



INDEPENDENT AUDITORS' REPORT

To The Members of Xchanging Solutions (Singapore) Pte Ltd

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Xchanging Solutions (Singapore) Pte Ltd** ("the company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss, the Cash Flow Statement and 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 financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards referred to sub-section (1) of section 129 and section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no key audit matters identified.



Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards referred to sub-section (1) of section 129 and section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

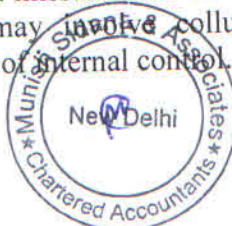
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

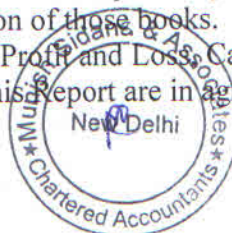
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

2. This Report has been furnished for the purpose of complying with Sec 129 and other applicable sections of Companies Act, 2013. It is not to be used for any other purpose or distributed to any other authority.

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Munish Sidana
Prop.
M. No. 099005
FRN: 020294N
UDIN: 21099005AAAAPG8537
Place: New Delhi
Date: May 27, 2021



Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

1. Background

Xchanging Solutions (Singapore) Pte Ltd ('Xchanging Singapore' or 'the Company') is a private Limited Company was incorporated in Singapore and has a branch in Japan. The Company is engaged in the Business of rendering software development and related services. The Company is a wholly owned subsidiary of Xchanging Solutions Ltd, (XSL or the Holding Company) with effect from March 31, 2004.

2. Basis of preparation

- a) The financial statements of the Company have been prepared in accordance with IND-AS's notified under the Companies (Indian Accounting Standard) Rules, 2015. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- b) The functional currency of the Company is Singapore Dollar ("SGD") and the reporting currency of the financial statement is Indian Rupee ("INR").
- c) For the convenience of readers, the Balance Sheet as at March 31, 2021 and the Profit & Loss Account and the Cash Flow for the year ended at that date have been translated into INR at the Exchange rate of 1 SGD = INR 54.3831 and the Balance Sheet as at March 31, 2020 and the Profit & Loss Account and the Cash Flow for the year ended on that date have been translated into INR at the Exchange rate of 1 SGD = INR 53.0869. The convenience translation should not be construed as a representation that the SGD amounts or INR amounts referred to in these financial statements have been, could have been, or could in the future be, converted into INR or SGD as the case may be, at this or at any other rate of exchange or at all. Wherever movement schedule is provided in the financial statement, the opening balance are converted at SGD 1= INR 54.3831 for March 31, 2021 and at the exchange rate of SGD 1=INR 53.0869 for March 31, 2020.

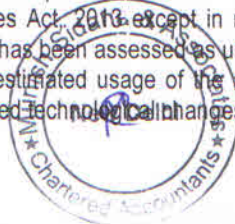
3. Summary of Significant Accounting Policies

3.1 Use of estimates

The preparation of the financial statements in conformity with IND-AS's requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

3.2 Property, plant & equipment and depreciation

- (i) Tangible assets are stated at cost of acquisition less accumulated depreciation and impairment losses. Cost comprises the purchase price and any directly attributable costs of bringing the assets to their working condition for their intended use. The carrying amounts are reviewed at each balance sheet date when required to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount.
- (ii) Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.
- (iii) Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes etc:



Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

	Years
Computers	4-7

- (iv) Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.
- (v) Leasehold improvements are amortised over the period of lease or five years, whichever is lower

3.3 Intangible Assets and Amortisation

Intangible assets are stated at cost of acquisition less accumulated depreciation and impairment losses.

Intangible assets are recognised only if it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets comprises of Computer Software which is amortized on straight line basis over an estimated useful life of upto seven years. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss

3.4 Leases

As a lessee:

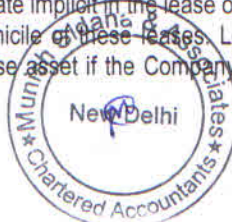
The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.



Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.5 Investments

Non-current investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

3.6 Impairment of assets

The carrying values of tangible and intangible assets at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

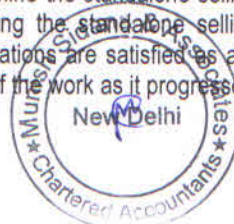
When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

3.7 Revenue recognition

Revenue is recognised net of Goods and Services Tax (GST) to the extent that it is probable that economic benefit will flow to the Company and that revenue can be reliably measured. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Arrangements with customers for software related services are either on a fixed-price or on a time-and-material basis.

(i) Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.

(ii) In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.



Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

- (iii) Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.
- (iv) Revenue from licenses where the customer obtains a "right to use" the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Maintenance Services (AMS). The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-of-completion method as the implementation is performed. Revenue from support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. AMS revenue is recognised ratably over the period in which the services are rendered.
- (v) Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.
- (vi) Deferred and unearned revenues represent the estimated unearned portion of fees derived from certain fixed-rate service agreements. Unearned revenues for fixed fee contracts are recognised on a pro-rata basis over the term of the underlying service contracts, which are generally one year.
- (vii) Unbilled revenue represents costs and earnings in excess of billings as at the balance sheet date.

3.8 Foreign currency transactions

(i) Initial recognition:

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Subsequent recognition:

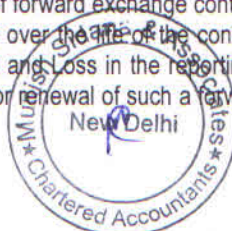
As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period other than those monetary assets which are provided for being doubtful of recovery.

Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

(iii) Forward exchange contracts not intended for trading or speculation purposes:

The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.



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Notes forming part of the financial statements

(iv) Forward exchange contracts outstanding as at the period end on account of firm commitment / highly probable forecast transactions are marked to market and gain/losses, if any, are recognised in the Statement of Profit and Loss and gains.

3.9 Employee benefits

Retirement benefits to employees comprise of leave encashment. Short term compensated absences are provided for based on estimates.

3.10 Taxes on Income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Holding Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax assets and liabilities are recognized for all temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

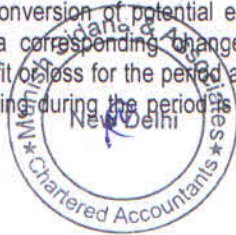
Deferred taxes and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current tax and deferred tax for the year

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

3.11 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. 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.



Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

3.12 Provisions and Contingent Liabilities

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

3.13 Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance based on an analysis of various performance indicators by business segments and geographic segments.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, is included as "Unallocated". Segment assets includes all the assets except for deferred tax assets which are treated as unallocable.

The dominant source of risk and returns of the enterprise is considered to be the business in which it operates, viz. - Information Technology (IT) Services. The sub businesses are fully aligned to IT Services business of the Company and the same are being viewed by the management as a single business segment. Being a single business segment company, no primary segment information is being provided

3.14 Project work expenses

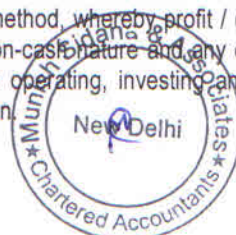
Project work expenses represents amounts charged by sub-contractors and cost of hardware and software incurred for execution of projects. These expenses are recognised on an accrual basis.

3.15 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.16 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



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Notes forming part of the financial statements

3.17 Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

3.18 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Holding Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Holding Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

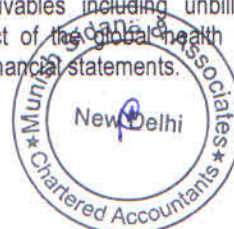
3.19 Critical accounting judgements and key sources of estimation uncertainty

The Company has considered internal sources of information up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements..

3.1 Critical judgements in applying accounting policies

i) Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

ii) Estimation uncertainty relating to COVID-19 outbreak- The Company has considered internal sources of information up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.



Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

3.20 Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value depending on the classification of the Financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Holding Company right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

In accordance with Ind AS 109, the Holding Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Financial assets that are initially measured at fair value with subsequent measurement at amortised cost e.g Trade receivables, unbilled revenue etc.

The Holding Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Holding Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Holding Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the Holding Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR).

Allowance for Trade receivables

The Holding Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Holding Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of trade receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.



Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

Derecognition of financial assets

The Holding Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Holding Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Holding Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Holding Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Holding Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

3.21 Financial liabilities

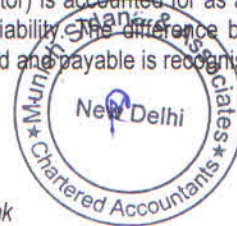
Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' Line item.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTP.

Derecognition of financial liabilities

The Holding Company derecognises financial liabilities when, and only when, the Holding Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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Xchanging Solutions (Singapore) Pte Ltd
Balance Sheet as at March 31, 2021

	Notes	As At		As At	
		Mar 31, 2021 SGD	Mar 31, 2021 INR	Mar 31, 2020 SGD	Mar 31, 2020 INR
ASSETS					
Non-current Assets					
Fixed assets					
Property, plant and equipment	4	1,168	63,541	4,251	225,692
Right of use assets	5	-	-	87,852	4,663,780
Intangible assets	6	954	51,843	1,119	59,404
Financial assets					
Investments	7	-	-	117,700	6,248,328
Total Non-current Assets		2,122	115,384	210,922	11,197,204
Current assets					
Financial assets					
Trade receivables	8	984,087	53,517,689	1,660,142	88,131,792
Cash and cash equivalents	9	12,662,583	688,629,994	9,120,361	484,171,710
Bank balances other than above	10	163,360	8,884,013	187,881	9,973,993
Other financial assets	11	1,112,435	60,497,629	2,137,039	113,448,774
Total Current Assets		14,922,465	811,529,325	13,105,423	695,726,269
Total Assets		14,924,587	811,644,709	13,316,345	706,923,473
EQUITIES AND LIABILITIES					
Equity					
Equity share capital	12	2,300,000	125,081,038	2,300,000	122,099,870
Other equity	13	10,008,776	544,307,879	8,068,049	428,307,730
Total Equity		12,308,776	669,388,917	10,368,049	550,407,600
Current liabilities					
Financial liabilities					
Lease liabilities	28	-	-	89,132	4,731,742
Trade payables	14	1,624,903	88,367,244	2,200,725	116,829,673
Other current liabilities	15	495,922	26,969,674	290,030	15,396,727
Current tax liabilities (net)	16	494,986	26,918,874	368,409	19,557,731
Total Current Liabilities		2,615,811	142,255,792	2,948,296	156,515,873
Place: Delhi		14,924,587	811,644,709	13,316,345	706,923,473

See accompanying notes forming part of the financial statements

In terms of our report attached

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Prop.
M. No. 099005
FRN: 020294N

Place: Delhi
Date: May 27, 2021



For and on behalf of the Board of Directors of
Xchanging Solutions (Singapore) Pte Ltd

HD PEI CHUN

Director

Xchanging Solutions (Singapore) Pte Ltd
Statement of Profit and Loss for the year ended March 31, 2021

	Notes	Year Ended		Year Ended	
		Mar 31, 2021	Mar 31, 2021	Mar 31, 2020	Mar 31, 2020
		SGD	INR	SGD	INR
Revenues from operation	17	9,764,560	531,026,644	10,813,010	574,029,166
Other income	18	19,465	1,058,566	107,884	5,727,261
Total Income		9,784,025	532,085,210	10,920,894	579,756,427
Expenses					
Employee benefits expense	19	3,046,981	165,704,193	3,600,182	191,122,490
Finance costs	20	868	47,203	4,147	220,130
Depreciation and amortisation expense	21	95,559	5,196,761	131,708	6,991,994
Other expenses	22	4,350,294	236,582,301	4,410,272	234,127,688
Total expenses		7,493,702	407,530,458	8,146,309	432,462,303
Profit for the year before tax		2,290,323	124,554,752	2,774,585	147,294,124
Tax expense	23	349,596	19,012,084	440,553	23,387,578
Profit for the year after tax		1,940,727	105,542,668	2,334,032	123,906,546
Earnings per share [Ordinary shares, par value SGD 1 each] Basic and Diluted		0.84	45.89	1.01	53.87
Weighted average number of ordinary shares used in computing earning per share Basic and Diluted		2,300,000	2,300,000	2,300,000	2,300,000

See accompanying notes forming part of the financial statements

As per our report of even date

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



Place: Delhi
Date: May 27, 2021

For and on behalf of the Board of Directors of
Xchanging Solutions (Singapore) Pte Ltd

Place: Delhi

Director

HO PEI CHUN

Xchanging Solutions (Singapore) Pte Ltd
Cash Flow Statement for the year ended March 31, 2021

	Year Ended		Year Ended	
	Mar 31, 2021 SGD	Mar 31, 2021 INR	Mar 31, 2020 SGD	Mar 31, 2020 INR
A. Cash flow from operating activities				
Profit/(loss) for the year after tax	1,940,727	105,542,668	2,334,032	123,906,546
Adjustments for:				
Depreciation	95,559	5,196,816	131,708	6,991,994
Tax expense	349,596	19,012,084	440,553	23,387,578
Interest	211	11,486	21,396	1,135,820
Operating profit before working capital changes	2,386,093	129,763,054	2,927,689	155,421,938
Movements in working capital :				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables and Other Loan & Advances	676,055	36,765,913	679,016	36,046,864
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(575,823)	(31,315,042)	55,007	2,920,126
Other financial liabilities and other liabilities	116,760	6,349,752	25,312	1,343,741
Taxes paid (net of refunds)	126,578	6,883,672	(397,872)	(21,121,774)
Loans & other financial assets and other assets	675,010	36,709,154	(358,935)	(19,054,748)
Net cash (used) Surplus in operating activities	3,404,673	185,156,503	2,930,217	155,556,147
Direct taxes paid (net of refunds)				
Net cash used in operating activities (A)	3,404,673	185,156,503	2,930,217	155,556,147
B. Cash flows from investing activities				
Dividend income	117,700	6,400,886	-	-
Purchase of fixed assets	(4,460)	(242,569)	(210,215)	(11,159,684)
Net cash used in investing activities (B)	113,240	6,158,317	(210,215)	(11,159,684)
C. Cash flows from financing activities				
Interest Received	(211)	(11,486)	(21,396)	(1,135,821)
Net cash from financing activities (C)	(211)	(11,486)	(21,396)	(1,135,821)
Net increase in cash and cash equivalents (A + B + C)	3,517,702	191,303,334	2,698,606	143,260,642
Cash and cash equivalents at the beginning of the year	9,308,242	506,210,674	6,609,636	350,885,061
Cash and cash equivalents at the end of the year	12,825,943	697,514,007	9,308,242	494,145,704
Components of cash and cash equivalents				
Cash on hand	-	-	-	-
Balances with banks	12,825,943	697,514,007	9,308,242	494,145,704
	12,825,943	697,514,007	9,308,242	494,145,704

See accompanying notes forming part of the financial statements

As per our report of even date

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



Place: Delhi
Date: May 27, 2021

For and on behalf of the Board of Directors of
Xchanging Solutions (Singapore) Pte Ltd

HO PEI CHUN

Director

Xchanging Solutions (Singapore) Pte Ltd

Statement of Changes in Equity for the Year ended March 31, 2021

a EQUITY SHARE CAPITAL	SGD	INR
Balance at April 1, 2019	2,300,000	117,400,211
Changes in equity share capital during the year	-	-
Exchange rate movement	-	4,849,665
Balance at March 31, 2020	2,300,000	122,249,876
Changes in equity share capital during the year	-	-
Exchange rate movement	-	2,831,162
Balance at March 31, 2021	2,300,000	125,081,038

b OTHER EQUITY

Particulars	Retained earnings (SGD)	Retained earnings (INR)	Total other equity (SGD)	Total other equity (INR)
Balance as of April 1, 2019	5,734,017	292,684,706	5,734,017	292,684,706
Profit for the year	2,334,032	123,906,547	2,334,032	123,906,547
Exchange rate movement	-	11,716,477	-	11,716,477
Balance as of March 31, 2020	8,068,049	428,307,730	8,068,049	428,307,730

Particulars	Retained earnings (SGD)	Retained earnings (INR)	Total other equity (SGD)	Total other equity (INR)
Balance as of April 1, 2020	8,068,049	428,307,730	8,068,049	428,307,730
Profit for the year	1,940,727	105,542,668	1,940,727	105,542,668
Exchange rate movement	-	10,457,491	-	10,457,491
Balance as of March 31, 2021	10,008,776	544,307,889	10,008,776	544,307,889

As per our report of even date

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



Place: Delhi
Date: May 27, 2021

For and on behalf of the Board of Directors of
Xchanging Solutions (Singapore) Pte Ltd

HD PEI CHUN
Director

Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

4. PROPERTY, PLANT & EQUIPMENT

(Owned unless specified)

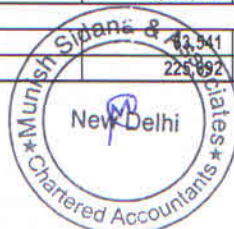
Carrying amounts of:	SGD	INR	SGD	INR
	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20	As at 31-Mar-20
Computers	1,168	63,541	4,251	225,692
Office Equipment	-	-	-	-
	1,168	63,541	4,251	225,692

**All figures are in SGD*

Particulars	Computers	Office Equipment	Total
Gross carrying value			
Balance as at April 1, 2019	232,881	17,079	249,960
Additions	4,069	-	4,069
Disposals	(141,023)	(17,079)	(158,102)
Balance as at March 31, 2020	95,927	-	95,927
Additions	4,460	-	4,460
Disposals	-	-	-
Balance as at March 31, 2021	100,387	-	100,388
Accumulated depreciation			
Balance as at April 1, 2019	218,167	17,079	235,246
Depreciation expense	14,533	-	14,533
Eliminated on disposals of assets	(141,023)	(17,079)	(158,102)
Balance as at March 31, 2020	91,677	-	91,677
Depreciation expense	7,543	-	7,543
Eliminated on disposals of assets	-	-	-
Balance as at March 31, 2021	99,219	-	99,219
Net carrying value as at March 31, 2021	1,168	-	1,168
Net carrying value as at March 31, 2020	4,251	-	4,251

**All figures are in INR*

Particulars	Computers	Office Equipment	Total
Gross carrying value			
Balance as at April 1, 2019	11,887,088	849,110	12,736,198
Additions	216,017	-	216,017
Disposals	(7,486,477)	(906,671)	(8,393,148)
Exchange rate movement	475,815	-	475,815
Balance as at March 31, 2020	5,092,443	(57,561)	5,034,882
Additions	242,569	-	242,569
Disposals	-	-	-
Exchange rate movement	124,340	-	124,340
Balance as at March 31, 2021	5,459,352	(57,561)	5,401,791
Accumulated depreciation			
Balance as at April 1, 2019	11,136,006	849,110	11,985,116
Depreciation expense	771,512	-	771,512
Eliminated on disposals of assets	(7,486,477)	(906,671)	(8,393,148)
Exchange rate movement	445,710	-	445,710
Balance as at March 31, 2020	4,866,751	(57,561)	4,809,190
Depreciation expense	410,204	-	410,204
Eliminated on disposals of assets	-	-	-
Exchange rate movement	118,856	-	118,856
Balance as at March 31, 2021	5,395,811	(57,561)	5,338,250
Net carrying value as at March 31, 2021	63,541	(0)	63,541
Net carrying value as at March 31, 2020	225,692	(0)	225,692



5 Right of use of Assets

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:

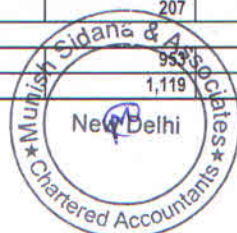
Particulars	SGD	INR
Balance as at April 1, 2019	-	-
On account of adoption of IND AS 116	204,986	10,882,086
Additions	-	-
Depreciation	(117,134)	(6,218,306)
Balance as at March 31, 2020	87,852	4,663,780
Additions	-	-
Depreciation	(87,852)	(4,777,546)
Exchange rate movement	-	113,766
Balance as at March 31, 2021	-	-

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

6 Intangible assets

Carrying amounts of:	SGD	INR	SGD	INR
	As at 31-Mar-21	As at 31-Mar-21	As at 31-Mar-20	As at 31-Mar-20
Computer Software	953	51,843	1,119	59,404
	<u>953</u>	<u>51,843</u>	<u>1,119</u>	<u>59,404</u>

Particulars	SGD	INR	SGD	INR
	Computer Software	Computer Software	Total	Total
Gross carrying value				
Balance as at April 1, 2019	-	-	-	-
Additions	1,160	61,581	1,160	61,581
Disposals	-	-	-	-
Balance as at March 31, 2020	1,160	61,581	1,160	61,581
Additions	-	-	-	-
Disposals	-	-	-	-
Exchange rate movement	-	1,504	-	1,504
Balance as at March 31, 2021	1,160	63,084	1,160	63,084
Accumulated amortisation				
Balance as at April 1, 2019	-	-	-	-
Amortisation expense	41	2,177	41	2,177
Disposals	-	-	-	-
Balance as at March 31, 2020	41	2,177	41	2,177
Amortisation expense	166	9,012	166	9,012
Disposals	-	-	-	-
Exchange rate movement	-	53	-	53
Balance as at March 31, 2020	207	11,242	207	11,242
Net carrying value as at March 31, 2021	953	51,843	953	51,843
Net carrying value as at March 31, 2020	1,119	59,404	1,119	59,404



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

	As At Mar 31, 2021 SGD	As At Mar 31, 2021 INR	As At Mar 31, 2020 SGD	As At Mar 31, 2020 INR
7 Non Current Investments <i>(Unquoted, at cost, fully paid-up)</i> In Subsidiary companies Xchanging Solutions (Malaysia) -Sdn Bhd NIL (2020: 250,000) Equity Shares of RM 1 each	-	-	117,700	6,248,328
	<u>-</u>	<u>-</u>	<u>117,700</u>	<u>6,248,328</u>
8 Trade receivable Unsecured, considered good	984,087	53,517,689	1,660,142	88,131,792
	<u>984,087</u>	<u>53,517,689</u>	<u>1,660,142</u>	<u>88,131,792</u>
9 Cash and cash equivalents Balances with Banks - in Current Accounts	12,662,583	688,629,994	9,120,361	484,171,710
	<u>12,662,583</u>	<u>688,629,994</u>	<u>9,120,361</u>	<u>484,171,710</u>
10 Other Bank Balances - Long Term Deposit with maturity more than 3 months but less than 12 months	163,360	8,884,013	187,881	9,973,993
	<u>163,360</u>	<u>8,884,013</u>	<u>187,881</u>	<u>9,973,993</u>
11 Other financial assets Current <i>Unsecured considered good, unless otherwise stated</i>				
Security deposits			20,000	1,061,738
Prepaid expenses	42,028	2,285,611	14,352	761,882
Other Loans and Advances	204	11,121	100,871	5,354,929
Unbilled Revenue	1,070,203	58,200,898	2,001,816	106,270,230
	<u>1,112,435</u>	<u>60,497,629</u>	<u>2,137,039</u>	<u>113,448,779</u>



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

	As At Mar 31, 2021 SGD	As At Mar 31, 2021 INR	As At Mar 31, 2020 SGD	As At Mar 31, 2020 INR
12 Share Capital				
Authorised capital:				
5,000,000 (2020: 5,000,000) ordinary shares of SGD 1 each	5,000,000	271,915,299	5,000,000	265,434,500
Issued, subscribed and paid up capital:				
2,300,000 (2020: 2,300,000) ordinary shares of SGD 1 each full paid up	2,300,000	125,081,038	2,300,000	122,099,870
	<u>2,300,000</u>	<u>125,081,038</u>	<u>2,300,000</u>	<u>122,099,870</u>

(i) Reconciliation of number of shares

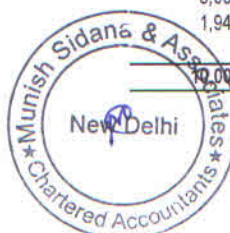
Equity Shares	As at Mar 31, 2021		As at Mar 31, 2020	
	Number of Shares	Amount (SGD)	Number of Shares	Amount (SGD)
Shares outstanding at the beginning of year	2,300,000	2,300,000	2,300,000	2,300,000
Add / (Less): Movement during the year	-	-	-	-
Shares outstanding at the end of the year	<u>2,300,000</u>	<u>2,300,000</u>	<u>2,300,000</u>	<u>2,300,000</u>

(ii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	As at Mar 31, 2021		As at Mar 31, 2020	
	Number of Shares	Percentage	Number of Shares	Percentage
Xchanging Solution Limited, India	2,300,000	100%	2,300,000	100%
	As At Mar 31, 2021 SGD	As At Mar 31, 2021 INR	As At Mar 31, 2020 SGD	As At Mar 31, 2020 INR

13 Other equity

Surplus/(Deficit) in Statement of Profit and Loss				
Balance as at the beginning of the year	8,068,049	428,307,730	5,734,017	292,684,706
Profit for the year	1,940,727	105,542,668	2,334,032	123,906,546
Exchange rate movement	-	10,457,482	-	11,716,478
Balance as at end of the year	<u>10,008,776</u>	<u>544,307,879</u>	<u>8,068,049</u>	<u>428,307,730</u>



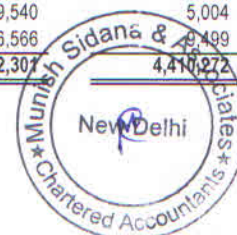
Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

	As At Mar 31, 2021 SGD	As At Mar 31, 2021 INR	As At Mar 31, 2020 SGD	As At Mar 31, 2020 INR
14 Trade Payable				
Due to:				
Holding company	14,371	781,538	-	-
Other related parties	1,220,697	66,385,211	1,227,138	65,144,978
Others	389,835	21,200,495	973,587	51,684,695
	<u>1,624,903</u>	<u>88,367,244</u>	<u>2,200,725</u>	<u>116,829,673</u>
15 Other current liabilities				
Income received in advance (Unearned revenue)	46,034	2,503,472	-	-
20.00	112,678	6,127,760	208,767	11,082,780
Employee benefits payable	283,071	15,394,276	-	-
Advances from customers	54,138	2,944,165	81,262	4,313,948
	<u>495,921</u>	<u>26,969,673</u>	<u>290,029</u>	<u>15,396,728</u>
16 Current tax liabilities (net)				
Provision for Taxation	1,372,806	74,657,381	1,023,211	54,319,099
Advance Income tax	877,820	47,738,558	654,801	34,761,372
	<u>494,986</u>	<u>26,918,823</u>	<u>368,410</u>	<u>19,557,728</u>



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

	Year Ended		Year Ended	
	Mar 31, 2021 SGD	Mar 31, 2021 INR	Mar 31, 2020 SGD	Mar 31, 2020 INR
17 Revenue from operations				
Revenue from Software Development and related services	9,764,560	531,026,644	10,813,010	574,029,166
	<u>9,764,560</u>	<u>531,026,644</u>	<u>10,813,010</u>	<u>574,029,166</u>
The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on such evaluation. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.				
18 Other income				
Interest Income	211	11,486	21,395	1,135,820
Net Exchange Gain	20,00	-	10,335	548,655
Miscellaneous Income	19,254	1,047,080	68,037	3,611,883
	<u>19,465</u>	<u>1,058,566</u>	<u>107,885</u>	<u>5,727,261</u>
19 Employee benefit expenses				
Salaries, Allowances and Bonus	2,872,384	156,209,055	3,405,457	180,785,129
Contribution to Provident Fund {refer note (i) below}	174,535	9,491,748	194,725	10,337,361
Staff Welfare	62	3,390	-	-
	<u>3,046,981</u>	<u>165,704,193</u>	<u>3,600,182</u>	<u>191,122,490</u>
(i) The Company makes contribution to the Central Provident Fund in Singapore				
20 Finance costs				
Interest expenses on lease liabilities	868	47,203	4,147	220,130
	<u>868</u>	<u>47,203</u>	<u>4,147</u>	<u>220,130</u>
21 Depreciation and amortisation expenses				
Depreciation of property, plant and equipment [Refer note 4]	7,543	410,203	14,533	771,512
Depreciation of right of use of assets [Refer note 5]	87,850	4,777,546	117,134	6,218,306
Amortisation of intangible assets [Refer note 6]	166	9,012	41	2,177
	<u>95,559</u>	<u>5,196,761</u>	<u>131,708</u>	<u>6,991,995</u>
22 Other Expenses				
Project Work Expenses	4,012,355	218,204,139	3,954,213	209,916,892
Communication	11,114	604,435	73,388	3,895,941
Travel	19,898	1,082,106	3,785	200,908
Insurance	54,447	2,960,975	56,147	2,980,663
Recruitment and Relocation	-	-	5,751	305,325
Repairs and Maintenance				
- Computer Equipment	-	-	69,966	3,714,258
Legal and Professional	56,189	3,055,730	220,987	11,731,501
Training and development	204	11,108	1,471	78,104
Printing & Stationery	350	19,034	-	-
Business Promotion	2,628	142,894	951	50,501
Net Exchange Loss	171,634	9,333,980	-	-
Bank charges	10,330	561,794	9,111	483,670
Directors' sitting fees	4,772	259,540	5,004	265,665
Miscellaneous Expenses	6,373	346,566	29,499	504,259
	<u>4,350,294</u>	<u>236,582,307</u>	<u>4,410,272</u>	<u>234,127,688</u>



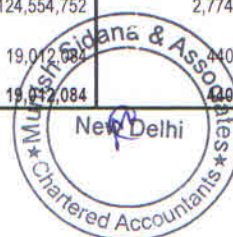
Xchanging Solutions (Singapore) Pte Ltd

Notes forming part of the financial statements

23. Income tax recognised in Statement of profit and loss Particulars	In SGD	In INR	In SGD	In INR
	For the Year ended March 31, 2021	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2020
Current tax				
In respect of the current year	349,596	19,012,084	440,553	23,387,578
Total income tax expense recognised in the current year relating to continuing operations	349,596	19,012,084	440,553	23,387,578

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2020
Profit before tax from continuing operations	2,290,323	124,554,752	2,774,585	147,294,124
Income tax expense calculated at 17 % (after other allowances and deductions)	349,596	19,012,084	440,553	23,387,578
Income tax expense recognised in profit or loss	349,596	19,012,084	440,553	23,387,578



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

24 Contingent Liabilities and commitment

Contingent liabilities
 Capital commitment

Year Ended
 Mar 31, 2021 Mar 31, 2021
 SGD INR

Year Ended
 Mar 31, 2020 Mar 31, 2020
 SGD INR

As at Mar 31, 2021	As at Mar 31, 2021
SGD	INR
Nil	Nil
Nil	Nil

As at Mar 31, 2020	As at Mar 31, 2020
SGD	INR
Nil	Nil
Nil	Nil

25 Segment reporting

The Company's business activity is organised within a single business and geographical segment. The Company renders software development and related services to its customers in South East Asia and Europe regions and is managed as one entity, governed by similar set of risks and returns. Accordingly, there are no additional disclosures to be provided under IND AS 108 "operating segments" other than those already provided in financial statements.

Secondary segmental reporting is performed on the basis of the geographical location of customer. The Company services in South East Asia and Europe geographical segments.



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

26 Financial instruments

26.01 Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the capital structure of the Company consists of net debt and total equity of the Company.
The Company is not subject to any externally imposed capital requirements.

26.02 Categories of financial instruments

Particulars	As at March 31, 2021 SGD	As at March 31, 2021 INR	As at March 31, 2020 SGD	As at March 31, 2020 INR
Financial assets				
<u>Measured at amortised cost</u>				
20	12,662,583	688,629,994	9,120,361	484,171,710
(b) Bank balances other than above	163,360	8,884,013	187,881	9,973,993
(c) Other financial assets at amortised cost	2,096,523	114,015,318	3,797,181	201,580,567
<u>Measured at Cost</u>				
Investments	-	-	117,700	6,248,328
Financial liabilities				
<u>Measured at amortised cost</u>				
Trade Payable	1,624,903	88,367,244	2,200,725	116,829,673
Other financial liability at amortised cost	-	-	89,132	4,731,742

26.03 Fair value hierarchy

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3 inputs are unobservable inputs for the asset or liability.
There are no financial Assets and Liabilities measured at fair value.

Fair value of financial assets and financial liabilities that are not measured at fair value

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

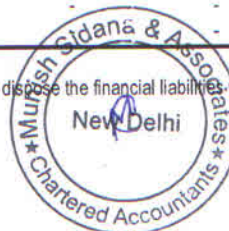
26.04 Financials risk management objectives

The Company's management monitors and manage the financial risks relating to the operations of the Company These risks includes liquidity risk.

Liquidity risk

					(Amount in SGD)
As at March 31, 2021	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total	
Trade Payables	1,624,903	-	-	1,624,903	
Other Financials liabilities	-	-	-	-	
					(Amount in INR)
As at March 31, 2021	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total	
Trade Payables	88,367,196	-	-	88,367,196	
Other Financials liabilities	-	-	-	-	
					(Amount in SGD)
As at March 31, 2020	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total	
Trade Payables	2,200,725	-	-	2,200,725	
Other Financials liabilities	89,132	-	-	89,132	
					(Amount in INR)
As at March 31, 2020	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total	
Trade Payables	116,829,673	-	-	116,829,673	
Other Financials liabilities	4,731,742	-	-	4,731,742	

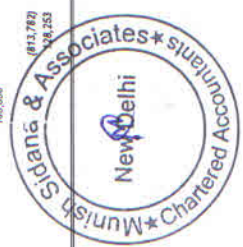
The Parent Company's financial support and operational cash flows will be sufficient to dispose the financial liabilities with in the maturity period



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

27 Related Party Disclosures

S No.	Name of the related party	Relationship	Nature of transaction	Transactions		Receivable / (Payable)		Transactions		Receivable / (Payable)	
				For the year ended		As at		For the year ended		As at	
				Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020
					SGD	INR	SGD	INR	SGD	INR	
(i)	Xchanging Solutions Ltd, India	Holding Company	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Receivables at the end of the year Trade Payables at the end of the year	(665) (45,269) 21,362 -	(36,175) (2,461,683) 1,156,281	33,664 14,214 (80,266)	1,787,136 754,551 (3,700,397)	10,302	546,832		
(ii)	Xchanging Technology Services India Pvt Ltd.	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Receivables at the end of the year Trade Payables at the end of the year	- -	- -	11,001	584,009				
(iii)	XCH Asia Pacific Sdn Bhd	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	325,328 (168,444)	17,793,184 (8,214,883)	332,946 (956,372)	17,875,064 (90,770,825)	27,430		WREFT	
(iv)	XChuang (SEA) Pte Ltd.	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	- -	- -	394	20,884				
(v)	DVC Technology, Singapore Pte. Ltd.	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Loans & Advances at the end of the year Trade Payables at the end of the year Trade Receivables at the end of the year	1,465,576 (1,859,343) 169,550	79,756,880 (101,062,379) 9,220,626	1,784,566 (1,693,109) (614,678)	84,737,099 (89,681,710) (27,322,660)	(608,371) 135,660	(37,765,661) 7,169,917		



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

27 Related Party Disclosures

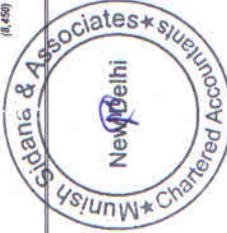
S No.	Name of the related party	Relationship	Nature of transaction	Transactions For the year ended		Receivable / (Payable) As at		Transactions For the year ended		Receivable / (Payable) As at	
				Mar 31, 2021		Mar 31, 2020		Mar 31, 2021		Mar 31, 2020	
				SGD	INR	SGD	INR	SGD	INR	SGD	INR
(vi)	DXC Technology Services Vietnam Co. Ltd.	Related Party	Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	(878,533) 632,231 (155,185)	(36,900,896) 34,382,678	(8,439,439)	(596,312) 665,582	(31,656,359) 35,333,685	(5,760,282)		
(vii)	E-Service Singapore Pte. Ltd.	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	676,664 (178,694) (285,393)	36,788,182 (9,717,827) (15,500,344)	(12,967,882) 3,003,236	402,603 (380,346) (533,126)	21,927,640 (20,722,261) (28,392,007)	(22,188,439) 1,891,190		
(viii)	CSC Japan, LLC	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year				(12,096)		(642,139)		
(ix)	Isa-Sure Services Ltd.	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	514,532 (520,488)	27,985,084 (26,301,376)	1,691,878	432,654 (542,838)	22,968,240 (28,817,640)	1,549,782		
(x)	Enterprise Services New Zealand	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	(865) 19,254	(47,841) 1,047,091		(19,254) 865	(1,022,138)	(976,219)		
(xi)	Xchanging UK Ltd	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	(802) 37,644	(43,604) 2,047,185		(37,644) 801	(1,999,359)	(1,653,828)		
(xii)	DXC TECHNOLOGY SERVICES LLC	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year		(497,881) 2,588,646		(138,852) 98,234	(7,265,065) 5,214,939	(2,050,110)		



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

27 Related Party Disclosures

S No.	Name of the related party	Relationship	Nature of transaction	Transactions		Receivable / (Payable)		Transactions		Receivable / (Payable)		Transactions		Receivable / (Payable)		
				For the year ended		As at		For the year ended		As at		For the year ended		As at		
				Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020	Mar 31, 2021	Mar 31, 2020	
(iii)	EniSero Malaysia Sdn Bhd	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	38,121	-	(4,639)	-	(42,946)	-	-	-	-	-	-	-	
(iv)	Source Mesh Inc.	Related Party	Revenue from software development & related services Expenses reimbursed / incurred to / for related party Payments made / received Trade Payables at the end of the year Trade Receivables at the end of the year	92,667	52,238	(8,459)	(8,459)	(2,864,217)	2,843,584	(49,918)	41,648	(49,559)	(8,071)	(2,649,992)	2,221,581	(428,464)



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the consolidated financial statements

28 Leases
(Refer note 3.4)

A. Break-up of current and non-current lease liabilities :

The following is the break-up of current and non-current lease liabilities as at March 31, 2020

Particulars	SGD		INR	
	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020
Current lease liabilities	-	-	89,132	4,731,742
Non-current lease liabilities	-	-	-	-
Total	-	-	89,132	4,731,742

B. Movement in Lease liabilities :

The following is the movement in lease liabilities during the year ended March 31, 2020

Particulars	As at March 31, 2021		As at March 31, 2020	
	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020
Balance at the beginning of the year	-	-	-	-
On account of adoption of IND AS 116	89,132	4,731,742	204,985	10,882,040
Additions	-	-	-	-
Finance costs accrued during the period	868	47,203	4,147	220,130
Payment of Lease liabilities	(90,000)	(4,894,475)	(120,000)	(6,370,428)
Balance at the end of the year	(0)	(115,530)	89,132	4,731,742

C. The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	As at March 31, 2021		As at March 31, 2020	
	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020
Less than one year	-	-	90,000	4,777,821
One to five years	-	-	-	-
More than five years	-	-	-	-
Total	-	-	90,000	4,777,821

D. Amounts recognized in profit or loss:

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	For the year ended March 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2020
Interest on lease liabilities	868	47,203	4,147	220,130
Depreciation	87,852	4,777,650	117,134	6,218,306

E. Amounts recognized in statement of cash flows

Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020	
	For the year ended March 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2020
Total cash outflows for leases	90,000	4,894,475	120,000	6,370,428

29 The liquidation process of Xchanging Solutions (Malaysia) Sdn Bhd, Malaysia is complete (Wholly owned subsidiary of the Company) and its status on the Company Commission of Malaysia is updated as dissolved.



Xchanging Solutions (Singapore) Pte Ltd
Notes forming part of the financial statements

30 Prior year comparatives

The Financial statements of the previous year have been restated and reclassified where necessary to conform to the current year's presentation.

In terms of our report attached

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana

Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



Place: Delhi
Date: May 27, 2021

For and on behalf of the Board of Directors of
Xchanging Solutions (Singapore) Pte Ltd

A vertical line with a handwritten signature at the bottom, representing the Director's signature.

Director

HO PEI CHUN



INDEPENDENT AUDITORS' REPORT

To The Members of Xchanging Solutions (USA) Inc

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Xchanging Solutions (USA) Inc** ("the company"), which comprise the Balance Sheet as at 31st March 2021, and the Statement of Profit and Loss, the Cash Flow Statement and 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 financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards referred to sub-section (1) of section 129 and section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no key audit matters identified.



Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards referred to sub-section (1) of section 129 and section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

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



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

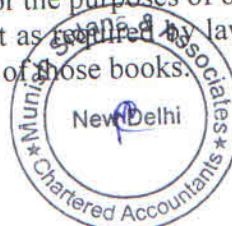
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

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

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



- c) The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- (i) The Company does not have any pending litigations which would impact its financial position;
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
2. This Report has been furnished for the purpose of complying with Sec 129 and other applicable sections of Companies Act, 2013. It is not to be used for any other purpose or distributed to any other authority.

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana



Munish Sidana
Prop.
M. No. 099005
FRN: 020294N
UDIN: 21099005AAAAPF2470
Place: New Delhi
Date: May 27, 2021

Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

1. Background

Xchanging Solutions (USA) Inc., (formerly Cambridge Solutions & Services Inc.,) [hereafter referred as "XSUS or the Company], was incorporated on June 29, 2001, as a Delaware Corporation. The Company is a wholly owned subsidiary of Xchanging Solutions Ltd, (XSL or the Holding Company) with effect from July 2, 2004.

2. Funding of Future Operations

As at March 31, 2021, the Company has significant accumulated losses amounting to \$ 28.82 million resulting in negative net-worth of \$ 18.89 million. These matters raise a substantial doubt that the Company will be able to continue as a going concern.

The Holding company has committed to fund the shortfall, if any. Accordingly, the financial statements have been prepared on a going concern basis and no adjustments have been made towards the realization value of the assets of the Company or the classification of assets in the balance sheet.

3. Basis of preparation

The financial statements of the Company have been prepared in accordance with IND-AS's notified under the Companies (Indian Accounting Standard) Rules, 2015. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

- a) The functional currency of the Company is United States Dollar ('USD' or '\$') and the reporting currency of the financial statements in Indian Rupee ('INR')
- b) For the convenience of the readers the balance sheet, as at March 31, 2021 and as at March 31, 2010, and the Profit and Loss account for both the periods/years have been translated into INR at the exchange rate of USD 1= INR 73.07 for March 31, 2020 and at the exchange rate of USD 1=INR 75.63 for March 31, 2019. The convenience translation should not be construed as a representation that the USD amounts or the INR amounts referred to in these financial statements have been, could have been, or could in the future be, converted into INR or USD as the case may be, at this or at any other rate of exchange, or at all. Wherever movement schedule is provided in the financial statement, the opening balance are converted at USD 1= INR 73.07 for March 31, 2021 and at the exchange rate of USD 1=INR 75.63 for March 31, 2020.

4. Summary of Significant Accounting Policies

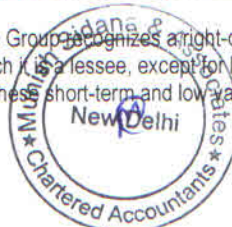
4.1 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

4.2 Leases

The Group's lease asset classes primarily consist of leases for buildings. The Group assesses whether a contract contains a lease, at inception of a contract. 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the



Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

4.3 Investments

Non-current investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

4.4 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

4.5 Revenue recognition

Revenue is recognised net of Goods and Services Tax (GST) to the extent that it is probable that economic benefit will flow to the Company and that revenue can be reliably measured. Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Arrangements with customers for software related services are either on a fixed-price or on a time-and-material basis.



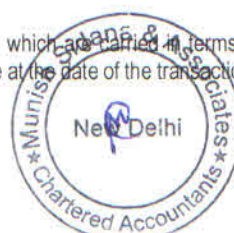
Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

- (i) Revenue on time-and-material contracts are recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognised as per the percentage-of-completion method. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Maintenance revenue is recognised ratably over the term of the underlying maintenance arrangement.
- (ii) In arrangements for software development and related services and maintenance services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering software development and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. For software development and related services, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses.
- (iii) Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.
- (iv) Revenue from licenses where the customer obtains a "right to use" the licenses is recognised at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognised over the access period. Arrangements to deliver software products generally have three elements: license, implementation and Annual Maintenance Services (AMS). The Company has applied the principles under Ind AS 115 to account for revenues from these performance obligations. When implementation services are provided in conjunction with the licensing arrangement and the license and implementation have been identified as two separate performance obligations, the transaction price for such contracts are allocated to each performance obligation of the contract based on their relative standalone selling prices. In the absence of standalone selling price for implementation, the performance obligation is estimated using the expected cost plus margin approach. Where the license is required to be substantially customized as part of the implementation service the entire arrangement fee for license and implementation is considered to be a single performance obligation and the revenue is recognised using the percentage-of-completion method as the implementation is performed. Revenue from support and other services arising due to the sale of software products is recognised as the performance obligations are satisfied. AMS revenue is recognised ratably over the period in which the services are rendered.
- (v) Provision for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the current contract estimates.
- (vi) Deferred and unearned revenues represent the estimated unearned portion of fees derived from certain fixed-rate service agreements. Unearned revenues for fixed fee contracts are recognised on a pro-rata basis over the term of the underlying service contracts, which are generally one year.
- (vii) Unbilled revenue represents costs and earnings in excess of billings as at the balance sheet date.

4.6 Foreign currency transactions

- (i) Initial recognition:
On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.
- (ii) Subsequent recognition:
As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried



Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period other than those monetary assets which are provided for being doubtful of recovery.

Exchange differences on restatement of all monetary items are recognised in the Statement of Profit and Loss.

- (iii) Forward exchange contracts not intended for trading or speculation purposes:
The premium or discount arising at the inception of forward exchange contracts entered into to hedge an existing asset/liability, is amortised as expense or income over the life of the contract. Exchange differences on such a contract are recognised in the Statement of Profit and Loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract are recognised as income or as expense for the period.
- (iv) Forward exchange contracts outstanding as at the period end on account of firm commitment / highly probable forecast transactions are marked to market and the losses, if any, are recognised in the Statement of Profit and Loss and gains are ignored in accordance with the Announcement of Institute of Chartered Accountants of India on 'Accounting for Derivatives' issued in March 2008.

4.7 Employee benefits

Retirement benefits to employees comprise of leave encashment. Short term compensated absences are provided for based on estimates.

4.8 Taxes on income

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Holding Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred income tax assets and liabilities are recognized for all temporary difference arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

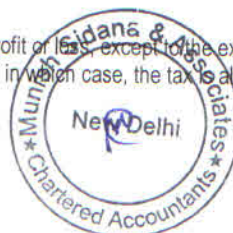
Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred taxes and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current tax and deferred tax for the year

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case, the tax is also recognized in other comprehensive income or directly in equity, respectively.



Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

4.9 Provisions and contingent liabilities

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

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

Contingent liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability.

4.10 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. 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.

4.11 Segment reporting

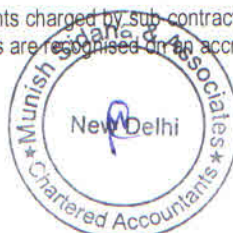
Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about products and services, geographic areas, and major customers. Based on the 'management approach' as defined in Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the Company's performance based on an analysis of various performance indicators by business segments and geographic segments.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the Company as a whole and are not allocable to segments on a reasonable basis, is included as "Unallocated". Segment assets includes all the assets except for deferred tax assets which are treated as unallocable.

The dominant source of risk and returns of the enterprise is considered to be the business in which it operates, viz. - Information Technology (IT) Services. The sub businesses are fully aligned to IT Services business of the Company and the same are being viewed by the management as a single business segment. Being a single business segment company, no primary segment information is being provided.

4.12 Project work expenses

Project work expenses represents amounts charged by sub-contractors and cost of hardware and software incurred for execution of projects. These expenses are recognised on an accrual basis.



Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

4.13 Cash and Cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

4.14 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

4.17 Other Income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

4.18 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Holding Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Holding Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

4.19 Critical accounting judgements and key sources of estimation uncertainty

The Company has considered internal sources of information up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

4.20 Financial Assets:

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value depending on the classification of the Financial assets.

Classification of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):

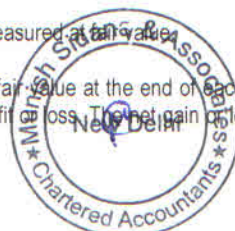
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income (except for financial assets that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates



Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Holding Company right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

In accordance with Ind AS 109, the Holding Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the Financial assets that are initially measured at fair value with subsequent measurement at amortised cost e.g Trade receivables, unbilled revenue etc.

The Holding Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Holding Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Holding Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the Holding Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate (EIR).

Allowance for Trade receivables

The Holding Company follows a 'simplified approach' (i.e. based on lifetime ECL) for recognition of impairment loss allowance on Trade receivables (including lease receivables). For the purpose of measuring lifetime ECL allowance for trade receivables, the Holding Company estimates irrecoverable amounts based on the ageing of the receivable balances and historical experience. Further, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

Derecognition of financial assets

The Holding Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Holding Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Holding Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Holding Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Holding Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

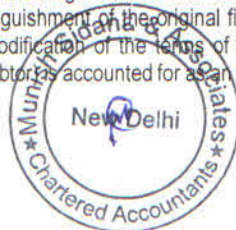
4.21 Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' Line item.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTP.

Derecognition of financial liabilities

The Holding Company derecognises financial liabilities when, and only when, the Holding Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability



Xchanging Solutions (USA) Inc.

Notes forming part of the financial statements

and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

5. Critical accounting judgements and key sources of estimation uncertainty

The Company has considered internal sources of information up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

5.1 Critical judgements in applying accounting policies:

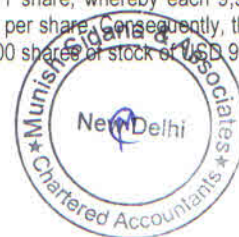
The following are the critical judgements, apart from those involving estimations, that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

- i) Estimation uncertainty relating to COVID-19 outbreak- The Company has considered internal sources of information up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of trade receivables including unbilled receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

Change in Equity Share Capital.

During the year, XSUI did reverse stock split of 9,930 shares to 1 share, whereby each 9,930 shares were combined into 1 share of stock, with a new par value of USD 9,930 per share. Consequently, the paid-up share capital of XSUI and Company's holding in XSUI is redefined as 1,000 shares of stock of USD 9,930 each.

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Xchanging Solutions (USA) Inc.
Balance Sheet as at March 31, 2021

	Notes	As At Mar 31, 2021 USD	As At Mar 31, 2021 INR	As At Mar 31, 2020 USD	As At Mar 31, 2020 INR
ASSETS					
Non-current assets					
Investments	6	27,370	1,999,941	27,370	2,069,925
		<u>27,370</u>	<u>1,999,941</u>	<u>27,370</u>	<u>2,069,925</u>
Current assets					
Financial assets					
Trade receivables	7	118,320	8,645,863	951,242	71,940,008
Cash and cash equivalents	8	18,859,007	1,378,057,004	14,801,856	1,119,427,381
Other financial assets	9	1,526,123	111,516,225	1,424,725	107,748,395
		<u>20,503,450</u>	<u>1,498,219,092</u>	<u>17,177,823</u>	<u>1,299,115,784</u>
Total Assets		<u>20,530,820</u>	<u>1,500,219,033</u>	<u>17,205,193</u>	<u>1,301,185,709</u>
EQUITY AND LIABILITIES					
Equity					
Equity share capital	10	9,930,000	725,600,568	9,930,062	750,985,764
Other equity	11	(28,821,028)	(2,105,997,411)	(33,201,666)	(2,510,959,020)
Total Equity		<u>(18,891,028)</u>	<u>(1,380,396,843)</u>	<u>(23,271,604)</u>	<u>(1,759,973,256)</u>
Non-Current liabilities					
Financial liabilities					
Other financial liabilities	12	37,929,096	2,771,538,153	37,929,096	2,868,482,734
		<u>37,929,096</u>	<u>2,771,538,153</u>	<u>37,929,096</u>	<u>2,868,482,734</u>
Current liabilities					
Financial liabilities					
Trade payables	13	1,492,583	109,065,365	2,460,370	186,071,622
Current tax liabilities (net)	14	169	12,358	87,331	6,604,608
		<u>1,492,752</u>	<u>109,077,723</u>	<u>2,547,701</u>	<u>192,676,230</u>
Total equity and liabilities		<u>20,530,820</u>	<u>1,500,219,033</u>	<u>17,205,193</u>	<u>1,301,185,709</u>

See accompanying notes forming part of the financial statements

As per our report of even date

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana

Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



For and on behalf of the Board of Directors of
Xchanging Solutions (USA) Inc.

[Signature]

Director

Place: Delhi
Date: May 27, 2021

Xchanging Solutions (USA) Inc.
Statement of Profit and Loss for the year ended March 31, 2021

	Notes	Year ended		Year ended	
		Mar 31, 2021 USD	Mar 31, 2021 INR	Mar 31, 2020 USD	Mar 31, 2020 INR
Revenue from operations	15	15,785,009	1,153,435,211	13,888,074	1,050,320,326
Other income	16	12,571	918,596	58,701	4,439,380
Total Income		15,797,580	1,154,353,807	13,946,775	1,054,759,706
Expenses					
Employee benefits expense	17	4,764,629	348,158,869	5,238,396	396,166,758
Other Expenses	18	6,472,413	472,949,323	5,488,397	415,073,775
Total Expenses		11,237,042	821,108,192	10,726,793	811,240,533
Profit before tax		4,560,538	333,245,615	3,219,982	243,519,173
Exceptional items		-	-	-	-
Profit before taxation		4,560,538	333,245,615	3,219,982	243,519,173
Tax expense/ (benefit)					
Tax expense	19	179,900	13,145,573	119,100	9,007,244
Current tax- for the earlier years		-	-	(302,555)	(22,881,478)
Total tax expense		179,900	13,145,573	(183,455)	(13,874,235)
Profit for the period		4,380,638	320,100,042	3,403,437	257,393,408
Earnings per share (Equity shares, par value \$9,930 each (2020 - \$1))					
Basic and diluted		441.15	32,235.65	0.34	25.92
Weighted average number of equity shares used in computing earning per share					
Basic and diluted		9,930	9,930	9,930,062	9,930,062

See accompanying notes forming part of the financial statements

As per our report of even date

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



For and on behalf of the Board of Directors of
Xchanging Solutions (USA) Inc.

Director

Place: Delhi
Date: May 27, 2021

Xchanging Solutions (USA) Inc.
Cash Flow Statement for the year ended March 31, 2021

	Year ended		Year ended	
	Mar 31, 2021 USD	Mar 31, 2021 INR	Mar 31, 2020 USD	Mar 31, 2020 INR
A. Cash flow from operating activities				
Profit for the year	4,380,638	320,100,042	3,403,437	257,393,408
Adjustments for:				
Tax expense	179,900	13,145,573	121,249	9,169,759
Write back of Liabilities	12,571	918,596	58,701	4,439,380
Operating profit before working capital changes	4,573,109	334,164,211	3,583,387	271,002,547
Movements in working capital :				
Decrease / (Increase) in sundry debtors	832,921	60,862,836	556,913	42,117,952
Decrease / (Increase) in loans and advances and other financial assets	(281,298)	(20,554,914)	(365,904)	(27,672,432)
Increase / (Decrease) in current liabilities and provisions	(1,067,581)	(78,009,820)	(86,115)	(6,512,623)
Net cash from/ (used in) Operating activities	4,057,151	296,462,313	3,688,281	278,935,444
Net increase/ (decrease) in cash and cash equivalents	4,057,151	296,462,313	3,688,281	278,935,444
Cash and cash equivalents at the beginning of the year	14,801,856	1,081,594,691	11,113,576	840,491,937
Cash and cash equivalents at the end of the year	18,859,007	1,378,057,004	14,801,856	1,119,427,381
Components of cash and cash equivalents:				
Balances with banks				
- in Current Account	18,859,007	1,378,057,004	14,801,856	1,119,427,381
	18,859,007	1,378,057,004	14,801,856	1,119,427,381

See accompanying notes forming part of the financial statements

As per our report of even date

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana

Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



For and on behalf of the Board of Directors of
Xchanging Solutions (USA) Inc.

[Handwritten Signature]

Director

Place: Delhi
Date: May 27, 2021

Xchanging Solutions (USA) Inc.
Statement of Changes in Equity for the Year ended March 31, 2021

a EQUITY SHARE CAPITAL	USD	INR
Balance at March 31, 2019	9,930,062	686,726,247
Changes in equity share capital during the year		
Exchange rate movement	-	64,259,517
Balance at March 31, 2020	9,930,062	750,985,764
Changes in equity share capital during the year	(62)	(4,530)
Exchange rate movement	-	(25,380,666)
Balance at March 31, 2021	9,930,000	725,600,568

b OTHER EQUITY

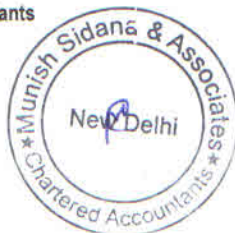
	Retained earnings (USD)	Retained earnings (INR)	Total other equity (USD)	Total other equity (INR)
Balance as of April 1, 2019	(36,605,103)	(2,531,473,153)	(36,605,103)	(2,531,473,153)
Profit for the year	3,403,437	257,393,408	3,403,437	257,393,408
Exchange rate movement	-	(236,879,275)	-	(236,879,275)
Balance as of March 31, 2020	(33,201,666)	(2,510,959,020)	(33,201,666)	(2,510,959,020)

	Retained earnings (USD)	Retained earnings (INR)	Total other equity (USD)	Total other equity (INR)
Balance as of April 1, 2020	(33,201,666)	(2,510,959,020)	(33,201,666)	(2,510,959,020)
Profit for the year	4,380,638	320,100,042	4,380,638	320,100,042
Exchange rate movement	-	84,861,567	-	84,861,567
Balance as of March 31, 2021	(28,821,028)	(2,105,997,411)	(28,821,028)	(2,105,997,411)

As per our report of even date

For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



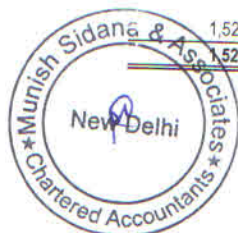
For and on behalf of the Board of Directors of
Xchanging Solutions (USA) Inc.

[Signature]
Director

Place: Delhi
Date: May 27, 2021

Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

	As At Mar 31, 2021 USD	As At Mar 31, 2021 INR	As At Mar 31, 2020 USD	As At Mar 31, 2020 INR
6 Non-current investments <i>(Unquoted at cost, fully paid-up)</i> Subsidiary company: 10,000 Equity shares of Rs. 10 each in NexPLICIT India Infotech Private Limited, India	27,370	1,999,941	27,370	2,069,925
	<u>27,370</u>	<u>1,999,941</u>	<u>27,370</u>	<u>2,069,925</u>
7 Trade receivables Outstanding for a period exceeding 6 months from the date they are due for payment Unsecured, considered good	118,320	8,645,863	951,241	71,940,008
	<u>118,320</u>	<u>8,645,863</u>	<u>951,242</u>	<u>71,940,008</u>
8 Cash and cash equivalents Cash in hand Balances with Banks - Current accounts	18,859,007	1,378,057,004	14,801,856	1,119,427,381
	<u>18,859,007</u>	<u>1,378,057,004</u>	<u>14,801,856</u>	<u>1,119,427,381</u>
9 Other financial assets Current <i>(Unsecured considered good unless otherwise stated)</i> Other Loans and Advances: Unbilled revenue	1,526,124	111,516,225	61,434	4,646,095
	<u>1,526,124</u>	<u>111,516,225</u>	<u>1,363,291</u>	<u>103,102,300</u>
			<u>1,424,725</u>	<u>107,748,395</u>



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

	As At Mar 31, 2021 USD	As At Mar 31, 2021 INR	As At Mar 31, 2020 USD	As At Mar 31, 2020 INR
10 Share Capital				
Authorised capital:				
1,014 (2020: 10,073,267) Equity Shares of \$ 9,930 each	10,069,020	735,758,976	10,073,267	761,816,000
Issued, subscribed and paid up capital:				
1,000 (2020: 9,930,062 at \$1) Equity Shares of \$ 9,930 each fully paid up.	9,930,000	725,600,568	9,930,062	750,985,764
	9,930,000	725,600,568	9,930,062	750,985,764

(i) Reconciliation of number of shares

Equity Shares	As at Mar 31, 2021		As at Mar 31, 2020	
	Number of Shares	Amount (in USD)	Number of Shares	Amount (in USD)
Shares outstanding at the beginning of the period	9,930,000	9,930,000	9,930,062	9,930,062
Shares outstanding at the end of the period	1,000	9,930,000	9,930,062	9,930,062

During the year, XSUI did reverse stock split of 9,930 shares to 1 share, whereby each 9,930 shares were combined into 1 share of stock, with a new par value of USD 9,930 per share. Consequently, the paid-up share capital of XSUI and Company's holding in XSUI is redefined as 1,000 shares of stock of USD 9,930 each.

(ii) Shares held by holding company and subsidiary of holding company

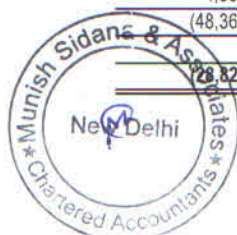
Name of Shareholder	As at Mar 31, 2021		As at Mar 31, 2020	
	Number of Shares	Amount (in USD)	Number of Shares	Amount (in USD)
Xchanging Solutions Ltd, India, Holding Company	1,000	9,930,000	9,930,062	9,930,062

(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of Shareholder	As at Mar 31, 2021		As at Mar 31, 2020	
	Number of Shares held	Percentage	Number of Shares held	Percentage
Xchanging Solutions Ltd, India, Holding Company	1,000	100.00%	9,930,062	100.00%

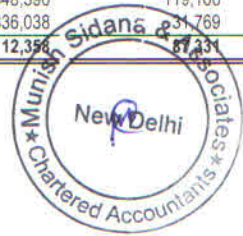
11 Other equity

Capital Reserve				
Balance ast the beginnng of the year	1,974,623	144,288,778	1,974,623	149,335,801
Add/(Less) movement during the year	-	-	-	-
Balance at the end of the year	1,974,623	144,288,778	1,974,623	149,335,801
Securities Premium				
Balance ast the beginnng of the year	17,567,336	1,283,672,606	17,567,336	1,328,573,703
Add/(Less) movement during the year	-	-	-	-
Balance at the end of the year	17,567,336	1,283,672,606	17,567,336	1,328,573,703
Surplus/(Deficit) in Statement of Profit and Loss				
Balance as at the beginning of the year	(52,743,625)	(3,854,058,838)	(56,147,062)	(4,246,261,932)
Profit for the year	4,380,638	320,100,042	3,403,437	257,393,408
Balance as at end of the year	(48,362,987)	(3,533,958,796)	(52,743,625)	(3,988,868,524)
	(28,821,028)	(2,105,997,411)	(33,201,666)	(2,510,959,020)



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

	As At Mar 31, 2021 USD	As At Mar 31, 2021 INR	As At Mar 31, 2020 USD	As At Mar 31, 2020 INR
12 Other financial liabilities				
Loans from Subsidiaries				
Holding company	37,929,096	2,771,538,153	37,929,096	2,868,482,734
	<u>37,929,096</u>	<u>2,771,538,153</u>	<u>37,929,096</u>	<u>2,868,482,734</u>
13 Trade payables				
Due to:				
Holding company	242,631	17,729,437	443,263	33,522,846
Other related parties	1,056,800	77,222,011	1,762,491	133,292,790
Others	193,152	14,113,917	254,616	19,255,986
	<u>1,492,583</u>	<u>109,065,365</u>	<u>2,460,370</u>	<u>186,071,622</u>
14 Current tax liabilities (net)				
Provision for Taxation	299,000	21,848,396	119,100	9,007,235
Advance Income tax	298,831	21,836,038	31,769	2,402,627
Current tax liabilities (net)	<u>169</u>	<u>12,356</u>	<u>67,311</u>	<u>6,604,608</u>



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

	Year ended		Year ended	
	Mar 31, 2021 USD	Mar 31, 2021 INR	Mar 31, 2020 USD	Mar 31, 2020 INR
15 Revenue from operations				
Revenue from software development and related services	15,785,009	1,153,435,211	13,888,074	1,050,320,326
	<u>15,785,009</u>	<u>1,153,435,211</u>	<u>13,888,074</u>	<u>1,050,320,326</u>
<p>The Company has evaluated the impact of COVID-19 resulting from (i) the possibility of constraints to render services (ii) onerous obligations (iii) penalties relating to breaches of service level agreements and (iv) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID-19 is not material based on such evaluation. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods</p>				
16 Other income				
Miscellaneous Income	12,571	918,596	58,701	4,439,380
	<u>12,571</u>	<u>918,596</u>	<u>58,701</u>	<u>4,439,380</u>
17 Employee benefits expense				
Salaries, allowances and bonus	4,083,015	298,352,240	4,373,581	330,762,960
Staff welfare	681,614	49,806,630	864,815	65,403,798
	<u>4,764,629</u>	<u>348,158,869</u>	<u>5,238,396</u>	<u>396,166,758</u>
18 Other Expenses				
Project work expenses	6,412,356	468,560,852	5,171,922	391,139,508
Rent*	6,456	471,750	6,456	488,251
Recruitment and relocation	-	-	301	22,771
Communication	-	-	155	11,697
Travel	9,137	667,685	26,901	2,034,460
Repairs and maintenance				
- Computer equipment	2,282	166,733	-	-
Legal & professional	-	-	274,764	20,779,742
Printing & stationery	-	-	70	5,311
Training and development	16,225	1,185,586	-	-
Directors' sitting fees	3,600	263,058	3,600	272,259
Bank charges	17,753	1,297,216	3,471	262,529
Exchange loss/(gain), net	3,767	275,288	-	-
Miscellaneous expenses	837	61,153	757	57,248
	<u>6,472,413</u>	<u>472,949,323</u>	<u>5,488,397</u>	<u>415,073,776</u>

* Represents lease rentals for short term leases and leases of low value assets



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

19. Income tax recognised in Statement of profit and loss	In USD		In INR	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2020	For the Year ended March 31, 2020
Particulars				
Current tax				
In respect of the current year/period	179,900	13,145,573	119,100	9,007,244
In respect of the current tax for the earlier years	-	-	(302,555)	(22,881,478)
Total income tax expense recognised in the current year/period relating to continuing operations	179,900	13,145,573	(183,455)	(13,874,234)

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	In USD		In INR	
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2020	For the Year ended March 31, 2020
Profit before tax from continuing operations	4,560,538	333,245,615	3,219,982	243,519,173
Income tax expense calculated at 21 %	179,900	13,145,573	119,100	9,007,244
Income tax expenses for the earlier years	-	-	(302,555)	(22,881,478)
Income tax expense recognised in profit or loss	179,900	13,145,573	(183,455)	(13,874,235)



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

	As at		As at
Mar 31, 2021	Mar 31, 2021	Mar 31, 2020	Mar 31, 2020
USD	INR	USD	INR

20 Contingent Liabilities and commitment

Contingent liabilities
 Capital commitment

As at Mar 31, 2021 USD	As at Mar 31, 2021 INR	As at Mar 31, 2020 USD	As at Mar 31, 2020 INR
Nil	Nil	Nil	Nil
Nil	Nil	Nil	Nil

21 Segment reporting

The Company's business activity is organised within a single business and geographical segment. The Company renders software development and related services to its customers in US region and is managed as one entity, governed by similar set of risks and returns. Accordingly, there are no additional disclosures to be provided under Ind AS 108 - "Operating Segments" other than those already provided in financial statements.

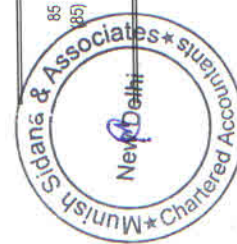
Secondary segmental reporting is performed on the basis of the geographical location of Customer. The Company services US geographical segment.



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

22 Related Party Disclosures

S No.	Name of the related party	Relationship	Nature of transaction	Transactions		Receivable / (payable)		Transactions		Receivable / (payable)		Transactions		Receivable / (payable)	
				USD	INR	USD	INR	USD	INR	USD	INR	USD	INR		
				For the year ended Mar-21	For the year ended Mar-21	As at Mar-21	As at Mar-21	For the year ended Mar-21	For the year ended Mar-21	As at Mar-21	As at Mar-21	For the year ended Mar-21	For the year ended Mar-21	As at Mar-21	As at Mar-21
(i)	Xchanging Solutions Limited, India	Holding company	Expenses reimbursed / incurred to / for related party Payments made / (received) Trade Receivables / (Payable) at the end of the year Unsecured loan at the end of the year	(2,078,777) 2,274,606 (242,569) (37,929,097)	(151,899,476) 166,208,972	(1,976,644) 1,966,734 (438,398) (37,929,097)	(17,724,906) (2,771,538,166)	(1,637,927) 1,258,156	(123,872,296) 95,151,170	(409,064)	(409,064)	(149,488,622) 147,982,901	(87,394,379)	(33,154,922) (2,868,482,749)	
(ii)	Xchanging Technology Services India P, Related Party		Expenses reimbursed / incurred to / for related party Payments made / (received) Trade Receivables / (Payable) at the end of the year	(2,852,109) 3,094,914	(208,408,047) 226,150,187	(166,259)	(12,148,800)	(5,670,272) 5,751,054	(428,828,529) 434,937,811	(1,155,590)	(1,155,590)		(87,394,379)		
(iii)	Computer Science Corporation	Related Party	Expenses reimbursed / incurred to / for related party Payments made / (received) Trade Receivables / (Payable) at the end of the year	(5,185,483) 5,582,366	(378,911,346) 407,912,211	(758,707)	(55,439,892)								
(iv)	CSC Corp - FSG US	Related Party	InterCompany Revenue Payments made / (received) Trade Receivables / (Payable) at the end of the year	125,712 (139,680)				169,678 (192,495)	12,832,306 (14,557,949)	13,968	13,968			1,056,365	
(v)	DXC TECHNOLOGY SERVICES LLC	Related Party	Expenses reimbursed / incurred to / for related party InterCompany Revenue Payments made / (received) Trade Receivables / (Payable) at the end of the year	(316,737) 185,585 (201,450)	(23,144,466) 13,560,996 (14,720,265)	(37,309)	(2,726,220)	(282,757) 184,800 393,251	(21,384,227) 29,740,560	295,293	295,293			22,332,267	
(vi)	Xchanging, Inc.	Related Party	Expenses reimbursed / incurred to / for related party Payments made / (received) Trade Receivables / (Payable) at the end of the year												



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

22 Related Party Disclosures

S No.	Name of the related party	Relationship	Nature of transaction	Transactions		Receivable / (payable)		Transactions		Receivable / (payable)	
				USD	INR	USD	INR	USD	INR	USD	INR
				For the year ended Mar-21	For the year ended Mar-21	As at Mar-21	As at Mar-21	For the year ended Mar-21	For the year ended Mar-21	As at Mar-21	As at Mar-21
(vii)	CSC Covansys Corporation	Related Party	Expenses reimbursed / incurred to / for related party	(142,188)	(10,389,914)	-	-	-	-	-	-
			Payments made / (received)	127,818	9,339,879	-	-	-	-	-	-
			Trade Receivables / (Payable) at the end of the year	(14,370)	(1,050,035)	-	-	-	-	-	-
(viii)	FSG - Mynd Corp	Related Party	Expenses reimbursed / incurred to / for related party	(7,909)	(577,936)	-	-	-	-	-	-
			Payments made / (received)	5,124	374,449	-	-	-	-	-	-
			Trade Receivables / (Payable) at the end of the year	(2,785)	(203,487)	-	-	-	-	-	-
(ix)	America's Outsourcing	Related Party	Expenses reimbursed / incurred to / for related party	(57,949)	(4,234,429)	-	-	-	-	-	-
			Payments made / (received)	13,119	958,624	-	-	-	-	-	-
			Trade Receivables / (Payable) at the end of the year	(44,830)	(3,275,805)	-	-	-	-	-	-



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

23 Lease disclosures

Office and Office Equipment are obtained under operating lease, whereby the lease is renewable on monthly basis. Expense for such leases recognized in the Statement of Profit and loss of the year under the head Rent expenses. The Company has not entered into any long term non cancelable lease agreements during the current year.

24 Taxes

The current tax charge reflects state tax and minimum federal tax payable (if any) by the Company in accordance with the tax laws applicable in the United States of America.



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

25 Financial instruments

25.01 Capital Management

The Company manages its capital to ensure it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt and total equity of the Company.

The Company is not subject to any externally imposed capital requirements.

25.02 Categories of financial instruments

Particulars	USD	INR	USD	INR
	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2020
Financial assets				
<u>Measured at amortised cost</u>				
(a) Cash and bank balances	18,859,007	1,378,057,004	14,801,856	1,119,427,381
(b) Other financial assets at amortised cost	1,644,444	120,162,088	2,375,967	179,688,403
<u>Measured at Cost</u>				
Investments	27,370	1,999,941	27,370	2,069,925
Financial liabilities				
<u>Measured at amortised cost</u>				
Other financial liability at amortised cost	39,421,679	2,880,603,517	40,389,466	3,054,554,357

25.04 Fair value hierarchy

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and Level 3 inputs are unobservable inputs for the asset or liability.

There are no financial Assets and Liabilities measured at fair value.

Fair value of financial assets and financial liabilities that are not measured at fair value

The management assessed that fair value of cash and cash equivalents, trade receivables, trade payables, other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

25.05 Financials risk management objectives

The Company's management monitors and manage the financial risks relating to the operations of the Company. These risks includes liquidity risk.

Liquidity risk

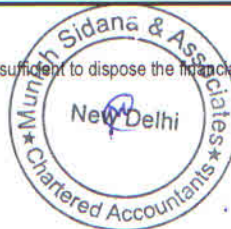
				(Amount in USD)
As at March 31, 2021	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total
Trade Payables	1,492,583	-	-	1,492,583
Other Financials liabilities	-	37,929,096	-	37,929,096

				(Amount in INR)
As at March 31, 2021	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total
Trade Payables	109,065,365	-	-	109,065,365
Other Financials liabilities	-	2,771,538,153	-	2,771,538,153

				(Amount in USD)
As at March 31, 2020	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total
Trade Payables	2,460,370	-	-	2,460,370
Other Financials liabilities	-	37,929,096	-	37,929,096

				(Amount in INR)
As at March 31, 2020	Less than 1 yrs	1 to 5 yrs	>5 Yrs	Total
Trade Payables	186,071,622	-	-	186,071,622
Other Financials liabilities	-	2,868,482,734	-	2,868,482,734

The Parent Company's financial support and operational cash flows will be sufficient to dispose the financial liabilities with in the maturity period.



Xchanging Solutions (USA) Inc.
Notes forming part of the financial statements

26 Previous year comparatives

The Financial statements of the previous year have been restated and reclassified where necessary to conform to the current year's presentation.

As per our report of even date
For Munish Sidana & Associates
Chartered Accountants

Munish Sidana
Munish Sidana
Prop.
M. No. 099005
FRN: 020294N



Place: Delhi
Date: May 27, 2021

For and on behalf of the Board of Directors of
Xchanging Solutions (USA) Inc.

A handwritten signature in blue ink, appearing to be "John", written over a faint grid background.

Director