditor	-	0.05
	0.25	0.45

b. Details of corporate social responsibility expenditure

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) Amount required to be spent by the company during the year,	0.30	0.45
(b) Amount of expenditure incurred,	0.30	0.45
(c) Shortfall / (Surplus) at the end of the year,	-	-
(d) Total of previous years shortfall,	0.21	0.42
(e) Reason for shortfall,	-	Refer Note (i) Below
(f) Nature of CSR activities	Differently abled enhancement Projects, Environment, Education, Health care	Differently abled enhancement Projects
(g) Details of related party transactions	-	-
(h) The movements in the provision for unspent CSR (relating to ongoing project) is as follows:	NA	-
Opening balance	0.42	0.50
Amount required to be spent during the year	-	-
Amount spent during the year	0.21	0.08
Closing balance	0.21	0.42

Note i): Due to Covid induced lockdown, Company were not able to spend the amount. Hence transferred the funds to the unspent CSR Account.

Note ii): Current year expenditure includes contribution to Redington trust.

c. Provision for Financial Assets

The Company has carried out recoverability assessment on the balances receivable from Rajprotim Agencies Private Limited ('RAPAL'), vendor for Rajprotim Supply Chain Solutions Limited ('RCS'), an erstwhile subsidiary of the Company. Based on the such assessment, the management has recorded INR Nil crores (31 March 2022: INR 0.95 crores) as provision for the loans given to RAPAL and interest accrued there on. The gross amount receivable from RAPAL amounts to INR 16.25 crores (31 March 2022: INR 16.25 crores) (refer note 24 and 25). The loan is secured by 89% equity shares and a parcel of land of RAPAL. The management is in the process of taking necessary steps to recover the balances from RAPAL.

(All amounts are in Indian Rupees in crores, except share data and as stated)

15 Income tax

A. Amount recognised in the profit and loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax		
Current period	4.71	5.15
Change in estimates to prior periods	-	1.14
Total current tax expense	**4.71**	**6.29**
Deferred tax		
Origination and reversal of temporary difference	(1.93)	0.24
Total deferred tax (benefit) / expense	**(1.93)**	**0.24**
Total	**2.78**	**6.53**

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2023			Year ended 31 March 2022		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability (asset)	0.22	(0.06)	0.16	0.55	(0.14)	0.41
Total	0.22	(0.06)	0.16	0.55	(0.14)	0.41

C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
Profit / (loss) before tax		**10.29**		**21.43**
Enacted tax rates in India	25.17%	2.59	25.17%	5.39
Computed expected tax expense				
Changes in estimates related to prior years	0.56%	0.06	0.42%	0.09
Effect of non-deductible expenses	-0.51%	(0.05)	- 0.78%	(0.17)
Others	1.75%	0.18	5.67%	1.22
Income tax expense	26.97%	2.78	30.48%	6.53

(All amounts are in Indian Rupees in crores, except share data and as stated)

D. Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax liabilities		Net Deferred tax assets (liabilities)	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	4.57	5.34	-	-	4.57	5.34
Intangible assets	-	-	2.09	2.86	(2.09)	(2.86)
Provision - employee benefits	1.77	1.74	-	-	1.77	1.74
Finance lease receivable	-	-	0.74	0.97	(0.74)	(0.97)
Right-of-use assets/Lease liabilities	0.64	0.01	-	0.04	0.64	(0.03)
Finance lease payable	0.17	0.78	-	-	0.17	0.78
Provision - others	5.67	4.11	-	-	5.67	4.12
Net deferred tax (assets) liabilities	**12.82**	**11.98**	**2.83**	**3.87**	**9.99**	**8.12**

Movement in temporary differences:

Particulars	Balance as at 1 April 2021	Recognized in profit or loss during 2021-22	Recog-nized in OCI during 2021-22	Balance as at 31 March 2022	Recognized in profit or loss during 2022-23	Recog-nized in OCI during 2022-23	Balance as at 31 March 2023
Property, plant and equipment	2.68	2.66	-	5.34	(0.77)	-	4.57
Intangible assets	0.03	(2.89)	-	(2.86)	0.77	-	(2.09)
Provision - employee benefits	2.40	(0.52)	(0.14)	1.74	0.09	(0.06)	1.77
Finance lease receivable	(1.17)	0.19	-	(0.97)	0.23	-	(0.73)
Right-of-use assets/Lease liabilities	0.08	(0.10)	-	(0.03)	0.67	-	0.63
Finance lease payable	1.50	(0.72)	-	0.78	(0.61)	-	0.17
Provision - others	2.98	1.12	-	4.12	1.56	-	5.67
Total	**8.50**	**(0.25)**	**(0.14)**	**8.12**	**1.93**	**(0.06)**	**9.99**

(All amounts are in Indian Rupees in crores, except share data and as stated)

E. Income Taxes

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income Tax assets	8.13	6.76
Current Tax liabilities (net)	-	-
Total	8.13	6.76

Movement in income tax assets(net)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning of the year	6.76	16.50
Add: Taxes paid / (refunds) (net)	6.08	(3.45)
Less: Provisions during the year	(4.71)	(6.29)
Balance at the end of the year	**8.13**	**6.76**

(All amounts are in Indian Rupees in crores, except share data and as stated)

16A Property, plant and equipment

Reconciliation of carrying amount

Particulars	Plant and machinery	Office equipment	Furniture and fixtures	Computers	Vehicles	Lease hold improvements	Total
Deemed cost / Cost (Gross carrying amount)							
Balance as at 1 April 2021	**8.83**	**4.76**	**8.50**	**9.18**	**2.81**	**0.40**	**34.48**
Additions	1.03	0.38	0.31	2.23	0.87	0.12	4.94
Disposals	(0.78)	(0.21)	(0.65)	(0.34)	(0.93)	(0.02)	(2.93)
Balance as at 31 March 2022	**9.08**	**4.93**	**8.16**	**11.07**	**2.75**	**0.50**	**36.49**
Additions	1.24	0.13	0.21	2.94	0.18	0.48	5.18
Disposals	(0.09)	(0.34)	(0.65)	(0.16)	(0.68)	-	(1.92)
Balance as at 31 March 2023	**10.23**	**4.72**	**7.72**	**13.85**	**2.25**	**0.98**	**39.75**
Accumulated depreciation							
Balance as at 1 April 2021	**6.22**	**3.70**	**5.80**	**7.31**	**1.54**	**0.29**	**24.86**
Charge for the year	1.64	0.59	0.67	1.43	0.50	0.07	4.90
Disposals	(0.68)	(0.17)	(0.60)	(0.32)	(0.93)	(0.02)	(2.72)
Balance as at 31 March 2022	**7.18**	**4.12**	**5.87**	**8.42**	**1.11**	**0.34**	**27.04**
Charge for the year	0.88	0.29	0.34	1.70	0.40	0.26	3.89
Disposals	(0.06)	(0.33)	(0.64)	(0.15)	(0.29)	-	(1.49)
Balance as at 31 March 2023	**8.00**	**4.08**	**5.57**	**9.97**	**1.22**	**0.60**	**29.44**
Carrying amount (net)							
As at 31 March 2022	1.90	0.81	2.29	2.65	1.64	0.16	9.44
As at 31 March 2023	**2.23**	**0.64**	**2.15**	**3.88**	**1.03**	**0.38**	**10.29**

16B i) Capital work-in-progress (CWIP)

Capital work-in-progress includes IT accessories installation amounting to INR.0.06 crores (31 March 2022: INR.0.04 crores)

ii) Ageing details

As at 31 March 2023

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.06	-	-	-	0.06
Projects temporarily suspended	-	-	-	-	-
Total	**0.06**	**-**	**-**	**-**	**0.06**

The completion of the project is not overdue and has not exceeded its cost compared to its original plan.

As at 31 March 2022

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.03	0.01	-	-	0.04
Projects temporarily suspended	-	-	-	-	-
Total	**0.03**	**0.01**	**-**	**-**	**0.04**

The completion of the project is not overdue and has not exceeded its cost compared to its original plan.

(All amounts are in Indian Rupees in crores, except share data and as stated)

17 Intangible Assets

A	Particulars	Customer contracts	Customer relationship	Software	Total	Goodwill
	Deemed cost / Cost (Gross carrying amount)					
	Balance as at 1 April 2021	5.00	15.01	6.22	26.23	19.34
	Additions		-	0.04	0.04	-
	Disposals		-	-	-	-
	Balance as at 31 March 2022	5.00	15.01	6.26	26.27	19.34
	Additions		-	-	-	-
	Disposals		-	-	-	-
	Balance as at 31 March 2023	5.00	15.01	6.26	26.27	19.34
	Accumulated amortisation					
	Balance as at 1 April 2021	**4.79**	**3.89**	**2.88**	**11.56**	**3.60**
	Charge for the year	0.21	1.88	1.24	3.33	-
	Disposals	-	-	-	-	-
	Balance as at 31 March 2022	**5.00**	**5.77**	**4.12**	**14.89**	**3.60**
	Charge for the year	-	1.88	1.17	3.05	-
	Disposals	-	-	-	-	-
	Balance as at 31 March 2023	**5.00**	**7.65**	**5.29**	**17.94**	**3.60**
	Carrying amount (net)					
	As at 31 March 2022	-	9.24	2.14	11.38	15.74
	As at 31 March 2023	**-**	**7.36**	**0.97**	**8.33**	**15.74**

B. Impairment

See accounting policy in Note 3.7

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to one of the Company's component which represent the lowest level within the Company at which goodwill is monitored for internal management purposes, which is not higher than the Company's operating segments. The aggregate carrying amounts of goodwill allocated to each unit are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Auroma Logistics Private Limited (CGU of the Company)	15.74	15.74
Total	15.74	15.74

Auroma Logistics Private Limited (CGU of the Company)

The recoverable amount of this cash-generating units ("CGU") is based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. Five years of cash flows have been included in the discounted cash flow model. The carrying amount of the unit has been determined to be lower than its recoverable amount and Nil (31 March 2022: INR Nil crores) of impairment loss has been recognised.

The key assumptions used in the estimation of the recoverable amount are set below. The values assigned to the key assumptions represent management's assessment of future trends in relevant industries and have been based on historical data from both external and internal sources.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue growth rate range over the forecast period	10% to 11%	10% to 11%
Terminal growth rate	3.0%	2.0%
EBITDA as a % of Revenue -range over the forecast period	6.52% to 7.19%	6.50% to 8.80%
Risk-adjusted discount rates	17.71%	14.35%

The Company has considered it appropriate to undertake the impairment assessment with reference to the latest business plan which includes a five year cash flow forecast. The growth rates used in the VIU calculation reflect those inherent within Auroma's business plan, which in primarily a function of the Auroma future assumptions, past performance and management's expectation of future market development through to FY 2027-28. The future cash flows consider potential risks given the current economic environment and key assumptions, such as revenue growth rate and EBITDA.

The cash flow for the FY 2027-28 are extrapolated into perpetuity assuming a growth rate as stated above which is set with reference to weighted-average GDP growth of the country and industry in which the CGU operate.

The impairment losses recorded in earlier years in the standalone financial statements of the Company had been adjusted against the goodwill as mentioned above.

Sensitivity to key assumptions

Significant unobservable inputs used in valuation	Sensitivity to changes in assumption and inter relationship between key unobservable inputs and fair value measurement
Risk-adjusted discount rates	Estimated fair value would decrease / (increase) if expected discount rate were higher / (lower)
Terminal value growth rate	Estimated fair value would increase / (decrease) if expected terminal value growth rate were higher / (lower)
Budgeted EBITDA growth rate	Estimated fair value would increase / (decrease) if expected budgeted EBITDA growth rate were higher / (lower)

(All amounts are in Indian Rupees in crores, except share data and as stated)

The change in the following assumptions used in the impairment review would, in isolation, lead to an increase to aggregate impairment loss to be recognized as at 31 March 2023 and 31 March 2022 (although it should be noted that these sensitivities do not take account of potential mitigating actions):

	As at 31 March 2023	As at 31 March 2022
Decrease in EBITDA by 1% over the forecast period	**-**	-
Decrease in terminal rate by 1%	**-**	-
Increase in discount rate by 1%	**-**	-

18 Leases

Leases as lessee (Ind AS 116)

The leased assets of the Company includes warehouse buildings, plant and machinery, furniture and fixtures and computers taken on lease for providing warehousing and other 3PL services to the customers. The leases typically run for a period of 1 to 5 years, with an option to renew certain leases after that date. The summary of the movement of right-of-use assets for the year is given below:

Information about leases for which the Company is a lease is presented below:

i. Right-of-use assets

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Balance as at 1 April	54.47	23.08
Additions to right-of-use assets	39.00	79.73
Less: Depreciation charge for the year	(21.97)	(18.95)
Less: Lease modifications	-	
Less: Transfers	-	
Less: Terminated contracts	(10.91)	(29.39)
Balance as at 31 March	60.59	54.47

On transition to Ind AS 116, the Company recognized lease liabilities measured at the present value of remaining lease payments. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**
Lease liabilities under Ind AS 116		
Current	22.44	17.27
Non- current	39.40	40.12
Total lease liabilities as at 31 March	61.84	57.39

Amounts recognised in Statement of Profit and loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on lease liabilities (refer note 12)	5.08	2.83
Depreciation of right-of-use assets (refer note 13)	21.97	18.95
Expenses relating to short-term leases (refer note 10)	58.89	47.87
Total	**85.94**	**69.65**

Amounts recognised in Cashflow statement

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Total cash outflow for leases liabilities under Ind AS 116	(26.95)	(24.28)

19 Non-current investments

Investment in overseas subsidiaries

Particulars	As at 31 March 2023	As at 31 March 2022
Unquoted equity shares in subsidiaries at cost		
* 300000 equity shares (31 March 2022: NIL) of AED 1 each fully paid up in ProConnect Holding LLC	0.69	-
Total	**0.69**	**-**

Name of the subsidiary	Proportion of Ownership interest		
	Principal place of business	As at 31 March 2023	As at 31 March 2022
ProConnect Holding LLC	Dubai	100%	-

* Equity shares mentioned above is pending for allotment.

20 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Spares*	-	-
Total	-	-

* Inventory of spares as at 31 March 2023 of INR 40,233 (31 March 2022: INR 46,174) has been rounded off in crores to Nil.

(All amounts are in Indian Rupees in crores, except share data and as stated)

21 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	86.69	81.51
Doubtful	2.62	3.55
Less : Loss allowance	(2.62)	(3.55)
Total	**86.69**	**81.51**
Current	**86.69**	**81.51**
Total	**86.69**	**81.51**

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Total trade receivables from related parties (refer note 38)	15.49	14.50
Less: Loss allowance	-	-
Net trade receivables	**15.49**	**14.50**

A Ageing of Trade receivables and Unbilled revenue

The ageing has been derived from the due date of the transaction, where there is no due date for payment, date of transaction has been considered.

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables						
i) Undisputed – Considered good	85.90	2.80	0.22	0.39	-	89.31
ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed – credit impaired	-	-	-	-	-	-
iv) Disputed – Considered good	-	-	-	-	-	-
v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed – Considered doubtful/ Credit impaired	-	-	-	-	-	-
Sub-Total	85.90	2.80	0.22	0.39	-	89.31
Less: Loss Allowance						(2.62)
Total Trade receivables						86.69
Unbilled revenue	23.30	-	-	-	-	23.30
Less: Loss Allowance						(0.62)
Total Unbilled revenue (Refer note 25)						22.68

(All amounts are in Indian Rupees in crores, except share data and as stated)

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables						
i) Undisputed – Considered good	81.75	2.28	1.03	-	-	85.06
ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed – credit impaired	-	-	-	-	-	-
iv) Disputed – Considered good	-	-	-	-		-
v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed – Considered doubtful/ Credit impaired	-	-	-	-	-	-
Sub-Total	**81.75**	**2.28**	**1.03**	**-**	**-**	**85.06**
Less: Loss Allowance						(3.55)
Total Trade receivables						**81.51**
Unbilled revenue	**22.09**	**-**	**-**	**-**	**-**	**22.09**
Less: Loss Allowance						(0.30)
Total Unbilled revenue (Refer note 25)						**21.79**

B Expected Credit Loss Allowances

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	3.55	7.99
Allowance recognized during the year (net)*	0.70	(4.41)
Less: Written-off during the year	(1.63)	(0.03)
Currency translation adjustments	-	-
Balance at the end of the year	2.62	3.55

22 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash in hand	0.01	0.10
Balance with banks:		
- in current accounts	4.05	13.61
- on deposit accounts (Refer note 23.1)	60.28	-
Cash and cash equivalents in balance sheet	64.34	13.71
Cash and cash equivalents in the statements of cash flows	64.34	13.71

23 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits with original maturity of more than 3 months (Refer note 23.1)	7.62	22.05
	7.62	22.05

23.1 Bank Deposits includes INR 0.74 crores (31 March 2022: INR 0.70 crores) of fixed deposit is pledged against the Overdraft facility availed from SBI and South Indian Bank and INR 7 Crs represents fixed deposits under lien.

24 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Secured, considered doubtful		
Loan to body corporates*	12.00	12.00
Less: Loss allowance	(12.00)	(12.00)
Total	-	-

* The Company has given INR 12 crore as loan to Rajprotim Agencies Private Limited ('RAPAL'). Out of INR 12 crores, INR 10 crores is secured by a pledge of 89% equity shares of RAPAL and INR 2 crores is secured by a parcel of land.

25 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Long term finance lease receivable (refer note (a) below)	1.82	2.91
Security deposit		
Unsecured, considered good	18.90	13.64
	20.72	16.55

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Current maturities of finance lease receivable (refer note (a) below)	1.09	0.93
Interest accrued	4.28	4.29
Less: Provision for interest receivable	(4.25)	(4.25)
Unbilled revenue	23.30	22.09
Less: Provision for Unbilled Revenue	(0.62)	(0.30)
Security deposit		
Unsecured, considered good	8.20	7.87
Doubtful	0.30	0.30
Less : Loss allowance	(0.30)	(0.30)
Derivate Financial Asset	0.03	-
Others	7.18	4.56
Total	**39.21**	**35.19**

a) Finance lease receivable

The Company's leasing arrangement represents the certain pallets and other assets given to customers which have been classified under Ind AS 17 on Leases as Finance lease. The lease term covers the substantial period of the assets and all the risks and rewards of ownership are transferred to the lessee. The Company records disposal of the property concerned and recognizes the finance income as revenue from operations.

The reconciliation between the gross investment in the lease at the end of the reporting period, and the present value of minimum lease payments receivable at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Gross investment	3.50	4.96
Unearned finance income	(0.59)	(1.12)
Net investment	**2.91**	**3.84**

(All amounts are in Indian Rupees in crores, except share data and as stated)

Finance leases are receivable as follows:

Gross investment	As at 31 March 2023	As at 31 March 2022
Within less than one year	1.46	1.46
Between One and five years	**2.04**	**3.50**
After more than five years	-	-
	3.50	**4.96**

Present value of minimum lease payments	As at 31 March 2023	As at 31 March 2022
Within less than one year	1.09	0.93
Between One and five years	**1.82**	**2.91**
After more than five years	-	-
	2.91	**3.84**

26 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Unsecured, considered good	-	-
Capital advances	**59.06**	-
Prepayments	1.29	1.25
Receivable from government authorities	3.00	1.24
	63.35	**2.49**
Current		
Unsecured, considered good		
Prepayments	2.25	2.78
Balances with statutory authorities	-	3.15
Others	1.16	0.65
	3.41	6.58
Unsecured, considered doubtful		
Others	0.12	0.58
Less: Provision for trade advances	(0.12)	(0.58)
	-	-
	3.41	**6.58**

(All amounts are in Indian Rupees in crores, except share data and as stated)

27A Share Capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
3,00,10,000 (31 March 2022: 1,50,10,000) equity shares of Rs. 10/- each	30.01	15.01
Issued, Subscribed and Paid-up		
1,36,23,094 (31 March 2022: 1,07,35,008) equity shares of Rs.10/- each fully paid up	13.62	10.73

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the commencement of the year	1,07,35,008	10.73	90,81,465	9.08
Shares issued for cash	28,88,086	2.89	16,53,543	1.65
At the end of the year	1,36,23,094	13.62	1,07,35,008	10.73

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares of par value of Rs.10/- per share. Accordingly, all equity shares rank equally with regard to dividends, voting rights or otherwise. The equity shareholders are entitled to receive dividend as may be declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding / ultimate holding company and / or their subsidiaries / associates and particulars of shareholder holding more than 5% shares of a class of shares.

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10/- each paid up held by Redington Limited and its nominees	1,36,23,094	13.62	1,07,35,008	10.73

(All amounts are in Indian Rupees in crores, except share data and as stated)

As at 31 March 2023

Shares held by promoters at the end of the year

Promoter name	No. of Shares	%of total shares	% Change during the year
Redington Limited	1,36,23,094	100%	0%

27A.1 Pursuant to the board meeting dated March 10, 2023, the Company has allotted 28,88,086 equity share of face value Rs. 10 at a premium of Rs. 267.16/-

As at 31 March 2022

Shares held by promoters at the end of the year

Promoter name	No. of Shares	%of total shares	% Change during the year
Redington Limited	1,07,35,008	100%	0%

27B Other equity

a. Capital reserve

Particulars	As at 31 March 2023	As at 31 March 2022
At the commencement of the year	5.41	5.41
Stock Compensation Cost (Refer Note 40)	-	-
At the end of the year	5.41	5.41

Capital reserve represents accumulated stock compensation cost in respect of Stock Appreciation Rights granted to the employees and directors of the Company by the holding company.

b. Securities premium

Particulars	As at 31 March 2023	As at 31 March 2022
At the commencement of the year	54.82	35.47
Share issued for cash (refer 27A.1)	77.10	19.35
At the end of the year	131.92	54.82

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

c. Retained earnings

Particulars	As at 31 March 2023	As at 31 March 2022
At the commencement of the year	37.87	22.97
Profit for the period	7.51	14.90
At the end of the year	45.38	37.87

(All amounts are in Indian Rupees in crores, except share data and as stated)

d Analysis of accumulated OCI, net of tax

A. Other items of OCI

Particulars	As at 31 March 2023	As at 31 March 2022
Remeasurements of defined benefit liability (asset)	(0.91)	(1.07)
	(0.91)	(1.07)

Remeasurements of defined benefit liability (asset)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	(1.07)	(1.48)
Remeasurements of defined benefit liability (asset)	0.16	0.41
Closing balance	(0.91)	(1.07)

Remeasurements of defined benefit liability (asset)

Remeasurements of defined benefit liability (asset) comprises actuarial (losses) / gains.

27C Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to shareholder through the optimisation of debt and equity balances by maintaining an appropriate level of parity between them. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. Adjusted equity comprises all components of equity. Adjusted net debt comprises short term as well as long term borrowings including finance leases, less cash and cash equivalents. The Company's policy is to keep this ratio below 1.00. The Company's adjusted net debt to equity ratio at the end of the year is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Total borrowings - short term and long term	-	7.97
Less: Cash and cash equivalents and other bank balances	(71.96)	(35.76)
Net Debt (A)	**(71.96)**	**(27.79)**
Total Equity (B)	195.42	107.76
Adjusted net debt to adjusted equity ratio	**(0.37)**	**(0.26)**

28 Earnings per share

a. Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit attributable to equity shareholders (basic and diluted)

Particulars	As at 31 March 2023	As at 31 March 2022
Profit for the year, attributable to the equity holders (Rs in Crores)	7.51	14.90
Weighted average number of equity shares (basic)	1,08,22,046	97,65,533
Earnings per share- Basic (in Indian Rupees)	6.94	15.26
Weighted average number of equity shares (diluted)	1,08,22,046	97,65,533
Earnings per share- Diluted (in Indian Rupees)	6.94	15.26
Face value per share in Rs	10/-	10/-

(ii) Weighted average number of equity shares (basic and diluted)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,07,35,008	90,81,465
Effect of fresh issue of shares for cash	87,038	6,84,068
Weighted average number of equity outstanding during the year	**1,08,22,046**	**97,65,533**

29 Borrowings (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Current borrowings		
Current portion of long term borrowing		
Terms loans from banks (secured)	-	7.97
Total	-	7.97

Information about the Company's exposure to interest rate and liquidity risk is provided in Note 34.

Quarterly returns and statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Terms and repayment schedule.

Terms and conditions of outstanding borrowings are as follows:

Particulars	Currency	Nominal interest rate	Year of maturity	Carrying amount as at 31 March 2023	Carrying amount as at 31 March 2022
Term loans	USD	6.90%	2022-23	-	3.17
Term loans	INR	8.7% - 11.13%	2022-23	-	4.80
Total				-	7.97

Summary of borrowing arrangements

Term loan from HDFC is secured by moveable fixed assets with a security cover of not less than 1.00 times of outstanding term loan. Term loan from IDFC bank is secured by first pari passu charge over book debts both present and future, exclusive charge on the security deposits of the company both present and future.

(All amounts are in Indian Rupees in crores, except share data and as stated)

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Cash credit and overdraft from banks	Working capital demand loan including related party loans	Term loans	Finance lease obligations	Total
Balance at the 1 April 2021					
- Borrowings	13.32	35.00	21.99	-	70.31
- Other financial liabilities	-	-	-	29.36	29.36
Changes from financing cash flows					
Loans repaid during the year	-	(35.00)	(14.02)		(49.02)
Interest expense	2.27	0.59	-	2.83	5.69
Interest paid	(2.27)	(0.59)	-	-	(2.86)
Total changes from financing cash flows	**-**	**(35.00)**	**(14.02)**	**2.83**	**(46.19)**
Other changes					
Liability-related					
Change in bank overdraft	(8.33)	-	-	-	(8.33)
Change in cash credits	(4.99)	-	-	-	(4.99)
On account of termination	-	-	-	(53.12)	(53.12)
New finance leases	-	-	-	78.32	78.32
Total liability-related other changes	**(13.32)**	**-**	**-**	**25.20**	**11.88**
Balance at the 31 March 2022					
- Borrowings	-	-	7.97	-	7.97
- Lease liabilities	-	-	-	57.39	57.39
Balance at the 1 April 2022					
- Borrowings	-	-	7.97	-	7.97
- Lease liabilities	-	-	-	57.39	57.39
Changes from financing cash flows					
Loans repaid during the year	-	-	(7.97)		(7.97)
Interest expense	-	-	-	5.09	5.09
Total changes from financing cash flows	-	-	(7.97)	5.09	(2.88)
Other changes					
Liability-related					
On account of termination	-	-	-	(38.69)	(38.69)
New finance leases				38.05	38.05
Total liability-related other changes	-	-	-	(0.64)	(0.64)
Balance at the 31 March 2023					
- Lease liability	-	-	-	61.84	61.84

(All amounts are in Indian Rupees in crores, except share data and as stated)

30 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables to related parties	1.27	0.59
Other trade payables	84.04	70.04
Total	**85.31**	**70.63**

All trades payables are 'current'

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 34. Also, refer note 39 on Micro, Small and Medium Enterprises.

Ageing of trade payables

The ageing has been derived from the due date of the transaction, where there is no due date for payment, date of transaction has been considered.

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 Years	2-3 years	More than 3 years	Total
Undisputed dues					
(i) MSME	3.70	-	-	-	3.70
(ii) Others	32.80	0.66	0.88	0.61	34.95
Disputed dues					
(iii) MSME	-	-	-	-	-
(iv) Others	-	-	-	-	-
Unbilled dues (Provisions)	46.66	-	-	-	46.66
	83.16	**0.66**	**0.88**	**0.61**	**85.31**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 Years	2-3 years	More than 3 years	Total
Undisputed dues					
(i) MSME	0.70	-	-	-	0.70
(ii) Others	30.48	1.94	0.77	-	33.19
Disputed dues					
(iii) MSME	-	-	-	-	-
(iv) Others	-	-	-	-	-
Unbilled dues (Provisions)	36.74	-	-	-	36.74
	67.92	**1.94**	**0.77**	**-**	**70.63**

(All amounts are in Indian Rupees in crores, except share data and as stated)

31 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Deposit from customers	5.94	7.26
Other payables	14.85	13.62
Total	**20.79**	**20.88**
Non current	5.94	7.26
Current	14.85	13.62
Total	**20.79**	**20.88**

The Company's exposure to currency and liquidity risk related to above financial liabilities is disclosed in note 34.

32 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Dues to employees	5.25	4.63
Statutory dues	10.85	3.22
Others	1.44	-
Total	**17.54**	**7.85**
Non current	0.52	-
Current	17.02	7.85
Total	**17.54**	**7.85**

The Company's exposure to currency and liquidity risk related to above financial liabilities is disclosed in note 34.

(All amounts are in Indian Rupees in crores, except share data and as stated)

33 Provisions

Particulars	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits				
Gratuity	4.40	4.40	0.49	0.55
Compensation absence	1.92	1.76	0.24	0.23
Total A	**6.32**	**6.16**	**0.73**	**0.78**
Provision Others	-	-	11.21	4.61
Total B	-	-	11.21	4.61
Provision Total-A+B	**6.32**	**6.16**	**11.94**	**5.39**

For details about the related employee benefit expenses, see Note 11

The Company operates the following post-employment defined benefit plans:

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment. Liabilities for the same are determined through an actuarial valuation as at the reporting dates using the "projected unit cost method".

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

A. Funding

The gratuity plan of the Company is an unfunded plan.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components:

Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	4.95	5.43
Current service cost	0.72	0.65
Past Service Cost	0.42	-
Interest cost	0.57	0.39
Benefits paid	(1.55)	(0.97)
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	(0.84)	(0.55)
- experience adjustments	0.62	-
Balance at the end of the year	**4.89**	**4.95**

(All amounts are in Indian Rupees in crores, except share data and as stated)

C. Expense/ (income) recognised in the statement of profit or loss

Particulars	As at 31 March 2023	As at 31 March 2022
Current service cost	0.72	0.65
Interest cost	0.57	0.39
Total	**1.29**	**1.04**

D. Remeasurements recognised in other comprehensive income

Particulars	As at 31 March 2023	As at 31 March 2022
Actuarial loss on defined benefit obligations	(0.22)	(0.55)
Total	**(0.22)**	**(0.55)**

E. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.50%	6.75%
Future salary growth	10.00%	10.00%
Attrition rate	12.50%	12.50%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase in %	Decrease in %	Increase in %	Decrease in %
Discount rate (1% movement)	(0.29)	0.32	(0.32)	0.30
Future salary growth (1% movement)	0.31	0.28	0.29	(0.30)
Attrition rate (1% movement)	(0.05)	0.06	(0.08)	0.05

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(All amounts are in Indian Rupees in crores, except share data and as stated)

34 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

As at 31 March 2023	Note	Carrying amount			Fair Value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Forward Contracts		0.03	-	0.03	-	0.03	-	0.03
Financial assets not measured at fair value								
Trade receivables	21	-	86.69	86.69	-	-	-	-
Cash and cash equivalents	22	-	64.34	64.34	-	-	-	-
Other bank balances	23	-	7.62	7.62	-	-	-	-
Investment in Subsidiaries	19	-	0.69	0.69	-	-	-	-
Other financial assets	25	-	59.93	59.93	-	-	-	-
Total financial assets		**0.03**	**219.27**	**219.30**	**-**	**0.03**	**-**	**0.03**
Financial liabilities not measured at fair value								
Trade payables	30	-	85.31	85.31	-	-	-	-
Lease liabilities	18	-	61.84	61.84				-
Borrowings	29	-	-	-	-	-	-	-
Other financial liabilities	31	-	20.79	20.79	-	-	-	-
Total financial liabilities		**-**	**167.94**	**167.94**	**-**	**-**	**-**	**-**

As at 31 March 2022	Note	Carrying amount			Fair Value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Forward Contracts		-	-	-	-	-	-	-
Financial assets not measured at fair value								
Trade receivables	21	-	81.51	81.51	-	-	-	-
Cash and cash equivalents	22	-	13.71	13.71	-	-	-	-
Other bank balances	23	-	22.05	22.05	-	-	-	-
Investment in Subsidiaries	19	-	-	-	-	-	-	-
Other financial assets	25	-	51.74	51.74	-	-	-	-
Total financial assets		**-**	**169.01**	**169.01**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Trade payables	30	-	70.63	70.63	-	-	-	-
Lease liabilities	18	-	57.39	57.39			-	
Borrowings	29	-	7.97	7.97	-	-	-	-
Other financial liabilities	31	-	20.88	20.88	-	-	-	-
Total financial liabilities		**-**	**156.87**	**156.87**	**-**	**-**	**-**	**-**

Note: The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, loans, trade payables, borrowings because their carrying amounts are reasonable approximations of their fair values.

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as follows:

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

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

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

(a) Financial assets and liabilities measured at amortised cost:

The financial instruments that have been measured at amortised costs are fair valued using Level 2 hierarchy. The Company has not disclosed the fair values for certain financial instruments measured at amortised costs as such as trade receivables and payables and other items (refer note 34A), because their carrying amounts are a reasonable approximation of fair value.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

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 along with the top management are responsible for developing and monitoring the Company's risk management policies.

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.

ii. 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; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

(All amounts are in Indian Rupees in crores, except share data and as stated)

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

The maximum exposure to credit risk for trade and other receivables are as follows:

Particulars	Carrying amount	
	As at 31 March 2023	As at 31 March 2022
Trade receivables	86.69	81.51
Cash and bank balances	64.34	13.71
Other bank balances	7.62	22.05
Deposits and other receivables	-	-
Other financial assets	59.93	51.74
Investment in subdiaries	0.69	-
Total	219.27	169.01

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full except to the extent already provided, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

(All amounts are in Indian Rupees in crores, except share data and as stated)

Receivables from customers that individually constituted more than 10% of the Company's receivables are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Customer A	17.66	20.66
Customer B	15.46	15.65
Customer C	16.32	2.83
Total	**49.44**	**39.14**

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2023

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Past due 1-90 days	85.90	0.30%	(0.26)	No
Past due 90-180 days	2.80	7.99%	(0.22)	No
Past due 181-270 days	0.22	507.19%	(1.14)	No
Past due 271-365 days	0.39	25.58%	(0.10)	No
Past due for more than 365 days	-	0.00%	(0.90)	No
Total	**89.31**		**(2.62)**	

As at 31 March 2022

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Past due 1-90 days	77.60	0.59%	(0.46)	No
Past due 90-180 days	3.17	7.58%	(0.24)	No
Past due 181-270 days	1.69	31.43%	(0.53)	No
Past due 271-365 days	0.58	53.02%	(0.31)	No
Past due for more than 365 days	2.02	99.64%	(2.01)	No
Total	**85.06**		**(3.55)**	

Movements in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Balances at 1 April	3.55	7.99
Add: Provision for the year / (reversal)	(0.90)	(4.41)
Less: Provision reversed against bad debts written off	(0.03)	(0.03)
Balance at 31 March	2.62	3.55

Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivables.

The Company holds cash and bank balances of INR 72.64 crores at 31 March 2023 (31 March 2022: INR 35.76 crores). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Security deposits

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

Particulars	Contractual cash flows						
	Carrying amount	Gross	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2023							
Non derivative financial liabilities							
Loans from banks ^^	-	-	-	-	-	-	-
Lease liabilities	61.84	72.17	13.05	12.43	18.66	20.22	7.82
Trade payables	85.31	85.31	85.31	-	-	-	-
Other financial liabilities	20.79	20.79	14.85	-	5.94	-	-
Total	**167.94**	**178.27**	**113.21**	**12.43**	**24.60**	**20.22**	**7.82**

^^ excluding contractual interest payments

Particulars	Contractual cash flows						
	Carrying amount	Gross	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2022							
Non derivative financial liabilities							
Loan from banks ^^	7.97	7.97	2.17	1.00	1.20	3.60	-
Lease liabilities	57.39	71.12	10.32	11.01	14.94	21.69	13.17
Trade payables	70.63	70.63	70.63	-	-	-	-
Other financial liabilities	20.88	20.88	13.62	-	7.26	-	-
Total	**156.87**	**170.60**	**96.74**	**12.01**	**23.40**	**25.29**	**13.17**

^^ excluding contractual interest payments

Financial instruments carried at fair value as at 31 March 2023 is INR 0.03 (31 March 2022: Nil) and financial instruments carried at amortised cost as at 31 March 2023 is INR 219.27 crores (31 March 2022: 169.31 crores)

Financial assets of INR 219.27 crores as at 31 March 2023 carried at amortised cost is in the form of cash and cash equivalents, bank deposits trade receivables, loans given to body corporates, deposits and other receivables and other financial assets where the Company has assessed the counterparty credit risk. Trade receivables of INR 86.69 crores as at 31 March 2023 forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. This assessment is not just based on any mathematical model but an assessment considering the nature of business and the financial strength of the customers in respect of whom amounts are receivable. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in the credit terms and following up for collection etc., depending on severity of each case. The same assessment is done in respect of unbilled receivables INR 23.30 crores as at 31 March 2023 while arriving at the level of provision that is required. Basis this assessment, the allowance for doubtful trade receivables of INR 2.62 crores as at 31 March 2023 which is adjusted against the outstanding balance above is considered adequate.

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

(All amounts are in Indian Rupees in crores, except share data and as stated)

The following table analyses foreign currency risk from financial instruments:

Particulars	As at 31 March 2023		As at 31 March 2022	
	INR	USD	INR	USD
Financial assets:				
Trade receivables				
Foreign currency exposure	7.08	0.09	3.93	0.05
Less: Hedged through forward exchange contracts	2.10	0.03	-	-
Unhedged exposures	4.98	0.06	3.93	0.05
Foreign currency exposure - unhedged				
Other financial assets	-	-	1.95	0.03
Financial liabilities:				
Foreign currency exposure - unhedged				
Borrowings	-	-	(3.17)	(0.04)
Trade payables	(0.51)	(0.01)	-	-
Net assets / (liabilities)	6.57	0.08	2.71	0.04

Sensitivity Analysis

A reasonably possible strengthening (weakening) of INR against US dollar at 31 March 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit / (loss)		Equity, net of tax	
	Strength-ening	Weaken-ing	Strength-ening	Weakening
31 March 2023				
USD (1% movement)	-	-	-	-
31 March 2023				
USD (1% movement)	(0.00)	0.00	-	-

Interest rate risk

The Company has only one type of variable rate instrument i.e. cash credit facility being used for cash management purposes. Company's exposure to variable rate instruments is insignificant.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

(All amounts are in Indian Rupees in crores, except share data and as stated)

Fixed-rate instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed rate instruments		
Financial assets - Other bank balances	7.62	22.05
Financial assets - Finance lease receivable	2.91	3.84
Financial liabilities - Finance lease obligation	(61.84)	(57.39)
Financial liabilities - Term Loan	-	(7.97)
Total	**(51.31)**	**(39.47)**

Variable-rate instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Financial liabilities - Secured loan	-	-

Cash flow sensitivity analysis for variable rate instruments

A reasonable possible change of 100 basic points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Effect on profit and loss before tax	
	100 bp increase	100 bp decrease
31 March 2023		
Variable-rate instrument	-	-
Cash flow sensitivity (net)	-	-
31 March 2022		
Variable-rate instrument	-	-
Cash flow sensitivity (net)	-	-

(All amounts are in Indian Rupees in crores, except share data and as stated)

35 Analytical Ratios

Sr. No	Ratio	Current Period	Previous Period	% Variance	Reason for Variance
(a)	Current Ratio	1.33	1.30	2%	
(b)	Debt-Equity Ratio	-	0.07	-100%	Refer a) below
(c)	Debt Service Coverage Ratio	1.17	0.84	39%	Refer b) below
(d)	Return on Equity Ratio	0.05	0.17	-70%	Refer c) below
(e)	Inventory turnover ratio	NA	NA	0%	
(f)	Trade Receivables turnover ratio	6.26	5.44	15%	
(g)	Trade payables turnover ratio	5.60	5.83	-4%	
(h)	Net capital turnover ratio	10.59	13.55	-22%	
(i)	Net profit ratio	0.01	0.03	-53%	Refer d) below
(j)	Return on Capital employed	0.10	0.35	-71%	Refer e) below
(k)	Return on investment	-	NA	NA	

Since investments was made in March 2023, ratios for previous year was not applicable.

Formulas for above ratios:

Current ratio = Current assets/ current liabilities

Debt equity ratio = (Total Debt - Cash and cash equivalents)/ (Total equity - Investments in subsidiaries)

Debt service coverage ratio = (Profit before tax + Interest expenses) / (Interest expenses + Repayment of long-term loans during the year)

Inventory turnover ratio = Revenue from operations/ Average inventories.

Trade receivables turnover ratio = Revenue from operations/ Average trade receivables

Trade payables turnover ratio = Revenue from operations/ Average trade payables

Net capital turnover ratio = Revenue from operations/ (Average inventories + Average trade receivables – Average trade payables)

Net profit % = Net profit/ Revenue from operations

Return on equity % = Profit after tax/ (Average equity – Investments in subsidiaries)

Return on capital employed (Net of cash) % = (Profit before tax + Interest expenses)/ (Average capital employed – cash and cash equivalents) where Capital employed = Equity + Borrowings.

Return on capital employed (Gross) % = (Profit before tax + Interest expenses)/ Average capital employed

Return on investment % = Income generated from Invested funds /Average invested funds.

Reasons for Variance:

a)	Debt equity ratio	During the year ended 31 March 2023, there are no new borrowings and full repayment of existing borrowings resulting in better debt equity ratio.
b)	Debt Service coverage ratio	The change in debt service coverage ratio is on account of no new borrowings and full repayment of existing borrowings during the year.
c)	Return on equity	The change in return on equity ratio is mainly due to increased in equity of Rs.80 crores during the current year and dip in profit.
d)	Net Profit ratio	Lower profits have resulted in the decrease in Net Profit Ratio.
e)	Return on Capital employed	Return on Capital Employed has decreased on account of reduction in capital employed, which is on account of lesser profits.

36 Operating leases

Leases as lessee

The Company has taken on lease a number of offices and warehouse facilities under cancellable operating leases. The leases are for varied periods, which are renewable at the option of the Company.

Amounts recognised in profit or loss

Particulars	As at 31 March 2023	As at 31 March 2022
Lease expense	58.89	47.87

37 Contingent liabilities and capital commitments

Particulars	As at 31 March 2023	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided	37.33	0.47
Contingent liabilities:		
Bank guarantees issued	10.78	11.46
Claims not acknowledged as debt	1.54	-
Disputed Tax Demands		
Direct Taxes	7.39	-

Show cause notices are not considered as contingent liabilities unless converted into demand.

38 Related parties

A. Names of related parties and description of relationship

Nature of Relationship	Name of the Party
Parties having Significant Influence on the Company	Synnex Mauritius Limited
Holding company	Redington Limited
Fellow Subsidiary	Redserv Business Solutions Private Limited
Subsidiary	ProConnect Holding LLC
Key Management Personnel	Mr. E.H. Kasturi Rangan (Managing Director) (till 31 January 2023)
	Mr. Kumar Malay Shankar, Chief Executive Officer (CEO) (from 01 June 2022)
	Mr. S Vijayaraghavan, Chief Finance Officer (CFO)

Mr Kumar Malay Shankar has been appointed as Managing Director with effect from 1 April 2023.

B. Transaction with key management personnel

i. Loan to Director

During the previous years, the Company as a part of scheme approved, by members at extra ordinary meeting, granted an unsecured housing loan to its managing director amounting to INR 0.40 crores (interest rate is fixed at 9% p.a) which is repaid during the previous year.

Particulars	Purpose	Year ended 31 March 2023	Year ended 31 March 2022
As at the beginning of the financial year		-	0.40
Given during the financial year	Housing loan	-	-
Repaid during the financial year			(0.40)
As at the end of the financial year		-	-
Interest		-	-

(All amounts are in Indian Rupees in crores, except share data and as stated)

ii. Key management personnel of the Company comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation during the year are as follows:

Particulars	Managing Director	CEO	CFO	Total
For the year ended 31 March 2023				
Short term employee benefits	1.43	0.87	0.58	2.88
Post-employment defined benefits	0.55	*	*	0.55
Compensated absences	0.07	*	*	0.07
Sitting fees	0.01	-	-	0.01
Total	**2.06**	**0.87**	**0.58**	**3.51**

Particulars	Managing Director	CEO	CFO	Total
For the year ended 31 March 2022				
Short term employee benefits	0.95	-	0.10	1.05
Post-employment defined benefits	-	*	*	*
Compensated absences	-	*	*	*
Sitting fees	-	-	-	-
Total	**0.95**	**-**	**0.10**	**1.05**

Compensation of the Company's key management personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan (see Note 11).

* Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

(All amounts are in Indian Rupees in crores, except share data and as stated)

C. Related party transactions other than those with key management personnel

	Transaction value		Balance outstanding	
Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
Sale of goods and services				
Redington Limited	111.75	93.31	15.49	14.50
Synnex Mauritius Limited	-	0.03	-	0.03
Rental Expenses				
Redington Limited	4.65	4.25	1.15	0.57
Service charges				
Redington Limited	0.12	0.81	0.13	-
Redserv Business Solutions Private Limited	-	0.88	-	0.08
Rental Income				
Redserv Global Solutions	0.23	-	0.23	-
Interest Expense				
Redington Limited	-	0.59	-	-
Loans repaid				
Redington Limited	-	20.00	-	-
Reimbursement of expenses paid				
Redington Limited	0.13	-	0.40	-
Capital Advances				
Redington Limited	59.00	-	59.00	-
Investments Made				
ProConnect Holding Ltd	0.69	-	-	-
Capital Contribution from parent				
Redington Limited	80.00	-	-	-
Rental deposits				
Redington Limited	0.53	-	0.53	-

(All amounts are in Indian Rupees in crores, except share data and as stated)

39 Due to micro, small and medium enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to dues to micro, small and medium enterprises (MSME). On the basis of the information and records available with the management, the Group's suppliers are covered under the MSMED and accordingly, disclosure of information relating to principal, interest accruals and payments are given below:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	3.70	0.70
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

40 Share based payment transactions

A. Details of Stock appreciation rights

On 30 December 2017, Redington Limited ('the Holding Company') granted 1,104,000 Stock Appreciation Rights (SARs) to the eligible employees and directors of the Company under the Redington Stock Appreciation Right Scheme, 2017 ('SAR Scheme'). The SAR scheme was duly approved by the Board of Directors and the Shareholders of the Holding Company pursuant to which the shares of the Holding Company will be issued to the eligible employees and directors of the Company. Each SAR entitles the employees and directors to receive equity shares of the Company equivalent to the increase in value of one equity share ('Appreciation') of the holding company. Appreciation is calculated by reducing the issue price / base price from the reported closing price of the equity shares of the holding company in the NSE / BSE where there is highest trading, on the day prior to the date of exercising of these SARs and multiplying the resultant with the number of SARs exercised. These SARs vest over a period of 3 years from the date of the grant in the following manner: 10% of the SARs vest after a period of one year from the grant date, 20% of the SARs vest after a period of two years from the grant date and 70% of the SARs vest after a period of three years from the grant date. These SARs are exercisable within a period of three years from the respective date of vesting. Certain SARs granted to the members of senior management team as identified by the Nomination and Remuneration committee of the Holding Company have an associated performance condition. Of the total SARs granted to senior management team, 35% of the SARs that would vest at the end of 3 years from the date of the grant are subject to these performance condition.

(All amounts are in Indian Rupees in crores, except share data and as stated)

B. Measurement of fair values

The fair value of these SARs were determined based on the grant date fair values using the Black Scholes model. The fair value of the options and inputs as determined by the holding company and used in the measurement of the grant date fair values of the equity settled SARs are as follows:

Particulars	31 March 2023	31 March 2022
Fair value at grant date (weighted-average) (INR)	71.99 per SAR	71.99 per SAR
Share price at grant date (INR)	174.60 per share	174.60 per share
Base price / Exercise price (INR)	148.50 per SAR	148.50 per SAR
Expected volatility (weighted-average)	35.72%	35.72%
Expected life (weighted-average)	4.10 years	4.10 years
Expected dividends	1.20%	1.20%
Risk-free interest rate (weighted-average)	7.02%	7.02%

Expected volatility has been based on an evaluation of the historical volatility of the holding company's share prices. The expected term of the instruments has been determined based on the average of vesting period and the contractual term of the instruments.

(All amounts are in Indian Rupees in crores, except share data and as stated)

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of SARs under the share option plan were as follows:

Particulars	Number of SARs	
	31 March 2023	31 March 2022
Outstanding as at 1 April	1,51,470	5,41,250
Add: Granted during the year (Bonus issue)	-	77,335
Less: Exercise during the year	(35,200)	(4,32,465)
Less: Forfeited during the year	(9,600)	(34,650)
Outstanding as at 31 March	1,06,670	1,51,470
SARs exercisable at the end of the year	1,06,670	1,51,470

The SARs outstanding as at 31 March 2023 and 31 March 2022 have a base price / exercise price of INR 148.50 per SAR and a weighted average remaining contractual life of Nil.

D. Expense recognized in statement of profit and loss

The Company has recognized costs with respect to those SARs which were issued to the employees and directors of the Company in the statement of profit and loss as employee benefit expenses. For details on the employee benefit expenses refer note 11. The corresponding credits are accumulated in capital reserve. For details refer note 27B.

41 Other information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company has not traded or invested in Crypto currency or virtual currency during the current year.

iii) A) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

1) 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

2) 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 persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

1) 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

2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iv) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

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

vi) The company does not have transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, the Company.

42 The Ind AS standalone financial statements of the Company for the year ended March 31, 2022 were audited by M/s BSR & Co LLP Chartered Accountants, the predecessor auditor who have expressed an unmodified opinion.

43 Subsequent events

There are no other significant subsequent events that have occurred after the reporting period till the date of these financial statements except for the below.

Subsequent to the year end, the Company has acquired ADC (Automatic Distribution Centre) at Chennai from Redington Limited pursuant to the agreement dated 26 April 2023 for a consideration of Rs 39.50 Crs (includes Land, Building and Other assets) and the same is considered as non-adjusting event .

for and on behalf of the board of directors of
ProConnect Supply Chain Solutions Limited
CIN: U63030TN2012PLC087458

Malay Kumar Shankar
Managing Director
DIN: 10095199
Place: Canada
Date: 10 May 2023

Krishnan S.V
Director
DIN: 07518349
Place: Chennai
Date: 10 May 2023

Muthu Kumarasamy
Company Secretary
Place: Chennai
Date: 10 May 2023

S Vijayaraghavan
Chief Financial Officer
Place: Chennai
Date: 10 May 2023

To The Members of ProConnect Supply Chain Solutions Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of ProConnect Supply Chain Solutions Limited(the "Parent") and its subsidiary (the Parent and its subsidiary together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, 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 significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us,the aforesaid 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as atMarch 31, 2023, 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 is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of 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 we donot 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 subsidiary, to the extent it relates to these entities 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 subsidiary, is traced from their financial statements.
- 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 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 and other accounting principles generally accepted in India. 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, as aforesaid.

In preparing the consolidated financial statements, the respective Management 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 intends 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent 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 or business activities 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 or business activities included in the consolidated financial statements of which we are the independent auditors. 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 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 control that we identify during our audit.

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

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs. 0.83 crore as at March 31, 2023, total revenues of Rs. Nil and net cash inflows amounting to Rs.0.67 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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 this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 matter.

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 of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   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 AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent as onApril 1, 2023 taken on record by the Board of Directors of the Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to 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. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of the Parent.

   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 Parent 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 36 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.

   iv) (a) The respective Managements of the Parent and its subsidiary, have represented to us that, to the best of their knowledge and belief, 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 or its subsidiary, 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 or its subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiary have represented to us that, to the best of their knowledge and belief, no funds have been received by the Parent or its subsidiary from any person(s) or entity(ies), including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or its subsidiary 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, 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 Parent have not declared or paid any dividend during the year and have not proposed final dividend for the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 (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 audit report under section 143 issued by us, we report that CARO is applicable only to the Parent Company and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent.

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

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN: 23209252BGXMJV1576

Place: Chennai
Date: 10 May 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) 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 of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of ProConnect Supply Chain Solutions Limited (hereinafter referred to as "Parent"), as of that date. The Company has one subsidiary, ProConnect Holding LLC, which is incorporated in Dubai and reporting in the adequacy and operating effectiveness of Internal Financial controls with reference to standalone financial statements, is not applicable to the said subsidiary. Hence, this report on Internal Financial controls with reference to the consolidated financial statements relates solely to the Parent.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Parent, is responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statement scriteria established by the Parent considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 Parent'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 Parent's internal financial controls with reference to consolidated financial statements 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, is sufficient and appropriate to provide a basis for our audit opinion on the Parent's internal financial controls with reference to consolidated financial statements.

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, the Parent, has, 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 March 31, 2023, based on the internal control with reference to consolidated 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.

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

Ananthi Amarnath
Partner
(Membership No. 209252)
UDIN:23209252BGXMJV1576

Place: Chennai
Date: 10 May 2023

Consolidated Balance Sheet as at 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Note	As at 31 March 2023	As at 31 March 2022
Assets			
Non-current assets			
Property, plant and equipment	16A	10.29	9.44
Capital work in progress	16B	0.06	0.04
Right-of-use assets	18	60.59	54.47
Goodwill	17	15.74	15.74
Other intangible assets	17	8.33	11.38
Financial assets			
Other financial assets	24	20.74	16.55
Deferred tax assets (net)	15	9.99	8.12
Income tax assets	15	8.13	6.76
Other non-current assets	25	63.35	2.49
Total non-current assets		**197.22**	**124.99**
Current Assets			
Inventories	19	-	-
Financial assets			
Trade receivables	20	86.69	81.51
Cash and cash equivalents	21	65.01	13.71
Other bank balances	22	7.62	22.05
Loans	23	-	-
Other financial assets	24	39.21	35.19
Other current assets	25	3.55	6.58
Total current assets		**202.08**	**159.04**
Total assets		**399.30**	**284.03**
Equity and liabilities			
Equity			
Equity share capital	26A	13.62	10.73
Other equity	26B	181.48	97.03
Total equity		**195.10**	**107.76**
Liabilities			
Non-current liabilities			

Financial Liabilities			
Lease liabilities	18	39.40	40.12
Other financial liabilities	31	5.94	7.26
Provisions	33	6.34	6.16
Other non-current liabilities	32	0.52	-
Total non-current liabilities		**52.20**	**53.54**
Current liabilities			
Financial Liabilities			
Borrowings	29	-	7.97
Lease liabilities	18	22.44	17.27
Trade payables	30		
Total outstanding dues to micro enterprises and small enterprises		3.70	0.70
Total outstanding dues to creditors other than micro enterprises and small enterprises		81.61	69.93
Other financial liabilities	31	15.29	13.62
Other current liabilities	32	17.02	7.85
Provisions	33	11.94	5.39
Total current liabilities		152.00	122.73
Total liabilities		204.20	176.27
Total equity and liabilities		399.30	284.03
Significant accounting policies	3		
The notes referred to above from an integral part of consolidated financial statements			

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

Ananthi Amarnath
Partner
Membership No: 209252
Place: Chennai
Date: 10 May 2023

for and on behalf of the board of directors of
ProConnect Supply Chain Solutions Limited
CIN: U63030TN2012PLC087458

Malay Kumar Shankar
Managing Director
DIN: 10095199
Place: Canada
Date: 10 May 2023

Krishnan S.V
Director
DIN: 07518349
Place: Chennai
Date: 10 May 2023

Muthu Kumarasamy
Company Secretary
Place: Chennai
Date: 10 May 2023

S Vijayaraghavan
Chief Financial Officer
Place: Chennai
Date: 10 May 2023

Consolidated Statement of changes in equity for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

(a) Equity share capital

Particulars	Note	Amount
Balance as at 1 April 2021	26A	9.08
Changes in equity share capital due to prior period errors		-
Restated balance as at 1 April 2021		9.08
Changes in equity share capital during the year		1.65
Balance as at 31 March 2022	26A	10.73
Balance as at 1 April 2022	26A	10.73
Changes in equity share capital due to prior period errors		-
Restated balance as at 1 April 2022		10.73
Changes in equity share capital during the year	26A	2.89
Balance as at 31 March 2023	26A	13.62

(b) Other equity

Particulars	Reserves and surplus			Items of other comprehensive income	Total
	Capital reserve	Securities premium	Retained earnings	Items that will not be reclassified to profit and loss Remeasurement of defined benefit obligations	
Balance as at 1 April 2021	5.41	35.47	22.97	(1.48)	62.37
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April , 2021	5.41	35.47	22.97	(1.48)	62.37
Profit for the year	-	-	14.90	-	14.90
Other comprehensive income for the year	-	-	-	0.41	0.41
Transferred to retained earnings	-	-	-	-	-
Securities Premium		19.35	-		19.35
Balance as at 31 March 2022	5.41	54.82	37.87	(1.07)	97.03
Balance as at 1 April 2022	5.41	54.82	37.87	(1.07)	97.03
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April , 2022	5.41	54.82	37.87	(1.07)	97.03
Profit for the year	-	-	7.21	-	7.21
Other comprehensive income for the year	-	-	-	0.14	0.14
Transferred to retained earnings	-	-	-	-	-
Securities Premium	-	77.10	-	-	77.10
Balance as at 31 March 2023	5.41	131.92	45.08	(0.93)	**181.48**

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

Ananthi Amarnath
Partner
Membership No: 209252
Place: Chennai
Date: 10 May 2023

for and on behalf of the board of directors of
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Place: Chennai
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S Vijayaraghavan
Chief Financial Officer
Place: Chennai
Date: 10 May 2023

Consolidated Statement of changes in equity for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Note	Year Ended 31 March 2023	Year ended 31 March 2022
Revenue			
Revenue from operations	6	526.31	492.11
Other income	7	6.17	10.49
Total income		532.48	502.60
Expenses			
Purchase of spares	8	0.02	0.05
Changes in inventories of spares	9	-	-
Other operating expenses	10	374.46	345.12
Employee benefits expense	11	50.54	43.66
Finance costs	12	6.10	6.63
Depreciation and amortisation expense	13	28.91	27.18
Other expenses	14	62.46	58.53
Total expenses		522.49	481.17
Profit before tax		9.99	21.43
Income tax	15		
Current tax		4.71	6.29
Deferred tax		(1.93)	0.24
Income tax expense		2.78	6.53
Profit for the year		7.21	14.90
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of the defined benefit liability	33	0.22	0.55
Income tax relating to items that will not be reclassified to profit or loss	15	(0.06)	(0.14)
Net other comprehensive income not to be reclassified subsequently to profit or loss		0.16	0.41

Particulars	Note	Year Ended 31 March 2023	Year ended 31 March 2022
Items that will be reclassified subsequently to profit or loss			
Foreign exchange differences in translating financial statements of foreign operations		(0.03)	
Income tax relating to items that will be reclassified to profit or loss		0.01	
Other comprehensive income for the year, net of income tax		0.14	0.41
Total comprehensive income for the year		7.35	15.31
Earnings per share (Face value Rs 10 per share)			
Basic (in Indian Rupees)	27	6.66	15.26
Diluted (in Indian Rupees)		6.66	15.26

Significant accounting policies 3

The notes referred to above form an integral part of consolidated financial statements.

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

Ananthi Amarnath
Partner
Membership No: 209252
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Chief Financial Officer
Place: Chennai
Date: 10 May 2023

Consolidated Statement of Cash Flow for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from operating activities			
Profit before taxes		9.99	21.43
Adjustments for:			
Depreciation and amortisation		28.91	27.18
Provision no longer required written back		(0.92)	(4.41)
Provision for financial asset		-	0.95
Bad debts written off		-	4.59
(Gain) on sale of property, plant and equipment		(0.68)	(0.85)
Finance costs		6.10	6.63
Interest income on security deposits at amortised cost		(2.15)	(2.07)
Interest income on cash and cash equivalents and loans		(0.69)	(1.33)
		40.56	**52.12**
Working capital adjustments:			
(Increase) / Decrease in trade receivables		(4.26)	17.81
(Increase) in deposits and other receivables		-	-
(Increase) in other current / non-current financial assets		(7.85)	(10.87)
Decrease in other current / non current assets		1.23	14.28
Increase in trade payable and other financial liabilities		15.01	6.22
Increase in provisions and other current liabilities		16.32	0.11
Cash generated from operating activities		**61.01**	**79.67**
Income tax (paid) / refund		(6.07)	3.59
Net cash generated from operating activities (A)		**54.94**	**83.26**
Cash flow from investing activities			
Interest received		0.70	0.86
Proceeds from sale of property, plant and equipment		1.13	1.07
Acquisition of property, plant and equipment including capital advances		(64.26)	(4.61)
(Investments in) / Redemption of bank deposits with original maturity of more than 3 months		14.43	(13.18)
Net cash used in investing activities (B)		**(48.00)**	**(15.86)**

Particulars	Note	Year ended 31 March 2023	Year ended 31 March 2022
Cash flow from financing activities			
Repayment of long term borrowings		(7.97)	(14.02)
Repayment of borrowings from related parties		-	(20.00)
Net proceeds from short term borrowings		-	(15.00)
Proceeds from Issue of Share capital		80.00	21.00
Payment of finance lease obligations		(26.95)	(24.28)
Interest paid		(0.72)	(3.43)
Net cash used in financing activities (C)		**44.36**	**(55.73)**
Net increase in cash and cash equivalents (A+B+C)		51.30	11.67
Cash and cash equivalents as at 1 April		13.71	2.04
Cash and cash equivalents as at 31 March	21	65.01	13.71
Significant accounting policies	3		

The notes referred to above form an integral part of consolidated financial statements

As per our report of even date attached

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No:008072S

Ananthi Amarnath
Partner
Membership No: 209252
Place: Chennai
Date: 10 May 2023

for and on behalf of the board of directors of
ProConnect Supply Chain Solutions Limited
CIN: U63030TN2012PLC087458

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Date: 10 May 2023

S Vijayaraghavan
Chief Financial Officer
Place: Chennai
Date: 10 May 2023

Notes forming part of the Consolidated financial statements for the year ended 31 March 2023

(All amounts are in Indian Rupees in crores, except share data and as stated)

1 Background

ProConnect Supply Chain Solutions Limited ("ProConnect"/"the Group") incorporated on 31 August 2012 is a wholly owned subsidiary of Redington Limited ("Formerly known as Redington (India) Limited)". These consolidated financial statements comprise the Group and its subsidiary namely ProConnect Holdings Limited (collectively referred to as the "Group"). The Group is engaged in the business of comprehensive Supply Chain Management ("SCM"), providing total logistic solutions services including warehousing management and allied services for various corporate customers.

2 Basis of preparation

2.1 Statement of compliance

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

These consolidated financial statements were authorised for issue by the Group's Board of Directors on 10 May 2023.

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

2.2 Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest crores, unless otherwise stated.

2.3 Basis of measurement

The consolidated financial statements have been prepared on accrual basis under the historical cost convention except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Defined benefit liability	Present value of defined benefit obligations

Historical cost is generally based on the fair value of the consideration given in exchange for 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 transaction between market participants at the measurement date. When measuring fair value, the Group takes into account the characteristics of the asset or liability if the market participants would take those characteristics into account when pricing the asset or liability at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle.

2.4 "Current and Non-current classification The Company presents assets and liabilities in the Balance Sheet based on the requirement under Schedule III to be classified as current or non-current. An asset is classified as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;

3. Expected to be realised within twelve months after the reporting period;
4. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The Company classifies all other liabilities as non-current.

2.5 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgements and assumptions considered in the reported amount of assets, liabilities (including contingent assets and contingent liabilities), the reported income and the expenses during the year. The management believes that these estimates, judgements and assumptions used in the preparation of the standalone financial statements are prudent and reasonable. Future results could differ from these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise. Estimates, judgements, and underlying assumptions are reviewed on an ongoing basis. Key sources of judgement and estimation uncertainties at the date of the standalone financial statements, which may cause a material adjustment to income and expenditure or the carrying amounts of assets and liabilities, are in respect of revenue recognition, provision for tax and contingent liability, stock appreciation rights, Service Level Agreement (SLA) Provision, Lease accounting under IND AS 116, allowance for doubtful trade receivables and impairment of financial assets and goodwill.

Judgements

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

- **Note 6 - revenue:** whether the Group acts as an agent rather than as a principal in a transaction; and
- Note 18 - lease accounting under Ind AS 116
- Note 33 - SLA provision (Provision others)

Assumptions and estimation uncertainties

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

- Note 33 – measurement of defined benefit obligations: key actuarial assumptions;
- Note 34 – impairment of financial assets.
- Note 17 – Goodwill.
- Note 15 – Provsison for taxation and Contingent Liabilities. (Income Tax assets)
- Note 39 – Stock Appreciation rights.

2.6 Measurement of fair values

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

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

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

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3:** valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

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

- Note 34 – financial instruments
- Note 39 – stock appreciation rights

3 Significant accounting policies

3.1 i. Business combinations

Business combinations (other than common control business combinations) on or after 1 April 2015

The Group has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, retrospectively to those business combinations that occurred on or after 1 April 2015. In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in OCI and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Acquisition related costs are expensed as incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships with the acquiree. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured subsequently and settlement is accounted for within equity. Other contingent consideration is remeasured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. The determination of the amount to be included in consideration transferred is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Business combinations (other than common control business combinations) before 1 April 2015

In respect of such business combinations, goodwill represents the amount recognised under the Group's previous accounting framework under Indian GAAP.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. Control is achieved when the Group:

a) has power over the investee

b) is exposed, or has rights, to variable returns from its involvement with the investee; and

c) has the ability to use its power to affect its return.

The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iv. Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealised income and expenses arising from intra-Group transactions, are eliminated.

v. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in profit or loss.

3.2 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Group, at the exchange rates at the dates of the transactions.

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. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

3.3 Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised as gain or loss in the statement of profit and loss.

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

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The difference between the carrying amount of the financial liability de-recognised and the sum of consideration paid and payable is recognised as gain or loss in the statement of profit and loss.

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

iv. Offsetting

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

v. Derivative financial instruments

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Group does not hold derivative financial instruments for speculative purposes. Forward contracts are recognised initially at fair value on the date the contract is entered into and are subsequently remeasured at fair value. The resulting gain or loss is recognised in the statement of profit and loss.

3.4 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment except capital work-in-progress are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Capital work-in-progress is stated at cost less any recognised impairment loss.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

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.

Gains or losses arising from the disposal of property, plant and equipment are measured as the difference between the net proceeds from disposal and the carrying amount of the asset and are recognised in the statement of profit and loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other costs including repairs and maintenance costs are charged to the statement of profit and loss as and when incurred.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under finance lease are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

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

Asset	Management estimate of useful life	Useful life as per Schedule II
Plant and Machinery	5 years	15 years
Computer and accessories	3 years	3 years
Furniture and fixtures	4 years	10 years
Office equipment's	5 years	5 years
Vehicles	5 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. Property, plant and equipment is depreciated on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 or technical estimate made by the Group, whichever is lower and is recognised in statement of profit and loss.

Individual assets whose cost does not exceed INR 5,000/- are fully depreciated in the month of addition.

Depreciation on additions (disposals) is provided from (up to) the month in which asset is ready for use (disposed of).

3.5 Intangible assets

i. Recognition and measurement

Intangible assets including those acquired by the Group are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Useful life
Software	3 - 5 years
Customer contracts	5 years
Customer relationships	8 years

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

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGU) or groups of cash-generating units that are expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the CGU.

3.6 Inventories

Inventories are measured at the lower of cost and net realisable value. Cost of inventory is determined using the weighted average method and cost of inventories comprise all cost of purchase and other cost incurred in bringing the inventories to the present location and condition, net of discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.7 Impairment

i. Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

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

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

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the counter party will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. 12 month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

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

The Group assumes that the credit risk on financial assets has increased significantly if it is more than 180 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held)
- the financial asset is 365 days or more past due.

Measurement of expected credit losses

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

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested for impairment annually. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.8 Employee benefits

i. Short-term employee benefits

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

ii. Share based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

iii. Defined contribution plans

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

iv. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods.

The Group's gratuity plan is unfunded. Defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method at each balance sheet date. The defined benefit obligation is determined as the present value of the estimated future cash flows expected to be made by the Group in respect of services rendered by its employees up to the reporting date.

Remeasurements of the defined benefit liability, which comprise actuarial gains and losses are recognised in OCI. The Group determines the interest expense on the defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then defined benefit liability. Interest expense and other expenses related to defined benefit plans are recognised in profit or loss under finance costs and employee benefit expenses respectively.

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

v. Other long-term employee benefits

The Group's obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

3.9 Provisions (other than for employee

benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3.10 Revenue recognition

The Group earns revenue primarily from the business of comprehensive Supply Chain Management ('SCM'), providing total logistic solutions services including warehousing management and allied services for various corporate customers.

Revenue is recognised upon transfer of control of promised services to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those services.

- Revenue from warehousing management services where the Group leases out warehouse space along with warehousing equipment's is measured based on the mutually agreed monthly rent with customers. Revenue for warehousing management services are recorded at gross or net basis depending on whether the Group is acting as the principal or as an agent of the customer. The Group recognises revenue in the gross amount of consideration when it is acting as a principal and at net amount of consideration when it is acting as an agent.
- Revenue from third party logistics services is recognised based on the consignment notes issued by the Group. Revenue is measured based on the mutually agreed rate as per the contract with the customer.
- Revenue from allied services is recognised on output basis, measured by number of orders processed.
- Revenue from sales of goods and scrap sales is recognised at the point in time when control is transferred to the customer.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

In accordance with Ind AS 37, the Group recognises an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Disaggregation of revenue

The Group disaggregates revenue from contracts with customers by the nature of services offered to the customers. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors. Refer Note 5.

3.11 Leases

At inception of a contract, the Group

assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

A. Group as a lessee:

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources that reflects the terms of the lease and type of the asset leased.

The lease payments shall include:

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets and lease liabilities separately on the face of the balance sheet.

Short term leases and low value assets:

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term

B. Group as a lessor:

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group applies derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'Other income'.

3.12 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.13 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent when it relates to an item recognised directly in equity or in other comprehensive income respectively.

i. Current tax

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred tax will not be recognised, when:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the 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 if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.14 Earnings per share

“Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The Group did not have any potentially dilutive securities in any of the years presented.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

3.15 Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Other bank deposits which are not in the nature of cash and cash equivalents with a maturity period of more than three months are classified as other bank balances.

3.16 Cash flows

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

3.17 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.18 Government grants

“Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant; they are then recognised in profit or loss as other operating revenue on a systematic basis. Grants that compensate the Group for expenses incurred are recognised in statement of profit or loss as other income on a systematic basis in the periods in which such expenses are recognised.”

3.19 Dividend to share holders

Final dividend is distributed to Equity share holders is recognised in the period in which it is approved by the members of the Group in the Annual General Meeting. Final dividend net of divided distribution tax are recognised in the Statement of Changes in Equity.

4 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2023, with respect to Ind AS 1 Presentation of Financial Statements, Ind AS 8 Changes in accounting policies, estimates and errors, Ind AS 12 Income taxes, Ind AS 103 Business Combinations, Ind AS 102 Share Based Payments, Ind AS 109 Financial Instruments and Ind AS 115 Revenue from Contract with Customers. The Company does not expect these amendments to have any significant impact in its standalone financial statements.

(All amounts are in Indian Rupees in crores, except share data and as stated)

5 Operating segments

The Company is engaged in only one business namely providing supply chain management ('SCM') services. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assesses its performance. Accordingly, the Company does not have multiple segments and the financial statements are reflective of the information required by the Ind AS 108 for SCM segment.

A. Geographic information:

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
India	501.15	473.45
USA	25.16	18.66
Total	526.31	492.11

The Company's operations are entirely carried out from India and as such all its non-current assets are located in India.

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows::

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Customer A	111.74	93.31
Customer B	103.91	82.88
Customer C	87.41	82.99
Total	**303.06**	**259.18**

6 Revenue from operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of products	0.08	0.18
Sale of services		
Income from supply chain management services ^^		
Domestic	500.64	472.98
Export	25.16	18.66
Less: Provision for specific Revenue	-	-
Other operating revenue		
Scrap Sales	0.43	0.29
Total	**526.31**	**492.11**

^^ Includes revenue INR 0.54 crores (31 March 2022: INR 0.67 crores) from renting of warehouse, net of related cost in respect of which the Company acts as an agent in the transaction rather than as the principal.

7 Other income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income on		
Cash and cash equivalents and other bank balances	0.69	0.39
Loan to corporates	-	0.94
Security deposits at amortised cost	2.15	2.07
Net gain on sale of property, plant and equipment	0.68	0.85
Net gain on foreign currency transactions	0.05	0.13
Gain on lease termination	0.75	-
Insurance claim	0.37	-
Provision no longer required written back	0.92	4.41
Finance income on lease	0.54	0.67
Miscellaneous income	0.02	1.03
Total	**6.17**	**10.49**

8 Purchase of spares

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchases of spares	0.02	0.05
Total	**0.02**	**0.05**

9 Changes in inventories of spares

Particulars	Year ended 31 March 2023			Year ended 31 March 2022		
	Opening stock	Closing stock	Increase / Decrease	Opening stock	Closing stock	Increase / Decrease
Stock-in-trade of spares*	-	-	-	-	-	-
	-	-	-	-	-	-

* Decrease in inventory of spares of INR 5,941 for year ended 31 March 2023 (31 March 2022: INR 13,539) has been rounded off in crores to Nil.

10 Other operating expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Freight, delivery and shipping charges	153.14	142.68
Rent	59.03	47.87
Outsourced manpower cost	131.87	130.81
Warehouse handling charges	30.42	23.76
Total	**374.46**	**345.12**

11 Employee benefits expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	41.37	34.13
Contribution to provident & other funds	1.64	1.56
Gratuity	1.29	0.63
Expenses related to compensated absences	0.55	0.31
Staff welfare expenses	5.69	7.03
Total	**50.54**	**43.66**

Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund (PF) and employees' state insurance (ESI) scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund INR 1.55 crores (31 March 2022: INR 1.47 crores)and ESI for the year aggregated to INR 0.09 crores (31 March 2022: INR 0.09 crores).).

(All amounts are in Indian Rupees in crores, except share data and as stated)

12 Finance costs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on cash credit / working capital loans	0.01	2.27
Interest on loan from related parties	-	0.59
Interest on lease liabilities	5.08	2.83
Other interest cost	1.01	0.94
Total	6.10	6.63

13 Depreciation and amortisation expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation of property, plant and equipment (refer note 16A)	3.89	4.90
Amortisation of intangible assets (refer note 17)	3.05	3.33
Depreciation of right-of-use assets (refer note 18)	21.97	18.95
Total	28.91	27.18

14 Other expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of packing materials	1.14	0.65
Power and fuel	5.36	4.40
Rates and taxes	4.24	3.40
Insurance	3.30	1.12
Repairs and maintenance		
Buildings	1.55	0.66
Machinery	1.87	1.81
Others	12.01	8.40
Directors' sitting fees	0.39	0.04
Legal and professional charges (refer note (a) below)	6.10	4.42
Travel and Conveyance	3.81	4.86
Sales promotion expenses	0.32	0.12
Communication expenses	2.04	3.16
Security services	15.15	15.18
Printing and stationery	3.36	2.67
Provision for financial asset (refer note (c) below)	-	0.95
Bad debts written off (net of adjustment against provision for doubtful receivables INR Nil crores (31 March 2022: INR Nil crores)	-	4.59
Trade Advance written off	-	20.69
Less: Provision for Trade advance reversed	-	(20.69)
Provision for other assets	-	0.25
Bank charges	0.21	0.12
Expenditure on Corporate social responsibility (refer note (b) below)	0.30	0.45
Miscellaneous expenses	1.31	1.28
Total	62.46	58.53

a. Payment to auditors

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Statutory audit	0.17	0.30
Tax audit	0.02	0.06
Other services	0.06	0.04
Reimbursement of expenses	-	0.00
Payment to component auditor	-	0.05
Total	0.25	0.45

b. Details of corporate social responsibility expenditure

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) Amount required to be spent by the company during the year,	0.30	0.45
(b) Amount of expenditure incurred,	0.30	0.45
(c) Shortfall / (Surplus) at the end of the year,	-	-
(d) Total of previous years shortfall,	0.21	0.42
(e) Reason for shortfall,	-	Refer Note i) Below
(f) Nature of CSR activities	Differently abled enhancement Projects, Environment, Education, Health care	Differently abled enhancement Projects
(g) Details of related party transactions	-	-
(h) The movements in the provision for unspent CSR (relating to ongoing project) is as follows:	NA	-
Opening balance	0.42	0.50
Amount required to be spent during the year	-	-
Amount spent during the year	0.21	0.08
Closing balance	0.21	0.42

Note i): Due to Covid induced lockdown, Company were not able to spend the amount. Hence transferred the funds to the unspent CSR Account.

Note ii): Current year expenditure includes contribution to Redington trust.

c. Provision for Financial Assets

The Company has carried out recoverability assessment on the balances receivable from Rajprotim Agencies Private Limited ('RAPAL'), vendor for Rajprotim Supply Chain Solutions Limited ('RCS'), an erstwhile subsidiary of the Company. Based on the such assessment, the management has recorded INR Nil crores (31 March 2022: INR 0.95 crores) as provision for the loans given to RAPAL and interest accrued there on. The gross amount receivable from RAPAL amounts to INR 16.25 crores (31 March 2022: INR 16.25 crores) (refer note 23 and 24). The loan is secured by 89% equity shares and a parcel of land of RAPAL. The management is in the process of taking necessary steps to recover the balances from RAPAL.

(All amounts are in Indian Rupees in crores, except share data and as stated)

15 Income tax

A. Amount recognised in the profit and loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax		
Current period	4.71	5.15
Change in estimates to prior periods	-	1.14
Total current tax expense	**4.71**	**6.29**
Deferred tax		
Origination and reversal of temporary difference	(1.93)	0.24
Total deferred tax (benefit) / expense	**(1.93)**	**0.24**
Total	**2.78**	**6.53**

B. Income tax recognised in other comprehensive income

Particulars	Year ended 31 March 2023			Year ended 31 March 2022		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Remeasurement of defined benefit liability (asset)	0.22	(0.06)	0.16	0.55	(0.14)	0.41
Total	0.22	(0.06)	0.16	0.55	(0.14)	0.41

C. Reconciliation of effective tax rate

Particulars	Year ended 31 March 2023		Year ended 31 March 2022	
Profit / (loss) before tax		**9.99**		**21.43**
Enacted tax rates in India	25.17%	2.51	25.17%	5.39
Changes in estimates related to prior years	0.58%	0.06	0.42%	0.09
Effect of non-deductible expenses	-0.53%	(0.05)	-0.78%	(0.17)
Others	2.60%	0.26	5.67%	1.22
Income tax expense	**27.82%**	**2.78**	**30.49%**	**6.53**

(All amounts are in Indian Rupees in crores, except share data and as stated)

D. Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax assets		Deferred tax liabilities		Net Deferred tax assets (liabilities)	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Property, plant and equipment	4.57	5.34	-	-	4.57	5.34
Intangible assets	-	-	2.09	2.86	(2.09)	(2.86)
Provision - employee benefits	1.77	1.74	-	-	1.77	1.74
Finance lease receivable	-	-	0.74	0.97	(0.74)	(0.97)
Right-of-use assets/Lease liabilities	0.64	0.01	-	0.04	0.64	(0.03)
Finance lease payable	0.17	0.78	-	-	0.17	0.78
Provision - others	5.67	4.11	-	-	5.67	4.12
Net deferred tax (assets) liabilities	**12.82**	**11.98**	**2.83**	**3.87**	**9.99**	**8.12**

Movement in temporary differences:

Particulars	Balance as at 1 April 2021	Recognized in profit or loss during 2021-22	Recog-nized in OCI during 2021-22	Balance as at 31 March 2022	Recognized in profit or loss during 2022-23	Recog-nized in OCI during 2022-23	Balance as at 31 March 2023
Property, plant and equipment	2.68	2.66	-	5.34	(0.77)	-	4.57
Intangible assets	0.03	(2.89)	-	(2.86)	0.77	-	(2.09)
Provision - employee benefits	2.40	(0.52)	(0.14)	1.74	0.09	(0.06)	1.77
Finance lease receivable	(1.17)	0.19	-	(0.97)	0.23	-	(0.73)
Right-of-use assets/Lease liabilities	0.08	(0.10)	-	(0.03)	0.67	-	0.64
Finance lease payable	1.50	(0.72)	-	0.78	(0.61)	-	0.17
Provision - others	2.98	1.12	-	4.12	1.56	-	5.67
Total	**8.50**	**(0.25)**	**(0.14)**	**8.12**	**1.93**	**(0.06)**	**9.99**

(All amounts are in Indian Rupees in crores, except share data and as stated)

E. Income Taxes

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Income Tax assets	8.13	6.76
Total	8.13	6.76

Movement in income tax assets(net)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Balance at the beginning of the year	6.76	16.50
Add: Taxes paid / (refunds) (net)	6.08	(3.45)
Less: Provisions during the year	(4.71)	(6.29)
Balance at the end of the year	**8.13**	**6.76**

(All amounts are in Indian Rupees in crores, except share data and as stated)

16A Property, plant and equipment

Reconciliation of carrying amount

Particulars	Plant and machinery	Office equipment	Furniture and fixtures	Computers	Vehicles	Lease hold improvements	Total
Deemed cost / Cost (Gross carrying amount)							
Balance as at 1 April 2021	**8.83**	**4.76**	**8.50**	**9.18**	**2.81**	**0.40**	**34.48**
Additions	1.03	0.38	0.31	2.23	0.87	0.12	4.94
Disposals	(0.78)	(0.21)	(0.65)	(0.34)	(0.93)	(0.02)	(2.93)
Balance as at 31 March 2022	**9.08**	**4.93**	**8.16**	**11.07**	**2.75**	**0.50**	**36.49**
Additions	1.24	0.13	0.21	2.94	0.18	0.48	5.18
Disposals	(0.09)	(0.34)	(0.65)	(0.16)	(0.68)	-	(1.92)
Balance as at 31 March 2023	**10.23**	**4.72**	**7.72**	**13.85**	**2.25**	**0.98**	**39.75**
Accumulated depreciation							
Balance as at 1 April 2021	6.22	3.70	5.80	7.31	1.54	0.29	24.86
Charge for the year	1.64	0.59	0.67	1.43	0.50	0.07	4.90
Disposals	**(0.68)**	**(0.17)**	**(0.60)**	**(0.32)**	**(0.93)**	**(0.02)**	**(2.72)**
Balance as at 31 March 2022	7.18	4.12	5.87	8.42	1.11	0.34	27.04
Charge for the year	0.88	0.29	0.34	1.70	0.40	0.26	3.89
Disposals	**(0.06)**	**(0.33)**	**(0.64)**	**(0.15)**	**(0.29)**	**-**	**(1.49)**
Balance as at 31 March 2023	8.00	4.08	5.57	9.97	1.22	0.60	29.44
Carrying amount (net)							
As at 31 March 2022	**1.90**	**0.81**	**2.29**	**2.65**	**1.64**	**0.16**	**9.44**
As at 31 March 2023	**2.23**	**0.64**	**2.15**	**3.88**	**1.03**	**0.37**	**10.29**

16B i) Capital work-in-progress (CWIP)

Capital work-in-progress includes IT accessories installation amounting to INR.0.06 crores (31 March 2021: INR.0.04 crores)

ii) Ageing details

As at 31 March 2023

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.06	-	-	-	0.06
Projects temporarily suspended	-	-	-	-	-
Total	**0.06**	**-**	**-**	**-**	**0.06**

The completion of the project is not overdue and has not exceeded its cost compared to its original plan.

As at 31 March 2022

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	0.03	0.01	-	-	0.04
Projects temporarily suspended	-	-	-	-	-
Total	**0.03**	**0.01**	**-**	**-**	**0.04**

The completion of the project is not overdue and has not exceeded its cost compared to its original plan.

(All amounts are in Indian Rupees in crores, except share data and as stated)

17 Intangible Assets

A	Particulars	Customer contracts	Customer relationship	Software	Total	Goodwill
	Deemed cost / Cost (Gross carrying amount)					
	Balance as at 1 April 2021	5.00	15.01	6.22	26.23	19.34
	Additions		-	0.04	0.04	-
	Disposals		-	-	-	-
	Balance as at 31 March 2022	5.00	15.01	6.26	26.27	19.34
	Additions		-	-	-	-
	Disposals		-	-	-	-
	Balance as at 31 March 2023	5.00	15.01	6.26	26.27	19.34
	Accumulated amortisation					
	Balance as at 1 April 2021	4.79	3.89	2.88	11.56	3.60
	Charge for the year	0.21	1.88	1.24	3.33	-
	Disposals	-	-	-	-	-
	Balance as at 31 March 2022	5.00	5.77	4.12	14.89	3.60
	Additions	-	1.88	1.17	3.05	-
	Disposals	-	-	-	-	-
	Balance as at 31 March 2023	5.00	7.65	5.29	17.94	3.60
	Carrying amount (net)					
	As at 31 March 2022	-	9.24	2.14	11.38	15.74
	As at 31 March 2023	**-**	**7.36**	**0.97**	**8.33**	**15.74**

B. Impairment

See accounting policy in Note 3.7

Impairment testing for cash-generating units containing goodwill

For the purpose of impairment testing, goodwill is allocated to one of the Group's component which represent the lowest level within the Group at which goodwill is monitored for internal management purposes, which is not higher than the Group's operating segments. The aggregate carrying amounts of goodwill allocated to each unit are as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Auroma Logistics Private Limited (CGU of the Company)	15.74	15.74
Total	15.74	15.74

Auroma Logistics Private Limited (CGU of the Company)

The recoverable amount of this cash-generating units ("CGU") is based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. Five years of cash flows have been included in the discounted cash flow model. The carrying amount of the unit has been determined to be lower than its recoverable amount and Nil (31 March 2021: INR Nil crores) of impairment loss has been recognised.

The key assumptions used in the estimation of the recoverable amount are set below. The values assigned to the key assumptions represent management's assessment of future trends in relevant industries and have been based on historical data from both external and internal sources.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue growth rate range over the forecast period	10% to 11%	10% to 11%
Terminal growth rate	3.0%	2.0%
EBITDA as a % of Revenue- range over the forecast period	6.52% to 7.19%	6.50% to 8.80%
Risk-adjusted discount rates	17.71%	14.35%

The Group has considered it appropriate to undertake the impairment assessment with reference to the latest business plan which includes a five year cash flow forecast. The growth rates used in the VIU calculation reflect those inherent within Auroma's business plan, which in primarily a function of the Auroma future assumptions, past performance and management's expectation of future market development through to FY 2027-28. The future cash flows consider potential risks given the current economic environment and key assumptions, such as revenue growth rate and EBITDA.

The cash flow for the FY 2027-28 are extrapolated into perpetuity assuming a growth rate as stated above which is set with reference to weighted-average GDP growth of the country and industry in which the CGU operate.

The impairment losses recorded in earlier years in the standalone financial statements of the Group had been adjusted against the goodwill as mentioned above.

Sensitivity to key assumptions

Risk-adjusted discount rates	Estimated fair value would decrease / (increase) if expected discount rate were higher / (lower)
Terminal value growth rate	Estimated fair value would increase / (decrease) if expected terminal value growth rate were higher / (lower)
Budgeted EBITDA growth rate	Estimated fair value would increase / (decrease) if expected budgeted EBITDA growth rate were higher / (lower)

The change in the following assumptions used in the impairment review would, in isolation, lead to an increase to aggregate impairment loss to be recognized as at 31 March 2022 and 31 March 2021 (although it should be noted that these sensitivities do not take account of potential mitigating actions):

(All amounts are in Indian Rupees in crores, except share data and as stated)

	As at 31 March 2023	As at 31 March 2022
Decrease in EBITDA by 1% over the forecast period	-	-
Decrease in terminal rate by 1%	-	-
Increase in discount rate by 1%	-	-

18 Leases

Leases as lessee (Ind AS 116)

The leased assets of the Group includes warehouse buildings, plant and machinery, furniture and fixtures and computers taken on lease for providing warehousing and other 3PL services to the customers. The leases typically run for a period of 1 to 5 years, with an option to renew certain leases after that date. The summary of the movement of right-of-use assets for the year is given below:

Information about leases for which the Group is a lease is presented below:

i. Right-of-use assets

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Balance as at 1 April	54.47	23.08
Additions to right-of-use assets	39.00	79.73
Less: Depreciation charge for the year	(21.97)	(18.95)
Less: Lease modifications	-	
Less: Transfers	-	
Less: Terminated contracts	(10.91)	(29.39)
Balance as at 31 March	60.59	54.47

On transition to Ind AS 116, the Group recognized lease liabilities measured at the present value of remaining lease payments. The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Lease liabilities under Ind AS 116		
Current	22.44	17.27
Non- current	39.40	40.12
Total lease liabilities as at 31 March	61.84	57.39

Amounts recognised in Statement of Profit and loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest on lease liabilities (refer note 12)	5.08	2.83
Depreciation of right-of-use assets (refer note 13)	21.97	18.95
Expenses relating to short-term leases (refer note 10)	59.03	47.87
Total	**86.08**	**69.65**

Amounts recognised in Cashflow statement

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Total cash outflow for leases liabilities under Ind AS 116	(26.95)	(24.28)

19 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Spares*	-	-
Total	-	-

* Inventory of spares as at 31 March 2022 of INR 40,233 (31 March 2022: INR 46,174) has been rounded off in crores to Nil.

20 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good	86.69	81.51
Doubtful	2.62	3.55
Less : Loss allowance	(2.62)	(3.55)
Total	**86.69**	**81.51**
Current	**86.69**	**81.51**
Total	**86.69**	**81.51**

Of the above, trade receivables from related parties are as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Total trade receivables from related parties (refer note 37)	15.49	14.50
Less: Loss allowance	-	-
Net trade receivables	**15.49**	**14.50**

(All amounts are in Indian Rupees in crores, except share data and as stated)

A Ageing of Trade receivables and Unbilled revenue

The ageing has been derived from the due date of the transaction, where there is no due date for payment, date of transaction has been considered.

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables						
i) Undisputed – Considered good	85.90	2.80	0.22	0.39	-	89.31
ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed – credit impaired	-	-	-	-	-	-
iv) Disputed – Considered good	-	-	-	-	-	-
v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed – Considered doubtful/ Credit impaired	-	-	-	-	-	-
Sub-Total	**85.90**	**2.80**	**0.22**	**0.39**	**-**	**89.31**
Less: Loss Allowance						(2.62)
Total Trade receivables						86.69
Unbilled revenue	**23.30**	**-**	**-**	**-**	**-**	**23.30**
Less: Loss Allowance						(0.62)
Total Unbilled revenue (Refer note 24)						**22.68**

(All amounts are in Indian Rupees in crores, except share data and as stated)

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Trade receivables						
i) Undisputed – Considered good	81.75	2.27	1.04	-	-	85.06
ii) Undisputed – which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed – credit impaired	-	-	-	-	-	-
iv) Disputed – Considered good	-	-	-	-		-
v) Disputed – which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed – Considered doubtful/ Credit impaired	-	-	-	-	-	-
Sub-Total	**81.75**	**2.27**	**1.04**	**-**	**-**	**85.06**
Less: Loss Allowance						(3.55)
Total Trade receivables						**81.51**
Unbilled revenue (Refer note 24)	**22.09**	**-**	**-**	**-**	**-**	**22.09**
Less: Loss Allowance						(0.30)
Total Unbilled revenue (Refer note 24)						**21.79**

B Expected Credit Loss Allowances

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	3.55	7.99
Allowance recognized during the year (net)*	0.70	(4.41)
Less: Written-off during the year	(1.63)	(0.03)
Currency translation adjustments	-	-
Balance at the end of the year	2.62	3.55

21 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash in hand	0.01	0.10
Balance with banks:		
- in current accounts	4.72	13.61
- on deposit accounts (Refer note 22.1)	60.28	-
Cash and cash equivalents in balance sheet	65.01	13.71
Cash and cash equivalents in the statements of cash flows	65.01	13.71

22 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Bank deposits with original maturity of more than 3 months	7.62	22.05
	7.62	22.05

22.1 Bank Deposits includes INR 0.74 crores (31 March 2022: INR 0.70 crores) of fixed deposit is pledged against the Overdraft facility availed from SBI and South Indian Bank and INR 7 Crs represents fixed deposits under lien.

23 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
Secured, considered doubtful		
Loan to body corporates*	12.00	12.00
Less: Loss allowance	(12.00)	(12.00)
Total	-	-

* The Company has given INR 12 crore as loan to Rajprotim Agencies Private Limited ('RAPAL'). Out of INR 12 crores, INR 10 crores is secured by a pledge of 89% equity shares of RAPAL and INR 2 crores is secured by a parcel of land.

24 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Long term finance lease receivable (refer note (a) below)	1.82	2.91
Security deposit		
Unsecured, considered good	18.92	13.64
	20.74	16.55

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Current		
Current maturities of finance lease receivable (refer note (a) below)	1.09	0.93
Interest accrued	4.28	4.29
Less: Provision for interest receivable	(4.25)	(4.25)
Unbilled revenue	23.30	22.09
Less: Provision for Unbilled Revenue	(0.62)	(0.30)
Security deposit		
Unsecured, considered good	8.20	7.87
Doubtful	0.30	0.30
Less : Loss allowance	(0.30)	(0.30)
Derivate Financial Asset	0.03	-
Others	7.18	4.56
Total	**39.21**	**35.19**

a) Finance lease receivable

The Group's leasing arrangement represents the certain pallets and other assets given to customers which have been classified under Ind AS 17 on Leases as Finance lease. The lease term covers the substantial period of the assets and all the risks and rewards of ownership are transferred to the lessee. The Group records disposal of the property concerned and recognizes the finance income as revenue from operations.

The reconciliation between the gross investment in the lease at the end of the reporting period, and the present value of minimum lease payments receivable at the end of the reporting period are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Gross investment	3.50	4.96
Unearned finance income	(0.59)	(1.12)
Net investment	**2.91**	**3.84**

(All amounts are in Indian Rupees in crores, except share data and as stated)

Finance leases are receivable as follows:

Gross investment	**As at 31 March 2023**	**As at 31 March 2022**
Within less than one year	1.46	1.46
Between One and five years	**2.04**	**3.50**
After more than five years	**-**	**-**
	3.50	**4.96**

Present value of minimum lease payments	**As at 31 March 2023**	**As at 31 March 2022**
Within less than one year	1.09	0.93
Between One and five years	**1.82**	**2.91**
After more than five years	**-**	**-**
	2.91	**3.84**

25 Other assets

Particulars	**As at 31 March 2023**	**As at 31 March 2022**
Non-current		
Unsecured, considered good	**-**	**-**
Capital advances	**59.06**	**-**
Prepayments	1.29	1.25
Receivable from government authorities	3.00	1.24
	63.35	**2.49**
Current		
Unsecured, considered good	-	-
Prepayments	2.39	2.78
Balances with statutory authorities	-	3.15
Others	1.16	0.65
	3.55	6.58
Unsecured, considered doubtful		
Others	0.12	0.58
Less: Provision for trade advances	(0.12)	(0.58)
	-	(0.00)
	3.55	**6.58**

(All amounts are in Indian Rupees in crores, except share data and as stated)

26A Share Capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised		
3,00,10,000 (31 March 2022: 1,50,10,000) equity shares of Rs. 10 each	30.01	15.01
Issued, Subscribed and Paid-up		
1,36,23,094 (31 March 2022: 1,07,35,008) equity shares of Rs. 10 each fully paid up	13.62	10.73

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares				
At the commencement of the year	1,07,35,008	10.73	90,81,465	9.08
Shares issued for cash	28,88,086	2.89	16,53,543	1.65
At the end of the year	1,36,23,094	13.62	1,07,35,008	10.73

Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares of par value of Rs.10/- per share. Accordingly, all equity shares rank equally with regard to dividends, voting rights or otherwise. The equity shareholders are entitled to receive dividend as may be declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding / ultimate holding company and / or their subsidiaries / associates and particulars of shareholder holding more than 5% shares of a class of shares.

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs. 10/- each paid up held by Redington Limited and its nominees	1,36,23,094	13.62	1,07,35,008	10.73

(All amounts are in Indian Rupees in crores, except share data and as stated)

As at 31 March 2023

Shares held by promoters at the end of the year

Promoter name	No. of Shares	%of total shares	% Change during the year
Redington Limited	1,36,23,094	100%	0%

26A.1 Pursuant to the board meeting dated March 10, 2023, the Company has allotted 28,88,086 equity share of face value Rs. 10 at a premium of Rs. 267.16/.

As at 31 March 2022

Shares held by promoters at the end of the year

Promoter name	No. of Shares	%of total shares	% Change during the year
Redington Limited	1,07,35,008	100%	0%

26B Other equity

a. Capital reserve

Particulars	As at 31 March 2023	As at 31 March 2022
At the commencement of the year	5.41	5.41
Stock Compensation Cost (Refer Note 39)	-	-
At the end of the year	**5.41**	**5.41**

Capital reserve represents accumulated stock compensation cost in respect of Stock Appreciation Rights granted to the employees and directors of the Group by the holding Group.

b. Securities premium

Particulars	As at 31 March 2023	As at 31 March 2022
At the commencement of the year	54.82	35.47
Share issued for cash (refer note 26A.1)	77.10	19.35
At the end of the year	**131.92**	**54.82**

Capital reserve represents accumulated stock compensation cost in respect of Stock Appreciation Rights granted to the employees and directors of the Group by the holding Group.

c. Retained earnings

Particulars	As at 31 March 2023	As at 31 March 2022
At the commencement of the year	37.87	22.97
Profit for the period	7.21	14.90
At the end of the year	**45.08**	**37.87**

(All amounts are in Indian Rupees in crores, except share data and as stated)

d Analysis of accumulated OCI, net of tax

A. Other items of OCI

Particulars	As at 31 March 2023	As at 31 March 2022
Remeasurements of defined benefit liability (asset)	(0.91)	(1.07)
	(0.91)	(1.07)

Remeasurements of defined benefit liability (asset)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	(1.07)	(1.48)
Remeasurements of defined benefit liability (asset)	0.16	0.41
Closing balance	(0.91)	(1.07)

Foreign Currency translation reserve

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Add: Movement during the year	(0.02)	-
Closing balance	(0.02)	-

Remeasurements of defined benefit liability (asset)

Remeasurements of defined benefit liability (asset) comprises actuarial (losses) / gains.

26C Capital management

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholder through the optimisation of debt and equity balances by maintaining an appropriate level of parity between them. The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. Adjusted equity comprises all components of equity. Adjusted net debt comprises short term as well as long term borrowings including finance leases, less cash and cash equivalents. The Group's policy is to keep this ratio below 1.00. The Group's adjusted net debt to equity ratio at the end of the year is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Total borrowings - short term and long term	-	7.97
Less: Cash and cash equivalents and other bank balances	(72.63)	(35.76)
Net Debt (A)	**(72.63)**	**(27.79)**
Total Equity (B)	195.10	107.76
Adjusted net debt to adjusted equity ratio	**(0.38)**	**(0.26)**

27 Earnings per share

a. Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit attributable to equity shareholders (basic and diluted)

Particulars	As at 31 March 2023	As at 31 March 2022
Profit for the year, attributable to the equity holders (Rs in Crores)	7.21	14.90
Weighted average number of equity shares (basic)	1,08,22,046	97,65,533
Earnings per share- Basic (in Indian Rupees)	6.66	15.26
Weighted average number of equity shares (diluted)	1,08,22,046	97,65,533
Earnings per share- Diluted (in Indian Rupees)	6.66	15.26
Face value per share in Rs	10/-	10/-

(ii) Weighted average number of equity shares (basic and diluted)

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,07,35,008	90,81,465
Effect of fresh issue of shares for cash	87,038	6,84,068
Weighted average number of equity outstanding during the year	**1,08,22,046**	**97,65,533**

(All amounts are in Indian Rupees in crores, except share data and as stated)

28 Financial information

Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act, 2013 - 'General instructions for the preparation of consolidated financial statements statements' of Division II of Schedule III

31 March 2023							
Particulars	**Net assets (total assets minus total liabilities)**		**Share in profit or loss**		**Share in other comprehensive income**		**Total comprehensive income**
	As % of consolidated assets	**Amount**	**As % of consolidated profit or loss**	**Amount**	**As % of consolidated other comprehensive income**	**Amount**	**Amount**
Parent:							
ProConnect Supply Chain Solutions Limited	100.14%	195.38	103.88%	7.49	100%	0.14	7.63
Subsidiaries:							
ProConnect Holding Limited	-0.14%	(0.28)	-3.88%	(0.28)	0%	(0.00)	(0.28)
31 March 2023	**100.00%**	**195.10**	**100.00%**	**7.21**	**100.00%**	**0.14**	**7.35**

Consolidation is applicable for the year ended 31 March 2023 and hence disclosures are not applicable for the previous year ended 31 March 2022.

(All amounts are in Indian Rupees in crores, except share data and as stated)

29 Borrowings (Current)

Particulars	As at 31 March 2023	As at 31 March 2022
Current portion of long term borrowing		
Terms loans from banks (secured)	-	7.97
Total	**-**	**7.97**

Information about the Company's exposure to interest rate and liquidity risk is provided in Note 33.

During the previous year, Company could not meet a few of the loan covenants associated with term loans availed from HDFC Bank. Since these covenants were breached as at 31 March 2021, these terms loans are classified as current borrowings.

Quarterly returns and statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

Particulars	Currency	Nominal interest rate	Year of maturity	Carrying amount as at 31 March 2023	Carrying amount as at 31 March 2022
Term loans	USD	6.90%	2022-23	-	3.17
Term loans	INR	8.7% - 11.13%	2022-23	-	4.80
Total				-	7.97

Summary of borrowing arrangements

Term loan from HDFC is secured by moveable fixed assets with a security cover of not less than 1.00 times of outstanding term loan. Term loan from IDFC bank is secured by first pari passu charge over book debts both present and future, exclusive charge on the security deposits of the company both present and future.

Reconciliation of movements of liabilities to cash flows arising from financing activities

Particulars	Cash credit and overdraft from banks	Working capital demand loan including related party loans	Term loans	Finance lease obligations	Total
Balance at the 1 April 2021					
- Borrowings	13.32	35.00	21.99	-	70.31
- Other financial liabilities	-	-	-	29.36	29.36
Changes from financing cash flows					
Loans repaid during the year	-	(35.00)	(14.02)		(49.02)
Interest expense	2.27	0.59	-	2.83	5.69
Interest paid	(2.27)	(0.59)	-	-	(2.86)
Total changes from financing cash flows	**-**	**(35.00)**	**(14.02)**	**2.83**	**(46.19)**

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Cash credit and overdraft from banks	Working capital demand loan including related party loans	Term loans	Finance lease obligations	Total
Other changes					
Liability-related					
Change in bank overdraft	(8.33)	-	-	-	(8.33)
Change in cash credits	(4.99)	-	-	-	(4.99)
On account of termination	-	-	-	(53.12)	(53.12)
New finance leases	-	-	-	78.32	78.32
Total liability-related other changes	**(13.32)**	**-**	**-**	**25.20**	**11.88**
Balance at the 31 March 2022					
- Borrowings	-	-	7.97	-	7.97
- Lease liabilities	-	-	-	57.39	57.39
Balance at the 1 April 2022					
- Borrowings	**-**	**-**	**7.97**	**-**	**7.97**
- Lease liabilities	**-**	**-**	**-**	**57.39**	**57.39**
Changes from financing cash flows					
Loans repaid during the year	-	-	(7.97)	-	(7.97)
Interest expense	-	-	-	5.09	5.09
Total changes from financing cash flows	**-**	**-**	**(7.97)**	**5.09**	**(2.88)**
Other changes					
Liability-related					
On account of termination	-	-	-	(38.69)	(38.69)
New finance leases				38.05	38.05
Total liability-related other changes	**-**	**-**	**-**	**(0.64)**	**(0.64)**
Balance at the 31 March 2023					
-Lease liability	**-**	**-**	**-**	**61.84**	**61.84**

(All amounts are in Indian Rupees in crores, except share data and as stated)

30 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade payables to related parties	1.27	0.59
Other trade payables	84.04	70.04
Total	**85.31**	**70.63**

All trades payables are 'current'.

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 34. Also, refer note 38 on Micro, Small and Medium Enterprises.

Ageing of trade payables

The ageing has been derived from the due date of the transaction, where there is no due date for payment, date of transaction has been considered.

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 Years	2-3 years	More than 3 years	Total
Undisputed dues					
(i) MSME	3.70	-	-	-	3.70
(ii) Others	32.80	0.66	0.88	0.61	34.95
Disputed dues					
(iii) MSME	-	-	-	-	-
(iv) Others	-	-	-	-	-
Unbilled dues (Provisions)	46.66	-	-	-	46.66
Total	**83.16**	**0.66**	**0.88**	**0.61**	**85.31**

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 Years	2-3 years	More than 3 years	Total
Undisputed dues					
(i) MSME	0.70	-	-	-	0.70
(ii) Others	30.48	1.94	0.77	-	33.19
Disputed dues	-	-	-	-	
(iii) MSME	-	-	-	-	-
(iv) Others	-	-	-	-	-
Unbilled dues (Provisions)	36.74	-	-	-	36.74
Total	**67.92**	**1.94**	**0.77**	**-**	**70.63**

(All amounts are in Indian Rupees in crores, except share data and as stated)

31 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Deposit from customers	5.94	7.26
Other payables	15.29	13.62
Total	**21.23**	**20.88**
Non current	5.94	7.26
Current	15.29	13.62
Total	**21.23**	**20.88**

The Company's exposure to currency and liquidity risk related to above financial liabilities is disclosed in note 34.

32 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Dues to employees	5.25	4.63
Statutory dues	10.85	3.22
Others	1.44	-
Total	**17.54**	**7.85**
Non current	0.52	-
Current	17.02	7.85
Total	**17.54**	**7.85**

33 Provisions

Particulars	Non current		Current	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits				
Gratuity	4.42	4.40	0.49	0.55
Compensation absence	1.92	1.76	0.24	0.23
Total-A	**6.34**	**6.16**	**0.73**	**0.78**
Provision Others	-	-	11.21	4.61
Total-B	-	-	11.21	4.61
Provision Total	**6.34**	**6.16**	**11.94**	**5.39**

(All amounts are in Indian Rupees in crores, except share data and as stated)

For details about the related employee benefit expenses, see Note 11.

The Company operates the following post-employment defined benefit plans:

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment. Liabilities for the same are determined through an actuarial valuation as at the reporting dates using the "projected unit cost method".

These defined benefit plans expose the Company to actuarial risks, such as longevity risk and interest rate risk.

A. Funding

The gratuity plan of the Company is an unfunded plan.

B. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components:

Reconciliation of present value of defined benefit obligation

Particulars	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	4.95	5.43
Current service cost	0.72	0.65
Past Service Cost	0.42	-
Interest cost	0.57	0.39
Benefits paid	(1.55)	(0.97)
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	(0.84)	(0.55)
- experience adjustments	0.62	-
Balance at the end of the year	**4.89**	**4.95**

(All amounts are in Indian Rupees in crores, except share data and as stated)

C. Expense/ (income) recognised in the statement of profit or loss

Particulars	As at 31 March 2023	As at 31 March 2022
Current service cost	0.72	0.65
Interest cost	0.57	0.39
Total	**1.29**	**1.04**

D. Remeasurements recognised in other comprehensive income

Particulars	As at 31 March 2023	As at 31 March 2022
Actuarial loss on defined benefit obligations	(0.22)	(0.55)
Total	**(0.22)**	**(0.55)**

E. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date:

Particulars	As at 31 March 2023	As at 31 March 2022
Discount rate	7.50%	6.75%
Future salary growth	10.00%	10.00%
Attrition rate	12.50%	12.50%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	As at 31 March 2023		As at 31 March 2022	
	Increase in %	Decrease in %	Increase in %	Decrease in %
Discount rate (1% movement)	(0.29)	0.32	(0.32)	0.30
Future salary growth (1% movement)	0.31	0.28	0.29	(0.30)
Attrition rate (1% movement)	(0.05)	0.06	(0.08)	0.05

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(All amounts are in Indian Rupees in crores, except share data and as stated)

34 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

As at 31 March 2023	Note	Carrying amount			Fair Value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Forward Contracts		0.03	-	0.03	-	0.03	-	0.03
Financial assets not measured at fair value								
Trade receivables	20	-	86.69	-	-	-	-	-
Cash and cash equivalents	21	-	65.01	-	-	-	-	-
Other bank balances	22	-	7.62	-	-	-	-	-
Other financial assets	24	-	59.95	-	-	-	-	-
Total financial assets		**0.03**	**219.27**	**0.03**	**-**	**0.03**	**-**	**0.03**
Financial liabilities not measured at fair value								
Trade payables	30	-	85.31	-	-	-	-	-
Lease liabilities	18	-	61.84	-	-	-	-	-
Other financial liabilities	31	-	21.23	-	-	-	-	-
Total financial liabilities		**-**	**168.38**		**-**	**-**	**-**	**-**

As at 31 March 2022	Note	Carrying amount			Fair Value			
		FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value								
Forward Contracts		-	-	-	-	-	-	-
Financial assets not measured at fair value								
Trade receivables	20	-	81.51	-	-	-	-	-
Cash and cash equivalents	21	-	13.71	-	-	-	-	-
Other bank balances	22	-	22.05	-	-	-	-	-
Other financial assets	24	-	51.74	-	-	-	-	-
Total financial assets		**-**	**169.01**	**-**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value								
Trade payables	30	-	70.63	-	-	-	-	-
Lease liabilities	18	-	57.39	-	-	-	-	
Borrowings	29	-	7.97	-	-	-	-	-
Other financial liabilities	31	-	20.88	-	-	-	-	-
Total financial liabilities		**-**	**156.87**		**-**	**-**	**-**	**-**

Note: The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, loans, trade payables, borrowings because their carrying amounts are reasonable approximations of their fair values.

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the standalone financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels as follows:

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

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

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

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk; and
- market risk

i. Risk management framework

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 along with the top management are responsible for developing and monitoring the Company's risk management policies.

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.

ii. 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; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

(All amounts are in Indian Rupees in crores, except share data and as stated)

The maximum exposure to credit risk for trade and other receivables are as follows:

Particulars	Carrying amount	
	As at 31 March 2023	As at 31 March 2022
Trade receivables	86.69	81.51
Cash and bank balances	65.01	13.71
Other bank balances	7.62	22.05
Deposits and other receivables	-	-
Other financial assets	59.95	51.74
Total	**219.27**	**169.01**

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full except to the extent already provided, based on historical payment behaviour and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

Receivables from customers that individually constituted more than 10% of the Company's receivables are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Customer A	17.66	20.66
Customer B	15.46	15.65
Customer C	16.32	2.83
Total	**49.44**	**39.14**

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2023

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Past due 1-90 days	85.90	0.30%	(0.26)	No
Past due 90-180 days	2.80	7.99%	(0.22)	No
Past due 181-270 days	0.22	507.19%	(1.14)	No
Past due 271-365 days	0.39	25.57%	(0.10)	No
Past due for more than 365 days	-	0.00%	(0.90)	No
Total	**89.31**		**(2.62)**	

As at 31 March 2022

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Past due 1-90 days	77.60	0.59%	(0.46)	No
Past due 90-180 days	3.17	7.58%	(0.24)	No
Past due 181-270 days	1.69	31.43%	(0.53)	No
Past due 271-365 days	0.58	53.02%	(0.31)	No
Past due for more than 365 days	2.02	99.64%	(2.01)	No
Total	**85.06**		**(3.55)**	

Movements in the allowance for impairment in respect of trade receivables and loans

The movement in the allowance for impairment in respect of trade receivables is as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Balances at 1 April	3.55	7.99
Add: Provision for the year / (reversal)	(0.90)	(4.41)
Less: Provision reversed against bad debts written off	(0.03)	(0.03)
Balance at 31 March	**2.62**	**3.55**

Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivables

The Company holds cash and bank balances of INR 72.64 crores at 31 March 2023 (31 March 2022: INR 35.76 crores). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

Security deposits

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

(All amounts are in Indian Rupees in crores, except share data and as stated)

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

Particulars	Contractual cash flows						
	Carrying amount	Gross	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2023							
Non derivative financial liabilities							
Loans from banks ^^	-	-	-	-	-	-	-
Lease liabilities	61.84	72.17	13.05	12.43	18.66	20.22	7.82
Trade payables	85.31	85.31	85.31	-	-	-	-
Other financial liabilities	21.23	21.23	15.29	-	5.94	-	-
Total	**168.38**	**178.71**	**113.65**	**12.43**	**24.60**	**20.22**	**7.82**

^^ excluding contractual interest payments

Particulars	Contractual cash flows						
	Carrying amount	Gross	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2022							
Non derivative financial liabilities							
Loan from banks ^^	7.97	7.97	2.17	1.00	1.20	3.60	-
Lease liabilities	57.39	71.12	10.32	11.01	14.94	21.69	13.17
Trade payables	70.63	70.63	70.63	-	-	-	-
Other financial liabilities	20.88	20.88	13.62	-	7.26	-	-
Total	**156.87**	**170.60**	**96.74**	**12.01**	**23.40**	**25.29**	**13.17**

^^ excluding contractual interest payments

Financial instruments carried at fair value as at 31 March 2023 is INR 0.30 (31 March 2022: Nil) and financial instruments carried at amortised cost as at 31 March 2023 is INR 219.27 crores (31 March 2022: 169.31 crores)

Financial assets of INR 219.27 crores as at 31 March 2023 carried at amortised cost is in the form of cash and cash equivalents, bank deposits trade receivables, loans given to body corporates, deposits and other receivables and other financial assets where the Company has assessed the counterparty credit risk. Trade receivables of INR 86.69 crores as at 31 March 2023 forms a significant part of the financial assets carried at amortised cost, which is valued considering provision for allowance using expected credit loss method. This assessment is not just based on any mathematical model but an assessment considering the nature of business and the financial strength of the customers in respect of whom amounts are receivable. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in the credit terms and following up for collection etc., depending on severity of each case. The same assessment is done in respect of unbilled receivables INR 23.30 crores as at 31 March 2023 while arriving at the level of provision that is required. Basis this assessment, the allowance for doubtful trade receivables of INR 2.62 crores as at 31 March 2023 which is adjusted against the outstanding balance above is considered adequate.

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

The following table analyses foreign currency risk from financial instruments:

Particulars	As at 31 March 2023		As at 31 March 2022	
	INR	USD	INR	USD
Financial assets:				
Trade receivables				
Foreign currency exposure	7.08	0.09	3.93	0.05
Less: Hedged through forward exchange contracts	2.10	0.03	-	-
Unhedged exposures	4.98	0.06	3.93	0.05
Foreign currency exposure - unhedged				
Other financial assets	-	-	1.95	0.03
Financial liabilities:				
Foreign currency exposure - unhedged				
Borrowings	-	-	(3.17)	(0.04)
Trade payables	(0.51)	(0.01)	-	-
Net assets / (liabilities)	**6.57**	**0.08**	**2.71**	**0.04**

(All amounts are in Indian Rupees in crores, except share data and as stated)

Sensitivity Analysis

A reasonably possible strengthening (weakening) of INR against US dollar at 31 March 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit / (loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2023				
USD (1% movement)	-	-	-	-
31 March 2022				
USD (1% movement)	(0.00)	0.00	-	-

Interest rate risk

The Company has only one type of variable rate instrument i.e. cash credit facility being used for cash management purposes. Company's exposure to variable rate instruments is insignificant.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments is as follows:

Fixed-rate instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Fixed rate instruments		
Financial assets - Other bank balances	7.62	22.05
Financial assets - Finance lease receivable	2.92	3.84
Financial liabilities - Finance lease obligation	(61.84)	(57.39)
Financial liabilities - Term Loan	-	(7.97)
Total	**(51.30)**	**(39.47)**

Variable-rate instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Financial liabilities- Secured loan	-	-

(All amounts are in Indian Rupees in crores, except share data and as stated)

Cash flow sensitivity analysis for variable rate instruments

A reasonable possible change of 100 basic points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Effect on profit and loss before tax	
	100 bp increase	100 bp decrease
31 March 2023		
Variable-rate instrument	-	-
Cash flow sensitivity (net)	-	-
31 March 2022	-	-
Variable-rate instrument	-	-
Cash flow sensitivity (net)		

35 Operating leases

Leases as lessee

The Company has taken on lease a number of offices and warehouse facilities under cancellable operating leases. The leases are for varied periods, which are renewable at the option of the Company.

Amounts recognised in profit or loss

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Lease expense	59.03	47.87

36 Contingent liabilities and capital commitments

Particulars	As at March 31 2023	As at March 31 2022
Estimated amount of contracts remaining to be executed on capital account and not provided	37.33	0.47
Contingencies		
Contingent liabilities:		
Bank guarantees issued	10.78	11.46
Claims not acknowledged as debt	1.54	-
Disputed Tax Demands		
Direct Taxes	7.39	-

Show cause notices are not considered as contingent liabilities unless converted into demand.

37 Related Party Transaction

A. Names of related parties and description of relationship

Nature of Relationship	Name of the Party
Parties having Significant Influence on the Company	Synnex Mauritius Limited
Holding company	Redington Limited
Fellow Subsidiary	Redserv Business Solutions Private Limited
Subsidiary	ProConnect Holding LLC
Key Management Personnel	Mr. E.H. Kasturi Rangan (Managing Director) (till 31 January 2023)
	Mr.Kumar Malay Shankar, Chief Executive Officer (CEO) (from 01 June 2022)
	Mr. S Vijayaraghavan, Chief Finance Officer (CFO)

Mr Kumar Malay Shankar has been appointed as Managing Director with effect from 1 April 2023.

B. Transaction with key management personnel

i. Loan to Director

During the previous years, the Company as a part of scheme approved, by members at extra ordinary meeting, granted an unsecured housing loan to its managing director amounting to INR 0.40 crores (interest rate is fixed at 9% p.a) which is repaid during the previous year.

Particulars	Purpose	Year ended 31 March 2023	Year ended 31 March 2022
As at the beginning of the financial year		-	0.40
Given during the financial year	Housing loan	-	-
Repaid during the financial year			(0.40)
As at the end of the financial year		-	-
Interest		-	-

(All amounts are in Indian Rupees in crores, except share data and as stated)

ii. Key management personnel of the Company comprise of the Board of Directors and key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation during the year are as follows:

Particulars	Managing Director	CEO	CFO	Total
For the year ended 31 March 2023				
Short term employee benefits	1.43	0.87	0.58	2.88
Post-employment defined benefits	0.55	*	*	0.55
Compensated absences	0.07	*	*	0.07
Sitting fees	0.01	-	-	0.01
Total	**2.06**	**0.87**	**0.58**	**3.51**

Particulars	Managing Director	CEO	CFO	Total
For the year ended 31 March 2022				
Short term employee benefits	0.95	-	0.10	1.05
Post-employment defined benefits	-	*	*	-
Compensated absences	-	*	*	-
Sitting fees	-	-	-	-
Total	**0.95**	**-**	**0.10**	**1.05**

Compensation of the Company's key management personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan (see Note 11).

* Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

(All amounts are in Indian Rupees in crores, except share data and as stated)

C. Related party transactions other than those with key management personnel

	Transaction value		Balance outstanding	
Particulars	**Year ended 31 March 2023**	**Year ended 31 March 2022**	**As at 31 March 2023**	**As at 31 March 2022**
Sale of goods and services				
Redington Limited	111.75	93.31	15.49	14.50
Synnex Mauritius Limited	-	0.03	-	0.03
Rental Expenses				
Redington Limited	4.65	4.25	1.15	0.57
Service charges				
Redington Limited	0.12	0.81	0.13	-
Redserv Business Solutions Private Limited	-	0.88	-	0.08
Rental Income				
Redserv Global Solutions	0.23	-	0.23	-
Interest Expense				
Redington Limited	-	0.59	-	-
Loans repaid				
Redington Limited	-	20.00	-	-
Reimbursement of expenses paid				
Redington Limited	0.13	-	0.40	-
Capital Advances				
Redington Limited	59.00	-	59.00	-
Capital Contribution from parent				
Redington Limited	80.00	-	-	-
Rental deposits				
Redington Limited	0.53	-	0.53	-

38 Due to micro, small and medium enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to dues to micro, small and medium enterprises (MSME). On the basis of the information and records available with the management, the Group's suppliers are covered under the MSMED and accordingly, disclosure of information relating to principal, interest accruals and payments are given below:

(All amounts are in Indian Rupees in crores, except share data and as stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	3.70	0.70
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

39 Share based payment transactions

A. Details of Stock appreciation rights

On 30 December 2017, Redington Limited ('the Holding Company') granted 1,104,000 Stock Appreciation Rights (SARs) to the eligible employees and directors of the Company under the Redington Stock Appreciation Right Scheme, 2017 ('SAR Scheme'). The SAR scheme was duly approved by the Board of Directors and the Shareholders of the Holding Company pursuant to which the shares of the Holding Company will be issued to the eligible employees and directors of the Company.

Each SAR entitles the employees and directors to receive equity shares of the Company equivalent to the increase in value of one equity share ('Appreciation') of the holding company. Appreciation is calculated by reducing the issue price / base price from the reported closing price of the equity shares of the holding company in the NSE / BSE where there is highest trading, on the day prior to the date of exercising of these SARs and multiplying the resultant with the number of SARs exercised.

(All amounts are in Indian Rupees in crores, except share data and as stated)

These SARs vest over a period of 3 years from the date of the grant in the following manner:

10% of the SARs vest after a period of one year from the grant date, 20% of the SARs vest after a period of two years from the grant date and 70% of the SARs vest after a period of three years from the grant date. These SARs are exercisable within a period of three years from the respective date of vesting.

Certain SARs granted to the members of senior management team as identified by the Nomination and Remuneration committee of the Holding Company have an associated performance condition. Of the total SARs granted to senior management team, 35% of the SARs that would vest at the end of 3 years from the date of the grant are subject to these performance condition.

B. Measurement of fair values

The fair value of these SARs were determined based on the grant date fair values using the Black Scholes model. The fair value of the options and inputs as determined by the holding company and used in the measurement of the grant date fair values of the equity settled SARs are as follows:

Particulars	31 March 2023	31 March 2022
Fair value at grant date (weighted-average) (INR)	71.99 per SAR	71.99 per SAR
Share price at grant date (INR)	174.60 per share	174.60 per share
Base price / Exercise price (INR)	148.50 per SAR	148.50 per SAR
Expected volatility (weighted-average)	35.72%	35.72%
Expected life (weighted-average)	4.10 years	4.10 years
Expected dividends	1.20%	1.20%
Risk-free interest rate (weighted-average)	7.02%	7.02%

Expected volatility has been based on an evaluation of the historical volatility of the holding company's share prices. The expected term of the instruments has been determined based on the average of vesting period and the contractual term of the instruments.

(All amounts are in Indian Rupees in crores, except share data and as stated)

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of SARs under the share option plan were as follows:

Particulars	Number of SARs	
	31 March 2023	31 March 2022
Outstanding as at 1 April	1,51,470	5,41,250
Add: Granted during the year (Bonus issue)	-	77,335
Less: Exercise during the year	(35,200)	(4,32,465)
Less: Forfeited during the year	(9,600)	(34,650)
Outstanding as at 31 March	1,06,670	1,51,470
SARs exercisable at the end of the year	1,06,670	1,51,470

The SARs outstanding as at 31 March 2023 and 31 March 2022 have a base price / exercise price of INR 148.50 per SAR and a weighted average remaining contractual life of Nil .

D. Expense recognized in statement of profit and loss

The Company has recognized costs with respect to those SARs which were issued to the employees and directors of the Company in the statement of profit and loss as employee benefit expenses. For details on the employee benefit expenses refer note 11. The corresponding credits are accumulated in capital reserve. For details refer note 26B.

40 Other information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

ii) The Company has not traded or invested in Crypto currency or virtual currency during the current year.

iii) A) The Company has not advanced or loaned or invested funds to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shal

1) 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

2) 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 persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

1) 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

2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

iv) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(All amounts are in Indian Rupees in crores, except share data and as stated)

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

vi) The company does not have transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956, the Company.

41 The Ind AS financial statements of the Company for the year ended 31 March 2022 were audited by M/s BSR & Co LLP Chartered Accountants, the predecessor auditor who have expressed an unmodified opinion.

42 Subsequent events

There are no other significant subsequent events that have occurred after the reporting period till the date of these financial statements except for the below .

Subsequent to the year end , the Parent has acquired ADC (Automatic Distribution Centre) at Chennai from Redington Limited pursuant to the agreement dated 26 April 2023 for a consideration of Rs 39.50 Crs (includes Land, Building and Other assets) and the same is considered as non-adjusting event.

for and on behalf of the board of directors of
ProConnect Supply Chain Solutions Limited
CIN: U63030TN2012PLC087458

Malay Kumar Shankar Managing Director DIN: 10095199 Place: Canada Date: 10 May 2023	**Krishnan S.V** Director DIN: 07518349 Place: Chennai Date: 10 May 2023
Muthu Kumarasamy Company Secretary Place: Chennai Date: 10 May 2023	**S Vijayaraghavan** Chief Financial Officer Place: Chennai Date: 10 May 2023