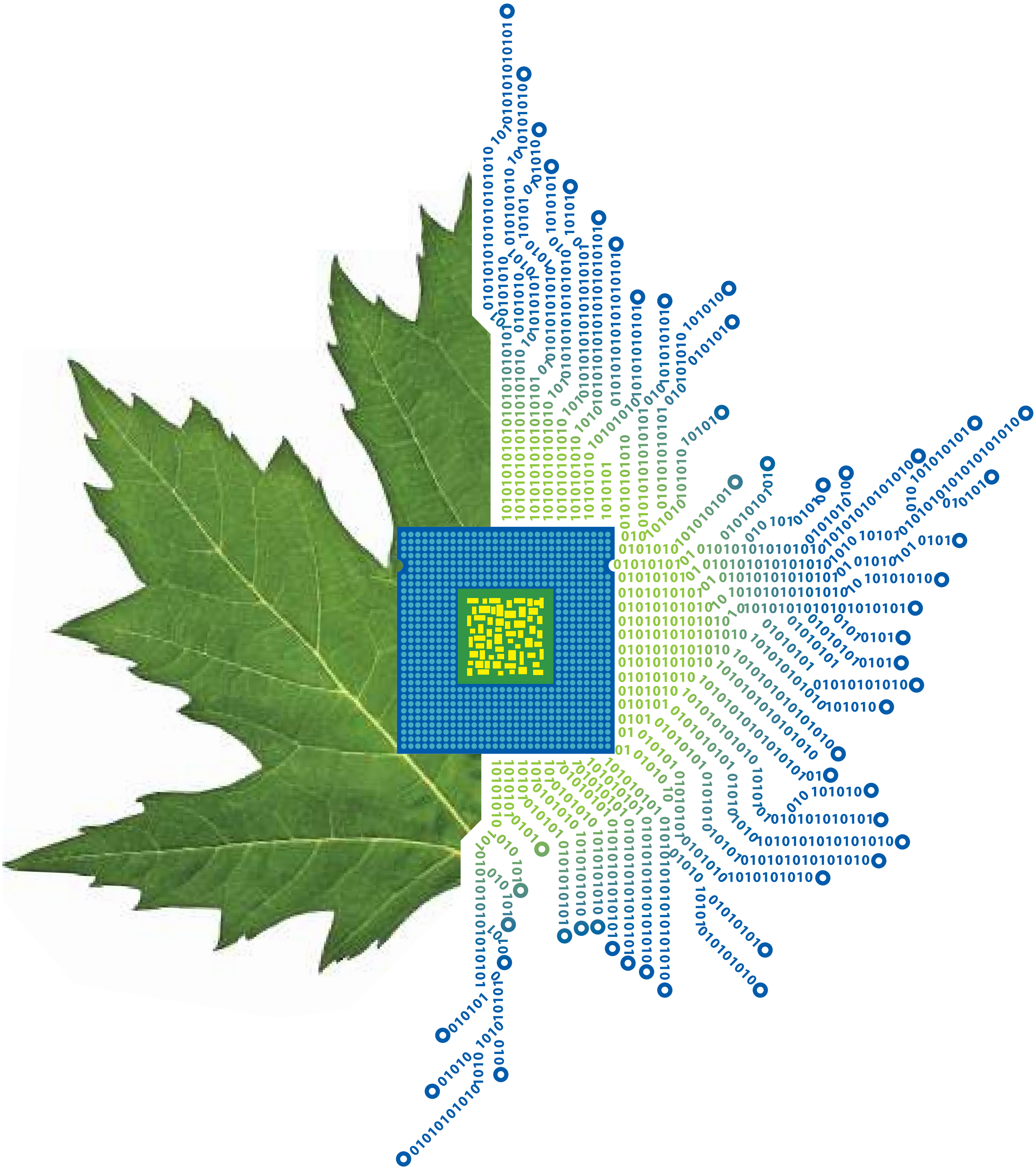
Building Transparency. Driving Growth.

Building transparency. Driving growth.



IRIS Business Services Limited

Annual report 2022-23

Contents

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

iRIS

Building Transparency. Driving Growth.

Our logo was launched in 2021-22. It reflects our intent to pioneer a series of innovations in an increasingly digital and connected world. It also retains the familiarity of the brand that has withstood the test of time and helped the Company reach where it is today.

"Data is a precious thing and will last longer than the systems themselves."

Tim Berners-Lee, inventor of the World Wide Web

Online Annual report
www.irisbusiness.com

Building transparency. Driving growth.

IRIS Business Services Limited is engaged in the business of enhancing organisational transparency.

The company is addressing this reality that is growing in importance the world over, through interventions that are empowering customers to present a credible picture of their operations.

The more this transparency-driven commitment deepens and widens the world over, the quicker could be the company's growth, enhancing value for all its stakeholders.

Corporate snapshot

IRIS Business Services Limited.

The company has been an evangelist and pioneer in building regulatory compliance solutions.

It is a dedicated regtech solution provider and the only listed SaaS player in India's regtech space.

These solutions have been centred around data standards that enhance transparency through cleaner, verifiable and consistent reporting cum data sharing.

IRIS has been an expert in the field of regulatory reporting, an innovator building new solutions and a nurturer while providing solutions and services to clients.

The company is addressing a critical need in a world marked by a growing culture of extensive compliance, wider reporting and deepening disclosures.

The company's products and services are enhancing reporting ease, moderating compliance costs and facilitating comparisons between peer companies.

In doing so, the company is taking the governance-derived respect of its customers ahead and helping enhance stakeholder trust.

Track record

IRIS Business Services Limited was incorporated in 2000. Over the years, the Company has emerged as a global player in the regulatory technology space. The Company's services comprise compliance, data and analytics with products across the information supply chain and data reporting standards (XBRL and SDMX, among others). Over the past six years, the company has successfully evolved from a services-oriented business to a product-led model.

Promoters

IRIS is promoted by Mr. Swaminathan Subramaniam, Mr. Balachandran Krishnan and Ms. Deepta Rangarajan. The promoters ventured into business to provide solutions for research and data challenges of institutional investors. The promoters possess a cumulative experience of over six decades and have been together since 1994.

Products and services

IRIS began its journey by providing XBRL-related services and consultancy to domestic and offshore clients. The Company's product offerings are divided into three segments - Collect, Create and Consume – that help improve customer transparency, standing and competitiveness.

Presence

IRIS is headquartered in Navi Mumbai, India. The Company's international subsidiaries include US, Singapore and Italy. The Company possesses a growing customer presence in 52 nations across five continents.

Positioning

IRIS is not a KPO, BPO or an IT services company. The company's services comprise Software as a Service (SaaS), Data as a Service (DaaS) and software products.

Business health

The company's order book as on March 31, 2023 was ₹120 cr with an annual recurring revenue of ₹55.42 cr (₹47.57 cr a year ago). Recurring revenue contributed 75% to the total revenue during the year under review compared to 78% on FY 2021-22.

Listing

The Company was listed on November 08, 2021 on the Main Board of the National Stock Exchange and Bombay Stock Exchange. The company's total market capitalisation was ₹136.69 cr as on March 31, 2023.

Order book
120
₹ cr, March 31, 2023

Resource strength
440+
Count, March 31, 2023

Market capitalisation
136.69
₹ cr, March 31, 2023

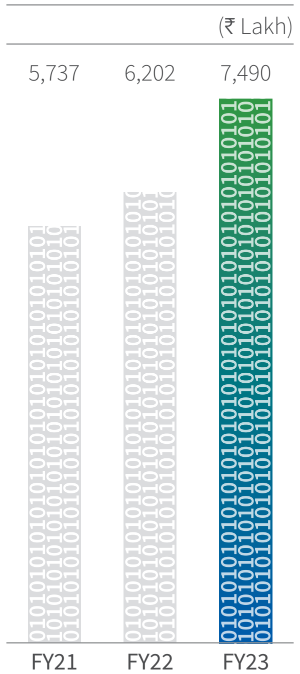
Promoter group stake
37.82
%, March 31, 2023

Revenue mix by geography

(in ₹ Lakh)	FY 2022-23	FY 2021-22
India	2,776	2,749
Middle East	785	576
Asia-Pacific	826	400
Africa	963	873
USA	523	334
Europe	875	664
United Kingdom	609	530

(%)	FY 2022-23	FY 2021-22
India	38	45
Middle-east	11	9
Asia-Pacific	11	7
Africa	13	14
USA	7	5
Europe	12	11
United Kingdom	8	9

The financial growth story of IRIS



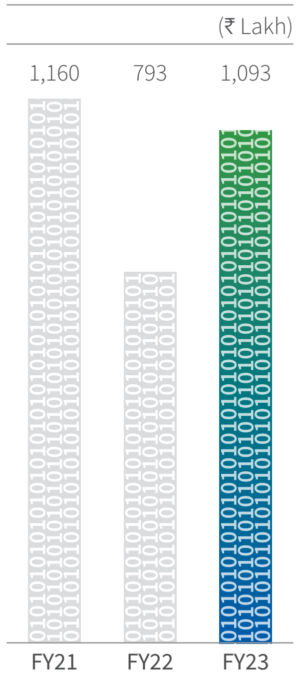
Revenues

Definition
Proceeds generated from the sale of products (net of taxes) in addition to treasury income, if any

Why is this measured?
It is an index that showcases the Company's competitiveness in servicing customers with products; it can also be used as an index to compare size with other companies

What does it mean?
This indicates the capacity of the company to carve out market presence cum share, a foundation on which to amortise costs

Value impact
Aggregate revenues increased from ₹6,202 Lakh in FY 2021-22 to ₹7,490 Lakh in FY 2022-23.



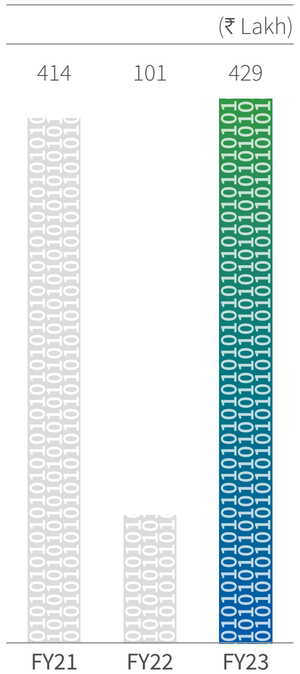
EBITDA

Definition
Earnings before the deduction of interest, depreciation, extraordinary items and tax

Why is this measured?
It is an index that showcases the Company's ability to generate a surplus following the expensing of operating costs.

What does it mean?
Helps create a robust growth engine

Value impact
The Company's EBITDA increased from ₹793 Lakh in FY 2021-22 to ₹1,093 Lakh in FY 2022-23



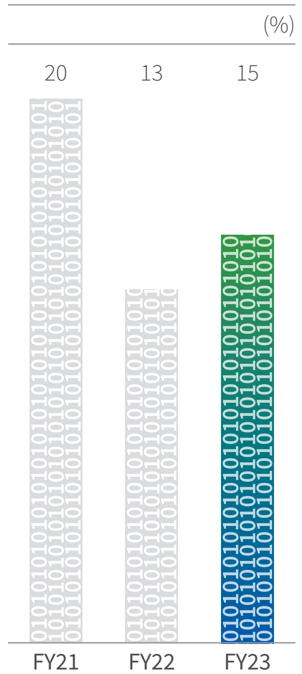
PAT

Definition
Profit earned during the year after deducting all expenses and provisions

Why is this measured?
This measure highlights the strength of the business model in enhancing shareholder value

What does it mean?
Ensures that adequate surplus is available for reinvestment.

Value impact
The Company's PAT increased from ₹101 Lakh in FY 2021-22 to ₹429 Lakh in FY 2022-23.



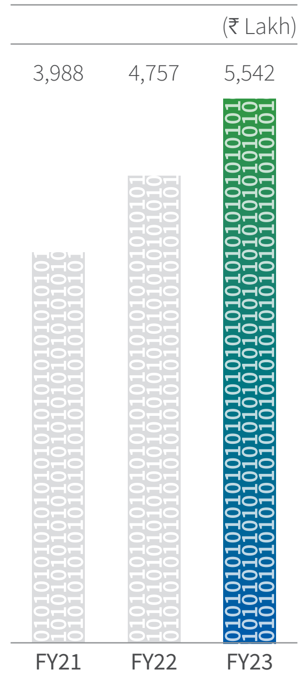
EBITDA margin

Definition
EBITDA margin is a profitability ratio used to measure a company's pricing strategy and operating efficiency

Why is this measured?
The EBITDA margin provides a perspective of how much a company earns (before deduction of interest, depreciation and taxes) on each rupee of sales.

What does it mean?
This demonstrates adequate buffer in the business, expressed as a percentage, which, when multiplied by scale, enhances surpluses.

Value impact
The Company's EBITDA margin increased by 200 bps from 13% in FY 2021-22 to 15% in FY 2022-23.



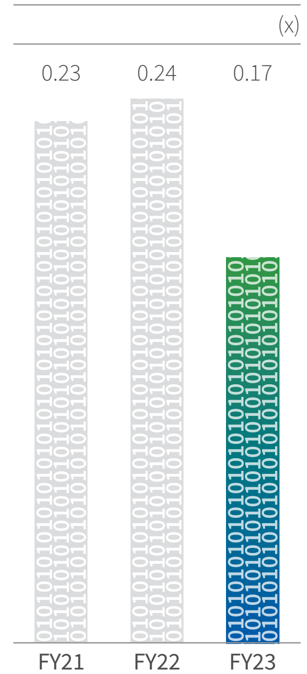
Annual recurring revenues

Definition
It is a portion of the company's revenues that is expected to continue in future

Why is this measured?
It enables a measurement of the company's progress and is a reasonable estimate of future growth

What does it mean?
Enhanced ARR provides a better chance to attract investors as it is an indicator of sustainable business health.

Value impact
Recurring revenues increased 16% to ₹5,542 Lakh in FY 2022-23 compared to ₹4,757 Lakh in FY 2021-22. Recurring revenues contributed 75% to the total revenue in FY 2022-23 compared to 78% in FY 2021-22



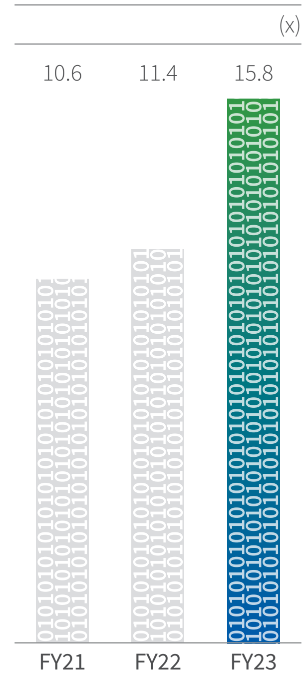
Gearing

Definition
This is derived through the ratio of debt to net worth

Why is this measured?
This is a defining ratio of a company's financial solvency

What does it mean?
This measure enhances a perception of the borrowing room within the company; the lower the gearing, the better.

Value impact
The Company's gearing decreased marginally by 70 bps



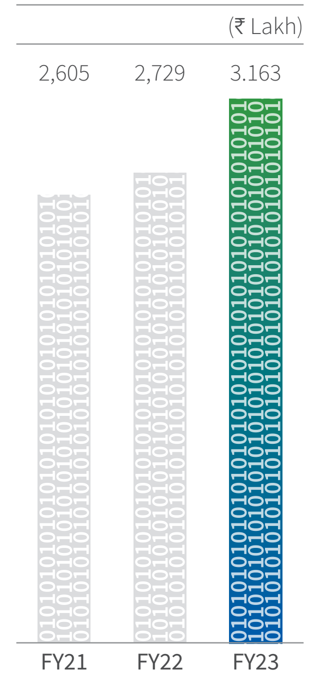
Interest coverage

Definition
This is derived through the division of EBITDA by interest outflow

Why is this measured?
Interest cover indicates the Company's comfort in servicing interest – the higher the better.

What does it mean?
A company's ability to meet its interest obligations, an aspect of its solvency, is arguably one of the most important factors that shareholders consider.

Value impact
The Company's interest cover strengthened by 440 bps during the year under review.



Net worth

Definition
This is derived through the accretion of shareholder-owned funds

Why is this measured?
Net worth indicates the financial soundness of the company – the higher the better.

What does it mean?
This indicates the extent of shareholder funds available within the company to grow the business

Value impact
The Company's net worth strengthened attractively during the year under review.

Our footprint

Our global footprint comprising prominent clients spread across the world

52
Countries of presence

30+
XBRL projects

Our prestigious clientele

Business registries

- Accounting and Corporate Regulatory Authority (ACRA), Singapore
- Corporate and Business Registration Department (CBRD), Mauritius
- Companies and Intellectual Properties Commission (CIPC), South Africa
- Ministry of Commerce and Industry (MCI), Qatar
- Ministry of Commerce and Investment (MCI), Saudi Arabia
- Suruhanjaya Syarikat Malaysia (SSM), Malaysia

Capital market regulators

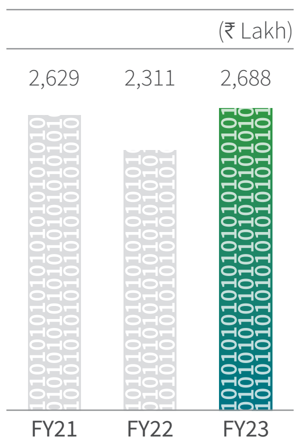
- Amman Stock Exchange
- Kuwait Boursa
- CMA Kuwait
- ESCA UAE
- SEBI
- Tadawul Saudi Arabia
- Qatar Stock Exchange
- CMA Oman
- Abu Dhabi Securities Exchange
- Dubai Financial Market
- SCM, Malaysia

BFSI regulators

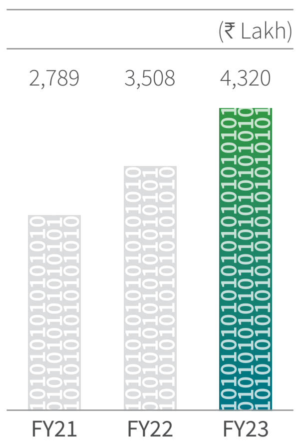
- Reserve Bank of India
- Bank of Mauritius
- QFCRA Qatar
- Central Bank of Jordan
- Nepal Rashtra Bank
- Royal Monetary Authority, Bhutan
- South African Reserve Bank

Filers / Enterprises

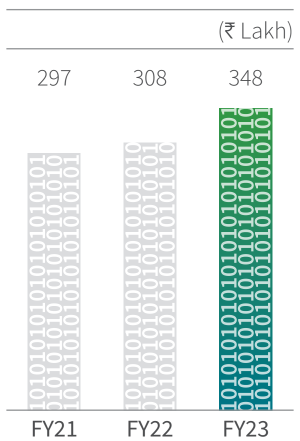
- 1&1 Drillish, Germany
- Aegon , UK
- Bajaj Auto, India
- Basware, Finland
- Bergen Bio SA, Norway
- Bidvest, South Africa
- BMW, South Africa
- Bpost, Belgium
- British American Tobacco, South Africa
- Collector AB, Sweden
- Colruyt Group, Belgium
- Dermapharm SE Germany
- Digi Communications, Romania
- Eesti Energia AS, Estonia
- ENI spa, Italy
- Friwo, Germany
- HDFC Bank, India
- Hellenic Bank, Cyprus
- ICICI Bank , India
- KBC Bank NV, Belgium
- Kinder Morgan Inc US
- Kotak Bank, India
- Larsen & Toubro, India
- Nordecon, Estonia
- Old Mutual Limited, South Africa
- PETROL, Slovenia
- Reliance Industries Limited, India
- State Bank of India
- Tata Motors, India
- VP Plc , UK



Collect business



Create business



Consume business

IRIS. Right product. Right place. Right time.

India's only listed SaaS company in the regtech space

Overview

IRIS Business Services Limited is at the right place and at the right time.

There is a growing incidence of companies being appraised by their governance commitment in the modern world. The 'what' of performance has been replaced by the 'how' of achievement. Governance is being increasingly influenced by enhanced disclosures, digitalised filings and increased reporting. Besides, there is a concurrent need for organisations to moderate filing and disclosure costs, warranting the use of modern technologies.

This explains why regtech and Software as a Service (SaaS) have emerged as game-changers in today's world. The complement of these cutting-edge technology developments is enhancing reporting convenience and moderating compliance costs.

IRIS is the only Indian listed company to have reconciled these two capabilities - regtech and SaaS - into its consolidated business model. The company is at an attractive cusp that promises sustainable growth in the face of a large untapped market that seeks to graduate to modern reporting technologies.

CEO's address

"Over the last 5 years, the company fundamentals have only improved steadily."

Swaminathan Subramanian,
Chief Executive Officer

Five years.

It has been five financial years since we went public, which makes this a good moment to reflect on the past and take a peek into what the future possibly holds. Past tense, future bright is how I would describe it.

I look back with a huge sense of accomplishment. I am proud of what we have achieved with the limited financial resources at our disposal. When we embarked on our journey and talked about standards based digital reporting, investors laughed us out of their offices. Even today, serving 6200 customers across 52 countries as we do, it is still a struggle to get investor attention.

Many of our shareholders are puzzled that while on the one hand we claim to be doing such impacful work, our story continues to go largely unappreciated. For them, only one thing matters and that is the returns they make on their investment in IRIS, which, in recent times, has been nothing to crow about.

As promoters of the company, we do not trade in the market to influence the stock price. We recognise that the absence of listed peer group companies which IRIS can be benchmarked against makes it difficult for any investor seeking to make comparisons.

Perhaps there are some insights that investors can glean from Workiva which is listed on NYSE. For us they are the company to emulate. The company chalked up revenues of USD 538 million last year but is loss making. I would recommend to our investors to study Workiva to appreciate what is possible at IRIS if we had the resources.

As CEO, while I am certainly mindful of the stock price, my focus is only on improving the company's operating metrics. It is not for me to comment on the stock price or its movement, that is driven by the collective wisdom of the investing community. My responsibility is to provide our investors with a sense of where we are headed.

Given how little we have had to work with, I think we have done very well. Pre-IPO we clocked revenues of ₹27 cr and were loss making. Last year, we closed with all time high revenues of ₹75 cr, PAT of ₹4.29 cr and EBITDA of ₹10.93 cr. Five years ago, we were a services provider or a KPO. Since then we have pivoted to products, mostly delivered in a SaaS mode. This past year, our recurring revenues, most of which comes from our SaaS offerings stood at a healthy ₹55 cr.

Could we have done more? Yes, if Covid had not struck. Yes, if we were funded better.

As a company, we have been to hell and back. Pre-IPO, we faced an uncertain future. Today we are on solid ground, in fact the strongest we have ever been in the history of the company. The funds raised in the IPO helped us turn around the company's fortunes. If today, we are facing the future with confidence, it is in large measure due to the faith reposed in us by those that subscribed to the IPO, we owe each of those investors a huge debt of gratitude. Most of our IPO subscribers continue to stay as shareholders which speaks volumes of their assessment of the company's future prospects.

So then, what do any of them see in us that most others don't? Our savvy investors know that we are not an IT services company. They also know that we are not an IT enabled services (ITeS) company either. They know that we are one of a kind in India. That makes our business difficult to decipher. So, they look at Workiva. We do too, for inspiration.

Our business

IRIS operates through 3 business segments, Collect, Create and Consume, each of which is actually a multi billion dollar opportunity.

Through the Collect segment, which analysts refer to as Suptech, we serve over 30 regulatory customers including central banks like RBI in India, stock exchanges like ADX and DFM in the UAE and business registries like ACRA in Singapore. We help these regulators collect data from those they regulate.

Over 6200 enterprise clients are users of one or more of our suite of offerings that make up the "Create" segment of our business, referred to as regtech. You will see that our client is a list of companies large and small, including familiar ones BMW, Nigerian multinational Dangote, L & T, Reliance Industries and Renault, to name a few. They subscribe to our software to generate their regulatory submissions. This is our fastest growing part of our business, the products are largely delivered as SaaS offerings.

And then there is the Consume Segment which analysts would refer to as datatech in their world. We have two sets of offerings, data and software. I would invite you to download our mobile app called IRIS Peridot which will help you verify the GST compliance status of any business in India. Some 15 Lakh MSMEs have downloaded IRIS Peridot of which 5 Lakh are regular users.

Then there is CRILC, a household name in the Indian banking system, developed by us for the RBI. I cannot overstate the importance of CRILC in transforming the Indian banking system, rendering it the strongest it has ever been since independence.

We also have a repository of data from which we are helping launch a myriad of data led applications ranging from lending to a lot else.

The foundation has been laid for the next phase of growth of the company. The presence of referenceable customers who are proof of a product to market fit of each of our products gives us reason to believe that the future is indeed bright.

Early days

Let me take you back to when we got started. Our life stared as a KPO, riding a US SEC mandate directing public companies to make their disclosures in an open source information reporting standard called XBRL or eXtensible Business Reporting Language. The motivation of the SEC in promulgating this mandate was to usher in transparency and to enhance discoverability of information in a digital world.

In the days prior to the SEC mandate, it was well-known that IRIS housed the most experienced XBRL team in the world. We had been working on XBRL since 2004 when we partnered Edgar Online to help create the world's first database of US company financials in XBRL. We had also developed a tool called IRIS Proton that our services team used for the conversion of historic filings into XBRL.

Today we are on solid ground, in fact the strongest we have ever been in the history of the company. The funds raised in the IPO helped us turn around the company's fortunes. If today, we are facing the future with confidence, it is in large measure due to the faith reposed in us by those that subscribed to the IPO, we owe each of those investors a huge debt of gratitude. Most of our IPO subscribers continue to stay as shareholders which speaks loudly of their assessment of the company's future prospects.

So, when the mandate was rolled out, several service providers in the US reached out to us, asking if we would partner them. We went with a financial printer by the name of Merrill Corporation.

Over the next few years, the bulk of our revenues would come from helping US public companies, all of whom were clients of Merrill Corp, convert their 10 Qs and Ks into the XBRL format as required by US SEC. We were the captive back office of Merrill Corp. With our conversion services team rising to the task of delivering error free filings, it was not long before we were trusted by Merrill with filings of some of their most prized clients such as Citibank, AIG, 3M and so on.

Things were going well until a company called Workiva emerged on the scene to disrupt the market for compliance solutions. By the time the established players, all of whom were financial printers, woke up, Workiva had walked away with a large chunk of the market.

We never feared for our future. While we were resigned to a fall in revenues due to the parting of ways with Merrill, we had other business lines that we hoped would chip in to keep us growing. But as we would discover over the next few months, that was simply not enough.

Our client, MerrillCorp to was taken by surprise, they found their turf threatened. The teams from Merrill and IRIS went into a huddle and determined that we needed to have an offering that would rival Workiva's. We concluded that the time had come to move from the desk top based solution that IRIS Proton was, to a collaborative cloud based platform to create compliance filings. IRIS Carbon was born.

At IRIS, as work began on IRIS Carbon, we realised that once we took the product route, we could not continue to be exclusive to Merrill. Merrrill too umderstood our concerns. We knew that if we parted ways with Merrill, it would be difficult for us to enter the US market. We simply did not have the financial muscle to do so.

I have vivid memories of that rainy afternoon in Chennai when we finally decided to amicably part ways with Merrill. We agreed that we would let them take over the services work in a phased manner over the next two years, we committed to them that they could turn to us for help even thereafter. We had bitten the bullet.

As we were leaving the meeting with Merrill, I was reminded of a story told about Mr. Narayana Murthy. He is often quoted as saying that the decision to walk away from the GE business was the turning point for Infosys. This was our own Infosys GE moment. The soft-landing that we had mutually worked out with Merrill would keep us in play for the next two years. We had no clue as to what lay beyond for our services business or even the company as a whole. The year was 2013.

What gave us confidence was that we were supremely confident of our own capabilities. While we were hopeful that the US opportunity would not be a lost case, we felt that it was only a matter of time before every regulator in the world would embrace XBRL. Regulators would need software, as would enterprises. We created a crack team to identify and develop products for regulators, knowing that we already had Proton to serve the need of enterprises.

Till today, our business model continues to be unique in as much as it combines Collect, Create and Consume under one roof. Being one of the early movers, we were approached by regulators in countries as far apart as Macedonia and Singapore to help them with their XBRL rollout. In India, we won the confidence of BSE, SEBI, RBI and MCA, all of whom signed up as clients. The technology was new and each of them was getting into this blind, knowing that XBRL rollout had started in the US, China, Japan and a few other countries and not wanting to be left behind.

If clients were enthusiastic, investors were not. To fund product development, we had gone out seeking investments but the door was slammed on our face by every VC that we approached. The irony of the situation where customers showed more enthusiasm to adopt new practices than investors were willing to fund was not lost on us. The fact that we had signed up so many regulators meant nothing to them. The full import of XBRL adoption was not appreciated by them which is how it continues to be to this day. Being an early mover has its downside. It took us more than 2 years to close a small round of ₹7.5 cr which came our way in 2010.

Living on the edge

We never feared for our future. While we were resigned to a fall in revenues due to the parting of ways with Merrill, we had other business lines that we hoped would chip in to keep us growing. But as we would discover over the next few months, that was simply not enough.

Our US aspirations could not be realised in the absence of a sales team. We needed funds. Product development was work in progress and to mount a good marketing campaign would require a war chest. Investor after investor turned us down. Few had heard of XBRL. those that gave us a meeting refused to entertain us once we told them that revenues from Merrill would dry up within two years.

But we were optimistic. Employees made huge sacrifices by taking salary cuts and agreeing to defer their salaries to keep the company afloat. I for one stopped taking a salary altogether, announcing that I would not draw a salary until all employee dues were cleared. We were confident that it would be only a matter of time before we found an investor who would be willing to back us, an investor who would recognise the value of what we had built. Instead, even our existing investor started worrying if he would be able to recoup his investment in IRIS. We may have been down but we refused to shut shop. The employees saved the day. Many of them knew the importance of our work for RBI all other regulators that had come to depend on us, failure was not an option.

Even if each of us had to pay a huge cost, personally.

Then came GST

It was around this time that the government announced the GST mandate. IRIS became one of the first to be awarded the status of a GSP or a GST Suvidha Provider. Our existing investor recognised that this could well be the opportunity for us to emerge from the crisis that engulfed us. He took the initiative to bring an investor to the table. That's when we had a brainwave. What if we took the company public, we asked them. They approved and it was not long before we started trading on the SME platform of the BSE as IRIS.

In so doing, we created a record which will be hard to beat. Our IPO happened in record time. It helped that we have always ensured that we adhered to best practices in governance. We also had enough goodwill among the investing community to be able to raise the full ₹16 cr that we sought to raise through the IPO with just a few phone calls.

We have not looked back since.

So, today, when we look back, we are thrilled at how far we have come with minimal resources. In a world where people are advised to either succeed fast or fail fast, we have held on, we laboured on. Today we live to tell the tale of our survival. That would make us a cockroach, I suppose, having demonstrated our ability to survive even an existential crisis. Just so that you know, the total equity infusion since the beginning was under ₹24 cr or USD 3 million. That is less then what today's startups raise to develop an MVP. I hope you are able to appreciate the enormity of our achievement.

We are future ready

Over the years we have had to plough a lonely furrow as is the lot of innovative companies, I suppose. Through all the rejections and rebuffs, it is our perseverance, our hang in there attitude that has worked for us. We take a huge amount of pride in our work especially when it strengthens the ecosystem as has happened with the RBI. We are a customer obsessed company as our own clients tell us in survey after survey.

Which is how we closed this past year with the highest sales ever in the history of the company. Revenues since IPO has jumped almost 3 fold. We are profitable. Today we face the future with confidence. With 6200 + customers across 52 countries to back us up, we are future ready.

Our pivot to products started before the IPO. The process gathered momentum post IPO. Over these five years, we have pivoted and emerged as a highly respected software products firm serving the compliance needs of regulators and enterprises alike, of enterprises large and small. Most of our revenues coming from our SaaS offerings which are made by us in India, for the world.

Looking ahead

We are confident that it can only get better for IRIS in the days ahead. The opportunities that we are hoping to profit from are several.

- IRIS CARBON's O365 based Disclosure Management which has just been launched opens up an adjacency for our enterprise business in a global market which is estimated to be upward of USD 700 Million currently and estimated to grow at a CAGR of ~ 18% by 2027. Our new offering allows us an opportunity to extend deeper into the Office of the CFO, and to reach across a wider spectrum of enterprises across the globe.
- The ESG mandate covers more than 1,00,000 companies world wide. We are confident that many of the 6200 enterprise clients we presently serve would use IRIS Carbon to make their ESG submissions.

We are also hopeful that we will be able to acquire more customers outside of our existing client base too.

- The other mandate that we expect to benefit from is the ACFR initiative of the US government. Some 1,10,000 local government bodies are required to file in XBRL once the mandate kicks in. Having executed pilot projects in several states, we are well positioned to grab a reasonable market share.
- On the Collect part of the business, we see an acceleration in the deployment of digital disclosure platforms especially in Africa. Several country regulators are already in discussion with us, some of them have issued RFPs and invited us to respond.

Through all the rejections and rebuffs, it is our perseverance, our hang in there attitude that has worked for us. We take a huge amount of pride in our work especially when it strengthens the ecosystem as has happened with RBI. We are a customer obsessed company as our own clients tell us in survey after survey.

- We also see the Consume segment beginning to throw up new revenue streams. We have already made a beginning serving data APIs to MSME lenders in India, we see this accelerating in the days ahead.

Swaminathan Subramanian,
Chief Executive Officer

Operating review

“The material improvement in the order book gives us the confidence that our growth trajectory is shifting upward and the pandemic induced slowdown is well behind us”

K. Balachandran, Chief Financial Officer, reviews the performance of the company in 2022-23

Q: Were you pleased with the performance of the company during the year under review?

A: The performance represented a good improvement over the previous financial year when decision making was affected by smaller pandemic-induced budgets. After two challenging years, the company returned to its secular growth rate, reporting an increase in revenues by around 21%. By the virtue of slower fixed cost growth , EBITDA grew by 38% and there was an increase in EBITDA margin from 13%. to 15%. as well. The core of the business that had been protected during the pandemic now began to reassert itself and I am pleased to report that the company reported ₹10.93 cr in EBIDTA and ₹4.29 cr in PAT during the last financial year.

Q: What reasons were responsible for the improvement in performance?

A: There are a few reasons that contributed to the improvement in our financial performance. One, our ‘Collect’ business swung back, recording a growth of 18%. It is worth noting that due to the pandemic-induced situation, this business segment revenues had declined by 12% in the financial year FY 2021-22. Moreover, the “Create’ segment continued its robust performance by clocking a 23.1% growth in revenues. The company generated significant orders from regulators that came in during the latter part of the year. The result is that the ‘Collect’ business visibility materially improved and there is room for optimism.

Separately, the company continued to see good performance from its enterprise SaaS business, which has recorded steady growth and benefits from the plough back from surpluses generated from the ‘Collect’ business. We continue to enhance the features of the flagship product offering IRISCarbon and integrated a step backward with the introduction of the disclosure management module that improves reporting efficiency in the office of the Chief Financial Officer.

Q: What is the principal message that you seek to send out to your stakeholders?

A: The message is that your company appears to have reached an inflection point. For the last few years, the company grew revenues at around 18%. year on year (expenses grew at around 12%.). Right now, my sense is that the company is poised to graduate to the next orbit with an annual revenue growth well north of our historical trend. This superior growth is expected to be derived from better fortunes in the ‘Collect’ business coupled with higher customer addition in our enterprise SaaS business and an increased share of the customer’s wallet. This optimism is also coming from the potential of the Disclosure Management module that can also address the ESG mandate starting with Europe. This will nevertheless require an increased investment in sales and marketing.

Q: What was the company’s order book like during the year under review?

A: The company’s order book was around ₹120 cr at the close of the last financial year, an 85%n increase over the previous year, largely derived from an increase in orders from our Collect business. It would be relevant to indicate that our ten largest customers accounted for a little less than 40%. of our overall revenues. There will be an attempt to broad-base our customer mix with the objective to reduce the customer concentration risk, even as the proportion of lumpy orders may not immediately decline.

Q: What is the external environment that is likely to catalyse the company’s performance?

A: There are a few catalysts on the horizon: following the pandemic, there is a priority among regulators to enhance the refresh of technology platforms in line with sweeping digitalisation; there is a priority in the aggregation of non financial data to enhance ESG reporting, which is now being seen as one of the key parameters by which companies are appraised; there is a greater role of automation in information aggregation versus manual collection, which enhances prospects for our business.

Q: What are some realities of FY 23 that you would like to bring attention to?

A: The first point is that there has been a substantial improvement in our operating cash flows (as distinct from profits), which also indicates a better control on receivables. It is worth noting that a good part of salary payables to the promoters were paid in FY 2022-23, following improved liquidity. The management is also optimistic that the improvement in revenues and cash flows should translate into improved credit rating.

Q: What is the conclusion you would like to leave for your shareholders?

A: We believe that the company is graduating to the next orbit. There is a stronger traction coming out of USA and Europe, catalysed by an increased emphasis on stronger reporting by regulatory authorities. The company will not only address this upturn but also seek opportunities in the other markets. The priority at the company is to go out and market better with the objective to sustain annual growth at a rate higher than the historical average. This holds out prospects of sustainable profitable growth – where profit growth is higher than revenue growth over the long run – that could translate into enhanced value for our stakeholders.

The IRIS culture of innovation

'Passion' best describes the IRIS approach to technology.

This passion is evident in our product-driven technology development. In this direction, innovation is encouraged at every level; talent is encouraged to walk the extra mile to deliver innovative solutions.

The company possesses extensive knowledge of the underlying architecture and functionalities. Moreover, hands-on technology development provides the company with a deep understanding of process complexity.

This makes it possible to provide efficient support and timely updates to clients, deepening relationships. Colleagues at IRIS are empowered to respond with speed to customer needs, address issues and enhance the platform to stay ahead in an ever-evolving regulatory requirement.

One of the key features of our IT strategy is the emphasis on data security. Since we have a control over the entire development process, we can implement robust security measures and adhere to stringent data protection protocols. This allows us to safeguard sensitive client information, ensuring compliance with relevant regulations and minimising data breach risks.

IRIS built on this strategy during the year review following the implementation of Microsoft's Active Directory; this allowed centralised and controlled access to data depending on the employee's designation and domain within the organisation.

We expect automation to positively impact the international regtech market as a number of regulators leverage automation tools to convert data into a structured format. This will help eliminate the complexity in complying with a number of different rules and regulations, while making regulatory filing more user-friendly. The company expects Large Language Model-based artificial intelligence techniques to boost opportunities in the sector.

PKX Thomas
Chief Technology Officer

Competitive advantage

What makes IRIS different

Regtech

Strategy: The company's diverse Board composition serves as effective check and balance

Commitment: The company will focus on long-term business growth instead of short-term gains

Expertise: The company will focus on regtech through SaaS offerings

Conservative: The company resists utilising promoter's equity stake to grow the business, safeguarding promoter interest

Discipline: The company's business is driven by cost austerity, cross-segment funding lines and remaining viable across market cycles

SaaS focus

Subscription-based product

Low upfront cost for the customer

One-time product development costs

Margins traction after a sales threshold

Multi-year customer engagement

Possibility of creating a multi-year cash-rich business

Business adjacency

Revenues from products increasing steadily

Increase in annuity revenues from ₹4,757 Lakh in FY 2021-22 to ₹5,542 Lakh in FY 2022-23

Attracted innovation-driven software engineers focused on product creation

Product 'ownership' enhanced people retention

Costs moved up marginally, while revenues increased faster through enhanced systemic productivity

Business growth strategy

Geographically spread, scaling growth

Increasing growth opportunity; limited XBRL competition

Strategically positioned to benefit from price points, customer credibility and quality services

Greater investment in sales and marketing to widen the geographic footprint

Enhance annual recurring revenue and annuity-like incomes

Strengthen the Create business for shorter duration of receivables

How SaaS companies are being appraised

Annual recurring revenue

Lifetime value

Customer churn

Net promoter score

Net revenue retention rate

Customer acquisition cost

Why regtech is moving into the limelight

Overview

The increasing demand for regtech services is driven by the need for quicker and improved risk management and data analysis capabilities, as well as the rise in fraudulent activities such as theft from account holders, money laundering, phishing and illegal transactions.

The increasing adoption of online commerce and the emergence of e-commerce brands that are delivering a wide range of products directly at the consumers' doorstep are also fueling market growth.

Regtech also addresses challenges arising from the digitisation of processes and enables monetary authorities to gain valuable market insights. Additionally, the growing collaboration between national regulators and financial institutions is catalysing market expansion.

Regtech catalysts

Cloud computing: Cloud computing allows users to access and pay for various information technology (IT) resources over the Internet with pay-as-you-go pricing. This model enables businesses to efficiently manage their operations and infrastructure while improving operational efficiency, reducing maintenance costs and enhancing productivity. Additionally, it provides organisations with the ability to store large volumes of data and streamline operations effectively.

Cloud computing also offers seamless software updates and integration, facilitating the monitoring and detection of issues across different production processes through the integration of common DevOps tools and logging systems.

Online payments: Online payment methods and gateways enable individuals to make cashless payments facilitating a hassle-free customer experience. Their demand is catalysed by the various offers and cashback features, incentivising more people to adopt online payment gateways in a short time and encouraging banks to deliver innovative payment tools to their customers.

This, along with the evolving regulatory landscape due to increasing volumes of online payments, is driving the demand for regtech services. This helps solve compliance and regulatory complications faced by banks by enabling banks to use emerging technologies to automate various crucial tasks and enhance customer experience.

Digitalisation: The BFSI sector plays a vital role in driving the economy of a nation, making it imperative for this sector is continuously evolve and transform according to the current requirements. With the help of digital transformation, the BFSI sector enables individuals to make simpler, spontaneous and secured transactions; it helps deliver personalised services to customers as per their income range. Moreover, digital transformation empowers a faster resolution of customer issues and queries as the data is centralised and can be accessed from any branch of financial institutions. (Source: Imarc)

Cybersecurity challenges: A rise in digital delivery channels has brought about an escalation in cybersecurity risks for banks. However, regtech offers a solution by automating compliance and risk monitoring processes. With the help of AI and trend analytics, any unusual activity can be detected, enabling banks and financial institutions to proactively address cybersecurity vulnerabilities. In the past, banks were hesitant to adopt regtech due to concerns about increased cybersecurity risks associated with technology implementation. However, the landscape has transformed significantly. Digital service delivery channels have become essential for customers, making regtech an ideal tool for banks and financial institutions aiming to minimise and effectively manage cybersecurity risks.

Collaborations: The financial industry's digital disruption has led to collaborations between fintech startups and banking institutions, with the latter being subject to a large number of regulatory requirements from control authorities and accountable for the technologies they adopt, making transparency critical between two entities.

Restrictions: The recent rise of financial technology solutions was met with mixed reactions across the world. While some countries are demanding that fintech be scrutinised in the same manner as established financial institutions, others feel that fintech rules should be more flexible to encourage innovation.

Information aggregation: The fintech revolution has led to financial institutions collecting a vast amount of user data for processing and analysis to ensure compliance with regulatory requirements. Regtech is harnessing AI-powered solutions to identify applications and profiles that contain risk or unusual descriptions, facilitating financial institutions' administration and compliance.

Enhanced solutions: The advancement of regtech solutions is a frequently underestimated factor contributing to the growing popularity of regtech adoption. A decade or two ago, regtech was still in its experimental stages, with limited capabilities and high implementation costs. However, the evolution of cloud technology and artificial intelligence (AI) has enhanced the capabilities of regtech solutions while reducing associated costs. As a result, implementing regtech solutions now offers banks a significantly improved return on investment (ROI) compared to a decade ago. (Source: 360factors)

Compliance challenges: Compliance departments at financial institutions need to regularly update their technical solutions used for regulatory compliance. Regtech players that operate in the financial sphere provide solutions designed to be compliant with all applicable regulations.

These solutions are designed with workflows that ensure compliance with all applicable regulations. By incorporating compliance requirements into their processes, banks and financial institutions can enhance efficiency and mitigate risks effectively.

The growing importance of ESG reporting and the role of regtech in it

Overview

The necessity for investors and asset managers to comply with regulations like the EU's Sustainable Finance Disclosure Regulation (SFDR) has led to the development of innovative accounting frameworks and new data tools. Obtaining a comprehensive understanding of the carbon emissions and fossil fuel exposure of complex financial instruments requires data that encompasses traditional financial data utilised by regtechs and rating agencies, as well as alternative datasets that have not traditionally been utilised. These alternative datasets include industrial information, ESG reports, corporate relations data and third-party datasets.

A significant challenge in this area involves connecting financial and environmental information at the micro-asset level within intricate financial systems, all the way to the ultimate asset owner. To address this challenge, regtechs have developed tools to enable carbon monitoring and tracking. Established firms like Moody's, S&P and MSCI have developed their own ESG ratings tools, while niche players have also created solutions for investors seeking a better understanding of their portfolios.

Exciting prospects also exist in the application of blockchain and smart contracts to enhance transparency and verifiability in companies' reporting processes, as well as to mitigate against greenwashing. Chinese firms such as VeChain and WeBank have pursued this approach.

However, transparency is crucial for ratings tools to effectively monitor carbon emissions and fossil fuel exposure. In this regard, additional data aggregators are necessary to integrate the required information into ESG and carbon monitoring tools. For instance, Carbon Tracker and Global Energy Monitor (GEM) have established the Global Registry of Fossil Fuels (GRFF), an accessible and open-source database that consolidates thousands of government and corporate information sources in one place.

While initiatives like the GRFF contribute to introducing transparency into global fossil fuel supply chains and innovative regtechs are developing tools to map asset ownership in complex global investment networks, investors and asset managers still base their decisions on abstract metrics and a reporting system that relies on carbon credit trading to offset CO2 emissions. For those seeking to completely divest from fossil fuels, funds that provide guarantees against oil and gas exposure remain highly attractive investment options.

Enhanced transparency aids investors in making informed decisions, with support from information aggregators and ESG monitoring services that assist decision-makers in comprehending the vast array of available information. In this context, the SFDR serves as a valuable tool in the fight against climate change, but its effectiveness relies on investors adopting a holistic view of the available information, rather than solely relying on predefined investment categories and regulatory taxonomies. (Source: Pymnts.com)

Growing relevance

With the increasing acceptance of Environmental, Social and Governance (ESG) in the financial industry, there is a growing demand for high-quality data. Asset managers and owners seek clean, relevant and comprehensive datasets to identify investment opportunities, evaluate risks and meet regulatory requirements. This trend is particularly noticeable in the Asia-Pacific (APAC) region, where developing economies are realising the advantages and moral obligations of sustainable finance, supported by proactive and innovative financial regulators.

Regulators in the APAC region, such as the Monetary Authority of Singapore and the Hong Kong Monetary Authority, actively endorse the use of regtech applications for ESG. These technological solutions play a crucial role in ensuring the accuracy and enrichment of ESG data used by financial institutions. In addition to process automation, regtech provides sustainability data officers with the confidence that the data will seamlessly integrate into the institution's overall data assets, ensuring traceability and auditability.

Regtech enables a comprehensive view of an organisation's ESG data, which is vital for effective governance and the precise identification of opportunities and risks. The traceability and auditability of data enhances its credibility. At a time when concerns about greenwashing persist, the ability to trace data from its source to its use-case helps validate its authenticity, offers transparency into firms' activities and fosters trust.

Establishing trust relies on credible metrics, which can be achieved by incorporating auditability into data management. Independent verification of data instills genuine trust among investors, regulators and consumers.

(Source: Deloitte)

2022 overview

The domain of ESG reporting witnessed regulatory changes in recent years and the trend continued in the calendar year 2022. The US Securities and Exchange Commission (SEC) proposed a climate-related disclosure rule, while other significant regulatory developments unfolded in Europe and various jurisdictions. The adoption of voluntary ESG reporting also experienced a surge, with 96% of S&P 500 companies and 81% of Russell 1000 organisations voluntarily publishing ESG reports.

In 2023, it is anticipated that more proposed regulations will be finalised and adopted, as voluntary standard setters strive to consolidate and keep pace with evolving needs of the industry. Given the ongoing shifts in the regulatory landscape, it is crucial to stay informed about the developments that unfolded in 2022 and have a clear understanding of what to expect in 2023.

The vision for ESG reporting

SEC's proposal: In March 2022, the Securities and Exchange Commission (SEC) put forth a proposal concerning climate-related financial disclosures. The publication titled 'SEC Proposes Enhancing and Standardizing Climate-Related Disclosures' explores the newly suggested regulations aimed at improving and unifying the disclosures made by registrants regarding climate-related risks, climate-related targets and goals, greenhouse gas (GHG) emissions, as well as the Board of Directors and management's oversight of climate-related risks.

Exposure drafts: In March 2022, the International Sustainability Standards Board (ISSB) released two Exposure Drafts (EDs): IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. These drafts were open for public consultation until July 2022 and are anticipated to be officially approved this year. Their finalisation will signify a significant milestone in the development of global sustainability reporting standards that cater to investors' information requirements by urging companies to present reliable, consistent and comparable metrics.

CSRD adoption: In April 2022, the European Union introduced the Corporate Sustainability Reporting Directive (CSRD) to align with the objectives of the European Green Deal. This directive proposed amendments to the existing Non-financial Reporting Directive (NFRD) and was officially adopted in October 2022. The European Financial Reporting Advisory Group (EFRAG), the organisation entrusted by the European Council with the task of formulating these standards, issued exposure drafts pertaining to the initial set of European Sustainability Reporting Standards (ESRS). These standards are anticipated to be finalised and adopted by 2023.

ESG investor use cases: Alongside the introduction of new regulations in 2022, there was a notable rise in investor demand for companies to disclose ESG information, as revealed by the EY investor survey. To assist companies in meeting this demand, the Sustainability Accounting Standards Board (SASB) embarked on an ongoing project aimed at comprehending the potential impact of diversity, equity and inclusion (DEI) on enterprise value, considering industry-specific dynamics

Investors are scrutinising environmental and social shareholder proposals in light of a company's progress in addressing and reporting on relevant matters. This evaluation is further facilitated through direct investor engagement with the company, during and outside of the proxy season. Effective oversight of ESG factors, especially climate risk, has emerged as a significant consideration in this process.

The global regtech segment is undergoing a growth phase

Big numbers

10.8

USD Billion, global regtech market size, 2022

35.2

USD Billion, projected global regtech market size, 2028, a 22.1% growth during the forecast period

(Source: imarcgroup.com)

Regtech value proposition

- Integration of connected devices with Internet of Things (IoT) and artificial intelligence (AI) solutions
- Replacement of manual compliance processes with automation, enhancing efficiency
- Creation of a fully integrated technology stack optimised for business
- Implementation of regulatory technology to enhance know your customer(KYC) and anti-money laundering(AML)
- Evolving government policies and country regulations
- Increase in collaboration between national regulators and financial institutions
- Multiple and conflicting regulations across different jurisdictions
- Growing GDPR concerns across regions
- Detection of fraudulent activities; minimisation risks of errors

Technology harmonisation

Overview

In a rapidly changing world, the document is no longer material; the data is.

There is a premium on how data is submitted, whether machine-readable and whether inter-operable. The result is that there is a premium on the emergence of data formats and data standards.

The time is right for format standardisation across countries, regulators and government departments. These are the probable benefits: the regulatory burden could decline, capital access could get simpler, corruption could decline, and transparency could rise.

For all companies, it is imperative to address three sets of regulators: central, state and local and submit data at least 100 times each year. Some submissions are in a standard called XBRL, some in XML, and GST in a format called JSON; the rest is in paper, text and hand. There is a growing need for format harmonisation. When done, regulators would benefit from being able to share information among themselves more easily. This could result in a win-win proposition: for the regulated, the compliance burden could decline, leading to significant savings in the cost of compliance and an improvement in the ease of doing business.

This situation is familiar to IRIS, which currently serves more than 30 regulators.

Exciting global reality

Unification: Compliances are carried out on technology platforms today. Besides, the world is moving towards standardised technology platforms for convenience and elimination of keying the same data multiple times over

Data-driven: Governments are now making an increasing use of data for their decision-making, enhancing the importance of compliance.

Report-format agnostic: The world is moving towards format-agnostic reports, irrespective of whether the format required is PDF, MS Excel, MS World, XML or XRBL.

Cost advantage: There is a growing need for companies that need to comply to moderate their cost of compliance (by reducing multiple filing through superior technology).

The XBRL edge

XBRL is a form of XML but delivers data much richer than XML and extends way beyond. With XML, the computer can figure out what the data is but with XBRL, the computer knows what the relationships may be between the various data elements in the submission, enhancing effectiveness.

This is how the systems work: an XML file will let the computer know where in the file a company may have reported 'Profit after tax'; the XBRL file will tell the computer additionally that 'Profit After Tax' is 'Profit before Tax' minus 'Taxes.' With this knowledge, the software can scan for errors and validate data.

Growing preference

These are the reasons why SEBI, the Indian capital markets regulator, has asked all public companies to make their disclosures in XBRL.

In USA, all government grant reporting is beginning to move to this structured format.

At least one regulator in as many as 60 countries around the world has adopted it.

Perhaps the most successful case of XBRL adoption in India is by the Reserve Bank of India. Even as it led to improved regulatory oversight, it reduced the compliance burden for banks while rendering data of higher quality. The NPA crisis in India was on account of misreporting, which became expensive for banks that choose to fudge data. The inbuilt validations compel banks to report truthfully, resulting in informed policy making. The Reserve Bank of India implemented XBRL in a phased manner to bring all the prudential returns that the regulated entities need to file.

Large addressable market

When data is structured based on the globally available standards, for preparing (such as IFRS) and reporting (such as XBRL), value is created with enriched information. Use of standards for data makes it consumable and comparable. With 200 countries and at least than 10 regulators in each country, the opportunity size, with even a low USD 0.5 Million spend by a typical regulator, could lead to a USD 1 billion opportunity.

Enterprise
- Improves data quality
- Enhances access to government grants
- Brings down compliance cost

Government
- Increase in investment inflow
- Effective regulations and policy decisions
- Enhances demand in data business

Financial system
- Reduces credit cost
- Enhances digital lending frame work
- Lesser frauds

Industry
- Greater traction in fintech
- Growth in IT and compliance industry
- Automation/data availability of data apps

Format	Paper	Documents	Data
Format	Handwritten	Typed disk	Documents PDFs files
Method	Manual/physical submission	Emails/internet/ physical submission	System-to-system

Big numbers

Why SaaS is the future for regtech companies

237.48
USD Billion, global SaaS market, 2022

273.55
USD Billion, estimated global SaaS market, 2023

462.94
USD Billion, projected global SaaS market, 2028

(Source: Fortune Business Heights, prnewswire)

SaaS value-creation

Scalable: Access to more or fewer services based on requirement

Flexible: Subscription-based model with the option to discontinue anytime

Customisation: Customise and integrate with other applications, especially those from a common software provider

Economical: Offers cost-effective options such as free trial and budget-friendly premium; more pocket-friendly than a traditional software license for enterprise software

Incremental: Enhances product quality and generates a higher realisation with additional code

Revenue strengthening: Better product enhances customer retention and attracts new customers

Value-addition: Reconciles declining marginal cost and limitless scalability

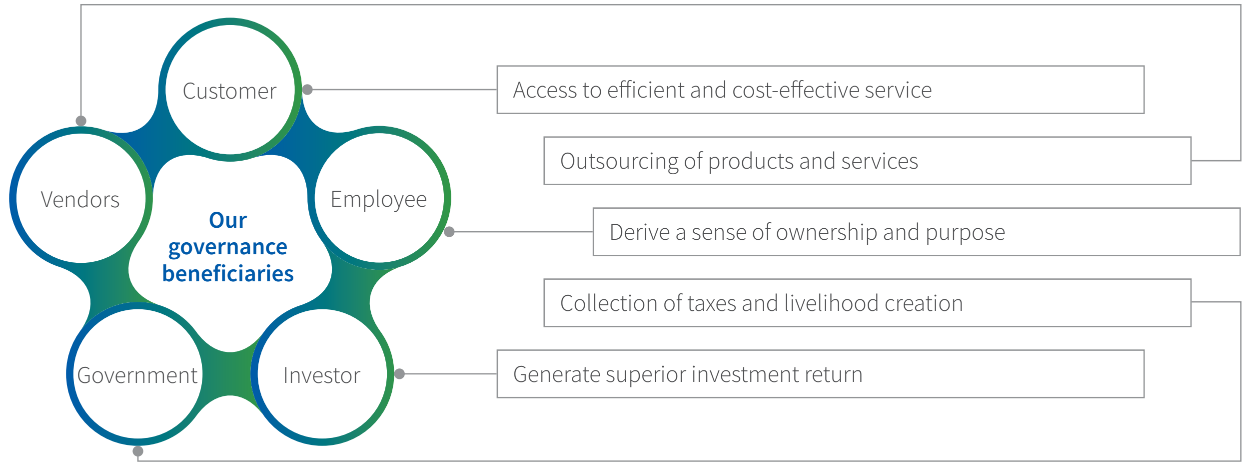
Cost-effective: Removes the need for complex software and hardware set-up

Remote working: Enables working remotely from anywhere

Talent-light: Reduces customer's IT staff and costs

Foundation

At IRIS, our growth is derived from our governance commitment



Overview

At IRIS, governance is the solid foundation of our business which is driven by our value of 'Building transparency. Driving growth'. The company's governance framework is stewarded by its Board of Directors who are renowned in their fields of expertise. The company's Board comprises seven Directors out of which four are Independent and an Independent Director is the Board Chairman.

The company has a clearly defined governance framework that establishes clear roles, responsibilities and decision-making processes; it ensures that there is transparency among investors, employees, customers and the wider public. Moreover, its governance framework helps identify and manage risks effectively, mitigating the potential for fraud, unethical behaviour and other detrimental activities. Additionally, the company's governance framework helps it stay updated with the latest legal and regulatory requirements, mitigating the risk of legal disputes, fines and reputational damage.

Core drivers of our governance framework

Personality: The company has positioned itself as a Software as a Service entity where the result of its superior product offering is manifested by customer loyalty, predictable cash flows and higher revenue visibility.

Ethics: The company has relevant policies in place to ensure that it practices the highest standards of gender respect, sexual harassment intolerance, impatience with ethical impropriety, recruitment without partialness, respect for human dignity and compliance with environment integrity

Resilience: The company has survived through some of the toughest times due to its goal to build something of enduring value rather than for short-term arbitrage. This mindset is reflected in our technology investments, locations of presence, customer selection and recruitment decisions.

Specialisation: The company has focused on specialisation and the development of products backed by rich domain knowledge. As a result, IRIS products are known for increasing compliance effectiveness, convenience and cost-effectiveness for customers.

Role: The company creates taxonomies tailored to its customers' businesses, outlining how information should be gathered and utilised. Moreover, its products operate within customer domains and handle sensitive data, validating the trust the company inspires.

Customer delight: The company is driven by the aim to deliver superior customer satisfaction derived from the ability to anticipate the customer's need and respond with personalised solutions.

Conservative: The company's fixed expenses are with a frugal mindset. Its revenue growth has been healthy with low capital infusion, resulting in a cost of customer acquisition that is below the SaaS sector average.

Compliance: The company has digitalised its compliance process, making it more stringent and transparent marked by alerts and a stage-wise escalation of issues.

Case study

How IRIS CARBON® helped Imerys S.A. pass their ESEF filing smoothly

Customer profile

Imerys S.A. is a French multinational organisation with major operations in the Americas, Europe, Middle East Africa and Asia-Pacific across 40 countries. A leading supplier of specialty industrial minerals, the company is headquartered in Paris, employing more than 16,000 employees globally.

Business challenges

- The consolidation department had limited time and resources to handle the demands of ESEF compliance
- There was a lack of internal expertise in XBRL, which hampered the ability to perform ESEF tagging, create custom tags or extension elements, anchor the extensions and generate an xHTML document.
- The team faced strict ESEF reporting deadlines while striving to produce a superior document that exceeds regulatory requirements.

The IRIS CARBON® approach

IRIS CARBON® undertook a comprehensive product demonstration of the software for the Imery S.A team. The 'commenting' feature for improved collaboration and the 'validations' feature for error elimination was well-received by the Imerys S.A. team.

IRIS CARBON® commenced engagement with Imerys with a thorough quality report that outlined the required modifications to the XBRL tagging prepared by Imerys. Upon receiving their approval, it was determined that these changes would be integrated into their report.

IRIS CARBON® collaborated with Imerys' design agency to deliver quality output. However, integrating the document and iXBRL data posed a challenge as the agency utilised its own design tool. To address this challenge, IRIS CARBON®'s customer success team engaged its technology team that facilitated a seamless integration between both platforms, resulting in a smooth process and delivering an error-free, high-quality output.

IRIS CARBON® collaborated to merge the design file and iXBRL, delivering the final output for test filing with the regulator, which completed without errors.

Key results achieved

IRIS CARBON® delivered impeccable test and annual ESEF filings. Throughout the project, the company provided round-the-clock, unrestricted support to address any queries or concerns. The company's commitment to finding the right ESEF reporting platform at a competitive price allowed its clients to optimise resources. With our team of XBRL specialists at their disposal, the company offered valuable assistance throughout the process. Moreover, its streamlined approach facilitated a faster turnaround time for ESEF compliance, ensuring timely project completion.

"A big thank you to the IRIS CARBON team! It has been a real pleasure collaborating with you on our 2021 ESEF filing. We really appreciate your support through the whole process — starting from training sessions on the product, right down to the iXBRL review. As we went through the filing process, all our queries were responded to quickly, and any changes we suggested were implemented almost instantly. Your technical skills were much appreciated and we are confident that future filings with more extensive tagging will be managed competently by IRIS CARBON. We would definitely recommend IRIS CARBON to groups looking for a skilled and proactive ESEF filing service."

Sabine Chambon, Consolidation Department, Imerys S.A.

Case study

How iFILE strengthened Nepal's financial system

Customer profile

The Nepal Rastra Bank (NRB) serves as the governing body for banks and financial institutions (BFIs) in Nepal, overseeing their operations and enforcing regulations.

Business challenges

The primary goal of this project was to address the shortcomings of the data submission process used by BFIs, which involved the use of excel sheets sent through email, non-standardised MS Office files and NRB's in-house web-based application for online data uploads.

These non-standard submission methods impacted the effectiveness of banking supervision and exposed NRB to operational and reputational risks. NRB initiated a project called the Supervisory Information Systems (SIS) as a part of the Financial Sector Stability Program (FSSP) supported by the Department for International Development (DFID), UK.

The SIS reporting system objective was to create an electronic supervisory information system that allowed the NRB team to gather prudential data using XBRL data standards. This system aimed to streamline offsite and onsite supervision and facilitate near real-time data analytics and consumption.

Why IRIS iFILE?

To implement the SIS, IRIS's flagship product iFILE was used, harnessing the power of XBRL as a standardised data format. The SIS was designed to be fully centralised, with all business processes automated. This ensured the provision of quality information in near real-time, enabling quick and informed decision-making.

iFILE approach

IRIS iFILE team adopted a mature implementation process based on the learnings from several such implementations across the globe.

IRIS iFILE team set up four workstreams at the start of the project:

- Taxonomy development and building business rules for collecting prudential data
- iFILE platform configuration
- Data warehouse design and BI implementation
- Training and capacity building (NRB stakeholders and BFI stakeholders)

Key achievements

With the integration of the IRIS iFILE platform, the NRB team will gather over 25,000 filings annually from more than 3,000 entities, encompassing 50+ different returns. These extensive curated datasets are stored in the centralised SIS data warehouse, enabling generation of 400+ different reports and plethora of dashboards for the Regulatory users to consume, analyse and make necessary decisions in real time.

These reports cater to offsite and onsite supervisory department requirements and cover a range of areas, including key indicators, risks and trends, MIS reports, supervisory reports for compliance monitoring, audit trail reports and dashboards.

The SIS implementation enhanced the robustness of the country's financial sector. It enhanced reliability by ensuring accuracy, consistency and integrity of financial data, boosting trust in the information reported by financial institutions.

SIS helps detect a potential financial crisis by monitoring key indicators and analyzing data in real-time, allowing authorities to take prompt action to mitigate risks and prevent a crisis from escalating.

By adopting XBRL, Nepal is positioned as a progressive player in the global financial landscape, facilitating an easier exchange of financial data with international counterparts.

Case study

How IRISGST helped the Parekh Group enhance efficiency in GST return filing and optimise their ITC claim

Customer profile

The Parekh Group is a well-established conglomerate operating 13 companies across the shipping, logistics, vessel owning and hospitality sectors. Each company had its own Permanent Account Number (PAN) and multiple GST Identification Numbers (GSTINs), making GST compliance difficult.

Business challenges

The introduction of GST in 2017 brought about a number of challenges for Parekh Group.

The GST return was filed at the State level, whereas reconciliation and project supervision was done at the vertical and group level. The conglomerate required a user-friendly GST solution to adapt to a complex organisational structure and smoothly integrate with eBMS, its ERP system to help non-technical accounting personnel handle GST processes. Moreover, the solution was required to provide continuous guidance owing to the ever-evolving GST forms and laws. The conglomerate required simplified reconciliation modules that would improve input tax credit (ITC) claims and assist with e-invoicing.

Why IRISGST?

The Parekh Group engaged with IRISGST as its GST solution provider on account of its expertise in addressing unique business hierarchy, ability to integrate with the existing ERP system and continuous guidance from its client engagement team.

The IRISGST approach

IRISGST offered technological expertise and domain expertise to the Parekh Group for effective compliance.

IRISGST seamlessly incorporated e-invoicing into Parekh Group's operations, which addressed new invoicing requirements without disturbing the ongoing business in spite of a high volume of transactions.

IRISGST has a feature of custom business hierarchy that addresses the group's unique requirements, while enabling granular control and monitoring.

IRISGST and eBMS's smooth collaboration enabled seamless data export from the client's ERP to IRISGST; it allowed hassle-free GST return filing process with minimum process changes for non-technical accounting staff.

IRISGST's automation features like computation of tax liabilities under specific heads and the ability to edit computed figures, reduced the time required for GSTR 3B preparation. The software eased vendor reconciliation, enabled invoice matching capabilities beyond financial years and GSTINs and allowed GSTR 3B upload at the PAN level.

IRISGST's client engagement team provides support to client by keeping them abreast of the latest GST updates, and ensuring compliance without disrupting the ERP framework.

Key results achieved

For the past six years, IRISGST has been an invaluable partner to the Parekh Group. It has enhanced the quality of invoice data, making it easier to reconcile GSTR 2A with purchase data and utilise input tax credit effectively.

Our regtech business is structured across three verticals

Collect

Software platform for regulators to collect pre-validated submissions from those that they regulate

Taxonomy and consulting
- Taxonomy design and development
- Taxonomy testing and review
- Training
- R&D

IRIS iFile
On-premise filing platform for regulators to help them receive pre validated data

Create

Offerings range from enterprise software to cloud / SaaS to create documents ready to be filed with regulators

IRIS CARBON
SaaS-based structured document authoring and compliance reporting platform

IRIS iDeal
On-premise solution for banks to automate their reporting

IRIS GST
SaaS-based end-to-end solution to facilitate GST reporting in India

E-Invoicing
SaaS-based e-invoice creation and management; seamless integration with IRISGST

Consume

Software tools for data analysis. Plus, a global repository of normalised financial data culled from filings, if available publicly

IRIS Credixo
GST data feeds to facilitate lending decisions data as a service (DAAS)

IRIS Peridot
Mobile / DaaS app to verify GST compliance and APIs to pull such data

Employee speaks: The IRIS work culture

"The best thing about working in Iris is that every employee is given the chance to perform and grow in their career. It has been nearly 15 years since I joined the company and my work continues to excite me because of its uniqueness. At IRIS, if someone is working in five different projects, we say that they are solving five different problems – that is the nature of our work: there is no scope for monotony because everyday we learn something new. IRIS is the ideal place for young professionals because of the opportunities for personal growth that people get here. I was an introvert but my on-site client interactions at various locations such as Dubai, Abu Dhabi, Riyadh and Saudi Arabia enhanced my confidence and public-speaking skills."

Rahul Dhamne

Head-Consulting, Collect

"I have been working at Iris for 12 years and what I appreciate about this company is the abundance of opportunities it provides. At Iris, there is a flexibility in working hours and I have had the privilege of having excellent mentors. The managers have been supportive and offer valuable feedback. The company fosters an inclusive environment and offers ample career growth prospects. Despite my background in CA, the company has supported me in learning programming languages. Additionally, Iris recently started the Employee of the Month platform, and I had the honor of being selected as the Employee of the Month for May 2023."

CA Vaishali Dedhia

Product Manager, GST Solutions

"In the two decades that I have been with IRIS, what I like best about the company is its inherent culture to grow and nurture young professionals into leaders. My own career graph is a manifestation of this culture. I joined the company as a data entry operator and then moved to accounts. In 2010, I was the company's only Accounts manager and I built the Accounts team into its current strength of nine members. Every month there are monthly meetings between the management and employees where decisions on crucial matters are taken with mutual understanding, which reflects the company's commitment to transparency."

Sudhakar Sawant

Accounts Manager

"I joined Iris in 2011 as a part of its Fleximoms initiative, which was meant to encourage mothers and care-givers to restart their careers. I am currently leading the domestic sales team with an annual topline of ₹17-18 cr. Looking back on my journey, I am filled with a sense of gratitude and to be a part of such an organisation that is so supportive of its talent. My cherished memory at IRIS was closing the iGST deal for Baja Auto – our first major deal after the implementation of the GST product."

Hemlatha S

Head - Domestic Sales

"At our company, every employee's ideas are valued, regardless of their seniority or years of experience. The company encourages us to participate in training programs, internally and externally, and even reimburses associated costs. We have unrestricted access to a range of websites and tutorials on the internet, helping us enhance our technical skills. The company recognises and appreciates our contributions through awards such as Employee of the Month or Year, along with meaningful salary appraisals. This fosters a healthy sense of competition and motivates us to excel. One particular moment of pride for me was when I received the Employee of the Year award for my work on a challenging project in Thailand, despite limited resources. Not only did my colleagues congratulate me, but even our CEO personally recognised my dedication and hard work during our monthly meeting."

Suman Kumar

Application Architect

Management discussion and analysis

Global economy

Overview

The global economic growth was estimated at a slower 3.4% in calendar year 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of calendar year 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of calendar year 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in calendar year 2022, among the highest in decades. US consumer prices decreased about 6.5% in calendar year 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in calendar year 2022 concerned that the following year would be slower.

The global equities, bonds, and crypto assets reported an aggregated value drawdown of USD 26 Trillion from peak, equivalent to 26% of the global gross domestic product (GDP). In calendar year 2022, there was a concurrently unique decline in bond and equity markets; calendar year 2022 was the only year when the S&P 500 and 10-year US treasuries delivered negative returns of more than 10%.

Global FDI inflows – equity, reinvested earnings and other capital – declined 24% to nearly USD 1.28 Trillion in 2022. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023). (Source: OECD, WTO data)

The S&P GSCI TR (Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3,495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.4	6.3
Advanced economies	2.7	5.4
Emerging and developing economies	4.0	6.9

(Source: PWC report, EY report, IMF data, OECD data)

Outlook

The global economy is expected to grow 2.8% in calendar year 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The largest economies like China, the US, the European Union, India, Japan, the UK, and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession, and significant developments, including China's progressive departure from its strict zero-Covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in calendar year 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth.

(Source: IMF).

Indian economy

Overview

Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth is estimated at 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation.

(Source: IMF, World Bank)

Growth of the Indian economy

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Real GDP growth(%)	3.7	-6.6%	8.7	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1FY23	Q2FY23	Q3FY23	Q4FY23
Real GDP growth (%)	13.1	6.3	4.4	5.5

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the financial year 2023 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 million metric tons (MMT) in FY 2022-23 from 107 MMT in the preceding year. Rice production at 132 million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 million hectares from 28 million hectares. Due to a renewed focus, oilseed area increased by 7.31% from 102.36 Lakh hectares in FY 2021-22 to 109.84 Lakh hectares in FY 2022-23.

India's auto industry grew 21% in FY 2022-23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 million units in FY 2022-23, crossing 3.2 million units in FY 2018-19. The commercial vehicles segment grew 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

The banking system's total gross non-performing assets (NPAs) fell to 3.9% from 6.5% a year ago. A further drop of 3.6% is expected in FY 2023-24. (Source: RBI data).

As India's domestic demand remained steady amidst a global slowdown, import growth in FY 2022-23 was estimated at 16.5% to USD 714 billion as against USD 613 billion in FY 2021-22. India's merchandise exports were up 6% to USD 447 billion in FY 2022-23. India's total exports (merchandise and services) in FY 2022-23 grew 14%. to a record of USD 775 billion and is expected to touch USD 900 billion in FY 2023-24. Till Q3 FY23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to USD 18.2 billion, or 2.2% of GDP. India's fiscal deficit was estimated in nominal terms at ~ ₹17.55 Lakh cr and 6.4% of GDP for the year ending March 31, 2023. (Source: Ministry of Trade & Commerce) India's headline foreign direct investment (FDI) numbers rose to a record USD 84.8 billion in FY 2021-22, However, during the fiscal year 2022-23, the country experienced a 16% decrease in foreign direct investment (FDI) inflows, amounting to USD 71 billion on a gross basis. This decline can be attributed to the unfavourable global economic conditions and stands as the first contraction in FDI in the past ten years.

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately USD 70 billion in 2022, primarily influenced by rising inflation and interest rates. Starting from USD 606.47 billion on April 1, 2022, reserves decreased to USD 578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from ₹75.91 to a US dollar to ₹82.34 by March 31, 2023, driven by a stronger dollar and increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY 2022-23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4%. in FY 2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in 2022. As of March 2023, India's unemployment rate was 7.8%.

In FY 2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates.

The total gross indirect tax collection for FY 2022-23 was ₹18.10 Lakh cr, an average of ₹1.51 Lakh a month and up 22% from FY 2021-22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to ₹1.6 Lakh cr. For 2022–23, the government collected ₹16.61 Lakh cr in direct taxes, according to data from the Finance Ministry. This amount was 17.6%. more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to ₹172,000 during the year under review, a rise of 15.8%. over the previous year. India's GDP per capita was USD 2,320 (March 2023), close to the magic figure of USD 2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3%. in FY 2022-23.

Outlook

There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and appreciable decline in consumer price index inflation to less than 5%. in April 2023. India is expected to grow around 6-6.5%. (as per various sources) in FY 2023-24, catalysed in no small measure by the government's 35% capital expenditure growth by the government. The growth could also be driven by broad-based credit expansion, better capacity utilisation and improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in 2022-23 was 10,993 kilometres; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year

(Source: IMF).

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP estimate of 6.8% and America and Europe are experiencing its highest inflation in 40 years.

India's production-linked incentive appears to catalyse the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in renewable energy and other sectors and emerging as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions, and slowing external demand.

Global regulatory technology

The global regtech market was valued at USD 10.8 Billion in 2022 and is expected to grow by 22.1% CAGR from 2023-28 and reach USD 35.2 billion. The growing demand for regtech services is attributed to the adoption of a robust risk management framework and advanced data analysis capabilities. The growing occurrences of fraudulent activities, such as money laundering and phishing, illegal transactions and theft also play a vital role in the growing demand for regtech. There is a growing trend to collect more granular data by the regulators, which fuels the need for regtech solutions.

Key business drivers of the regtech industry

The current regulatory scenario and the growing traction from other industries is driving the regtech market followed by other factors such as:

Shift towards cloud computing solutions: There is a growing demand for cloud computing solutions that follow a subscription-based business model. This gives businesses the option to discontinue or upgrade to better technology as and when they see fit. It helps companies increase operational efficiency, reduce maintenance costs, and employee productivity.

Adoption of online payments: The increasing adoption of online payment methods and gateways has made it imperative for organisations to have a regulatory framework, catalysing demand growth for regtech, which provides efficient solutions for compliance and regulatory complications faced by banks. It also allows banks to automate crucial tasks and enhance customer experience.

Digital transformation in BFSI sector: The BFSI sector is vital for economic growth and must have a robust governance framework to safeguard its business interests, making regtech adoption a necessity to stay updated with the latest compliance procedures while enhancing customer experience.

Integrated technology: Firms have a range of solutions available to them, which requires a fully integrated and customised technology stack to be built due to the complexity of regulations. By leveraging these solutions, firms can optimise their operations while ensuring compliance.

Easier compliance: Previously, the manual checking of data for audit purposes would be cumbersome and time-consuming, leading to errors. Regtech solutions automate compliance, enabling efficient analysis of large data volumes and meeting regulatory obligations effectively.

(Source: Imarc Group)

Global SaaS market review

The global SaaS market was valued at USD 167.53 Billion in 2022 and is expected to reach USD 462.94 Billion by 2028, growing at 18.5% CAGR from 2022-28.

The software as a service (SaaS) model allows applications to be shared and accessed by organisations through the cloud, either in a single-tenant or multi-tenant architecture. In this model, applications are hosted by a vendor and organisations are charged based on their usage. This eliminates the need for organisations to bear the additional costs of infrastructure maintenance for software storage, as required in the traditional model. SaaS is gaining popularity over the traditional application service provider model due to its advantages, and it is deployed in organisations through private, public, and hybrid deployment models. Among these, the public cloud deployment model is the most widely adopted, driven by factors such as cost savings, faster time to market, and ease of use and implementation, contributing to the growth of the global SaaS market.

Technology companies, communication providers, media companies and financial service firms are end-users of SaaS. However, the healthcare sector has recently recognised the benefits of SaaS and has seen growing adoption. This presents profitable business prospects for software as a service market player, as the healthcare vertical joins the expanding user base of SaaS.

(Source: Globalnewswire)

Indian SaaS business drivers

The annual recurring revenue (ARR) of Indian SaaS companies has quadrupled to reach USD 13 billion in 2022, and investments in this sector have grown sixfold to USD 5 billion over the last five years. As a result, India has emerged as the second-largest SaaS ecosystem in the world.

Benchmarked products: Indian software companies have made significant strides in launching quality products that meet global standards. These companies have demonstrated their ability to develop software solutions that are on par with international benchmarks.

Skilled talent: India offers a pool of skilled talent for SaaS companies that empowers Indian SaaS companies to recruit and build talented teams, contributing to the overall growth and success of the industry. The availability of such skilled talent strengthens the position of Indian SaaS companies in the global market.

Cost efficiency: Indian SaaS companies operate with reduced cost structures compared to their counterparts from developed nations. This cost advantage stems from various factors such as lower labor and infrastructure costs in India. As a result, Indian SaaS companies prioritise efficient cash management to ensure sustained growth.

Service: Indian SaaS companies have cultivated a strong service culture, bolstered by the existing culture of successful IT and Business Process Outsourcing (BPO) industries in India. The experience gained from these industries has instilled a customer-centric approach and a focus on delivering high-quality services. This service-oriented mindset contributes to their reputation for delivering reliable and customer-focused solutions, fuelling their growth in the SaaS sector.

(Source: Business Today)

Employee retention

The company propagates a welcoming and inclusive work environment, free from any form of discrimination. Employees are encouraged to take ownership of their work and are motivated to grow personally and professionally. The company acknowledges and rewards significant contributions made by employees across different areas of expertise. The Company's employee retention rate stood at 81% during the year under review. The company's resource strength stood at 449 as on March 31, 2023.

Risk management

We have a robust risk management system that covers various management and functional levels and project areas.

The internal committee helps in the following activities:

- Review risk portfolio and devise a response strategy to redirect resources to mitigate respective risks
- Receive new information and intimate the Board of Directors and other executive bodies on the efficiency of risk management practices.
- Direct comprehensive risk management processes
- Establish guidelines to deal with risk management processes
- Assess risk management processes daily throughout business units and controlled entities
- Undertake training in risk management and internal control

Industry risk: Demand slowdown from user industry might hamper business growth

Mitigation: Regulators worldwide have mandated the implementation of XBRL in financial reporting, leading to a significant increase in demand for XBRL in the European and US markets.

Innovation risk: Our innovation may adversely impact our business sustainability

Mitigation: The Company has been adapting to different regulatory taxonomies in various regions worldwide and tailoring its products accordingly. This unique capability to customise products based on the specific requirements of different geographical locations sets the Company apart in the market. The majority of the Company's capital investment is focused on improving and expanding its product portfolio. Additionally, the Company's ability to provide solutions throughout different stages of the product lifecycle positions it as a preferred vendor for leading global brands.

Security and data privacy risk: Failure to counter the data risk security could hamper the Company's reputation.

Mitigation: IRIS has taken significant steps to enhance the safety and security of user data, ensuring the protection and privacy of its users. The company has expanded its presence to markets such as Singapore, establishing a stronger foothold in that region. In order to enhance its credibility, IRIS regularly exposes its systems to third-party audits, demonstrating a commitment to transparency and accountability.

Regulatory risk: Changes in regulatory compliances could invalidate the product

Mitigation: IRIS has structured its products in modular blocks, facilitating seamless updates and enhancements. These modular blocks enable easy and efficient updates to the products. Additionally, the products are hosted on cloud, providing scalability, accessibility, and flexibility for users. The Company's deep understanding of regulatory changes, coupled with a team of financial professionals, has contributed to the successful upgrading of products. This knowledge base and expertise ensures that products remain up-to-date and compliant with evolving regulations.

Internal control system and their adequacy

The company's internal audit system has been continuously monitored and updated to ensure that assets are safeguarded, established regulations are complied with and pending issues are addressed promptly. The audit committee reviews reports presented by the internal auditors on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. It maintains constant dialogue with statutory and internal auditors to ensure that internal control systems are operating effectively.

Cautionary statement

The Management Discussion and Analysis report containing your company's objectives, projections, estimates and expectation may constitute certain statements, which are forward looking within the meaning of applicable laws and regulations. The statements in this management discussion and analysis report could differ materially from those expressed or implied. Important factors that could make a difference to the company's operation include cyclical demand and pricing in the company's principal markets, changes in the governmental regulations, tax regimes, forex markets, economic developments within India and the countries with which the company conducts business and other incidental factors.

IRIS business overview

Overview

Since inception in 2000, IRIS Business Services Limited has established itself as a prominent global name in the area of regtech.

The company specialises in solutions related to compliance, data and analytics, encompassing various aspects of the information supply chain and data reporting standards like XBRL and SDMX. The company has transitioned from a service-oriented approach to a model centered around a product suite driving revenue streams.

During the year under review, the Company reported a revenue of ₹7,490 against ₹6,202 Lakh reported in FY 2021-22, a growth of 21%.

Recurring revenues increased by 16%, ₹5,542 Lakh from ₹4,757 Lakh in the previous year.

Recurring revenue contributed 75% to the total revenue in FY 2022-23 compared to 78% in FY 2021-22

Order book as on March 31, 2023 was stands at ₹12,000 Lakh with an ARR of ₹5,542 Lakh, up from ₹4,757 Lakh.

The Company generated 62% of its revenues from overseas and 38% from India in FY 2022-23.

The Company's multi-vertical presence

Segment	Description	Select clients	Sizing the market
Collect	For regulators collect pre-validated submissions in XBRL and other formats from those they regulate	30 regulators and 24 countries including - the RBI, ACRA, Singapore, CMA Kuwait, SSM Malaysia, Jordan Central Bank, Nepal Rastra Bank, ADX, DFM and ESCA in UAE, Tadawul in Saudi, CIPC South Africa and CBRD Mauritius.	2000+ regulators median spend: USD 1 Million over 3 years. One-time investment plus AMC. A USD 2 Billion opportunity
Create	SaaS offerings for enterprises to create ready-to-file documents with regulators	Bajaj Auto, BidWest BMW, ENI, L&T, Reliance, Renault, Tata Motors, Thermax and 6000 others	100 million+ businesses with median annual compliance spend of USD 200. An annual opportunity of USD 20 Billion
Consume	E-tools for data analysis. Credit analysis facilitation tools that use GST filing data, plus a repository of normalised financial data culled from public filings	Bundled with Collect for regulators. Other offerings under development. IRIS Peridot, a free app tracking GST compliance has 500,000 users.	Globally, per capita spend on consumption of information by businesses alone is over USD 200 annually.

Revenue mix by segment (₹ in Lakh)

	Collect		Create		Consume	
	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23
Revenue (₹ Lakh)	2,311	2,688	3,508	4,320	308	348
Revenue share (%)	38	36	57	59	5	5
Segment Profit (₹ Lakh)	165	227	522	642	27	84
Margin (%)	7	8	15	15	9	24

IRIS product	Client profile	Market characteristics	Sales/marketing strategy
iFILE	Stock exchanges, business registries, Central Banks and securities regulators	Primarily RFP-driven, long lead sales cycle. Bids as part of a consortium (sometimes as prime). Revenues through one-time implementation, followed by an ongoing AMC. Emerging SaaS-based pricing model	▪ Leverage strong credentials and existing implementations ▪ Participation in XBRL and regulator-specific conferences. ▪ Case studies and content tie-ups with government-specific publications and journals
iDeal	BFSI players and data aggregators	Best suited when reporting is frequent, complex, high volume and can be automated on account of a structured input format	▪ Tie-ups with channel partners such as implementation partners, independent consultants, BFSI domain experts ▪ Participation in banking and insurance events and forums, compliance and risk summits
Carbon	Corporates, and partners such as Financial Printers, Audit and Accounting firms	US SEC: Frequent filing, higher price point, SaaS model established. UK, Ireland and Italy: Large number of companies, annual filings, smaller deal size. EU ESMA: Annual filings, SaaS model established. US FERC mandate: Started in FY 2021-22, SaaS offering	▪ Sales to direct end customers and through channel partners ▪ Online sales strategy also to be explored in more fragmented markets
IRISGST, E- invoicing	Enterprises in India	Highly competitive market characterised by predatory pricing pressure, frequent changes in filing requirements	▪ Direct sales ▪ Sales and partner channel Including banks and CA firms ▪ High brand recognition due to IRIS Peridot

Business vertical analysis #1

Our Collect business segment

2,688
Total revenue (₹ Lakh)

36
Share of total revenues in FY 2022-23 (%)

227
Segment profit in FY 2022-23, (₹ Lakh)

Overview

IRIS's Collect division addresses the needs of regulatory bodies worldwide. Its flagship product iFILE is a comprehensive XBRL-driven reporting platform built on a modular and flexible component design framework. The system can be easily implemented by any regulatory authority within its jurisdiction or utilised internally within an organisation. Using the web and client components, regulators can establish a reporting platform that enables regulated entities to submit information, which can then be stored, validated, and analyzed. IRIS iFILE facilitates the collection of XBRL and non-XBRL data and seamlessly integrates with other information systems throughout the creation, dissemination, and analysis stages of XBRL data. The iFile platform recently strengthened to handle the SDMX information standard as well. Globally recognised and utilised, IRIS iFILE caters to various regulatory environments including capital markets, banking, and business registries.

The IRIS differentiator

Over 15 years of experience with robust domain knowledge across various regulatory bodies.

Easy integration with existing data management systems within the client's IT infrastructure.

A multi-disciplinary team including experienced technical and financial professionals with deep taxonomy and product platform skills.

Track record of more than 25 installations across the globe.

Highlights, FY 2022-23

The Collect segment returned to the growth path during the financial year under review with the revenues witnessing around 16% growth.

This business segment won a couple of significant orders in FY 2022-23, leading to a jump in the order book at the end of FY 2022-23. These orders pertained to building a data collection and analytics platform for the Royal Monetary Authority of Bhutan (RMA) and with the depository insurance arm of the South African Reserve Bank (SARB).

Outlook

We are optimistic of the Collect segment. There is increased enthusiasm on the part of the regulators to consider transitioning into digital reporting as well as adoption of XBRL. In addition, the increasing attention on carbon emissions and other ESG reporting should see enhanced reporting mandates include sustainability indicators. We expect an improvement in order book strengthen our product stack and capture increased value.

Business vertical analysis #2

Our Create business segment

4,320
Total revenue (₹ Lakh)

59
Share of total revenues in FY 2022-23 (%)

642
Segment profit in FY 2022-23, (₹ Lakh)

"Regulatory reporting mandates historically drove demand for IRIS' products in the Create segment. With the introduction of IRIS Carbon Disclosure Management Platform, we are now poised to go deeper into the CFO's office and build exceptional value"

Deepta Rangarajan, Co-founder

Overview

The Create segment is meeting the requirements for a range of businesses to assemble, collaborate and generate regulatory filings in a structured data format. IRIS provides a cloud-based platform that seamlessly integrates the complex process of compliance reporting. The company's client base primarily consists of publicly listed companies, mutual funds, and foreign private issuers who must adhere to multiple regulatory mandates utilising XBRL standards.

The flagship product in this domain is IRIS CARBON®, a subscription-based and cloud-hosted application. Additionally, the business segment encompasses IRIS iDeal, which specialises in automated regulatory data filings within the BFSI (banking, financial services and insurance) sector. The segment also offers a separate tax technology stack named IRIS GST, a suite of products within a platform tailored to meet indirect tax reporting and associated requirements.

IRIS CARBON®

IRIS CARBON® is a cloud-based disclosure management platform designed for seamless collaboration throughout the entire process of authoring, reviewing, and finalising both internal and external reports. By harnessing the power of the Office 365 Microsoft suite and integrating it with its disclosure management module, IRIS CARBON® provides users with a comprehensive and efficient solution.

The platform handles diverse taxonomies encompassing both financial and non-financial reporting while also accommodating the unique business rules mandated by different countries. This wide range of XBRL/iXBRL regulatory mandates spans from the US Securities and Exchange Commission (SEC), the US Federal Energy Regulatory Commission (FERC), Europe's Security Commission's European Single Electronic Format (ESEF) mandate, the UK's taxation authority, Her Majesty's Revenue and Customs (HMRC), and South Africa's business registry, the Companies and Intellectual Property Commission (CIPC).

As part of its expansion, IRIS CARBON® has entered the area of disclosure management by launching a cloud-based collaborative report authoring platform. This offering serves as a backward integration aimed at providing added value to its existing customer base.

Moreover, the product's application programming interfaces (APIs) and other analytics-driven tools play a crucial role in facilitating peer benchmarking and gain valuable competitive intelligence.

Regular updates ensure that users have access to advanced features that enhance report creation efficiency. These include the incorporation of and machine learning algorithms, empowering users with automated tag selection capabilities. This intelligent integration streamlines the report creation process, enabling users to focus their time and energy on other critical aspects of their work.

To expand its reach, IRIS is exploring opportunities to introduce IRIS CARBON® in US States, factoring in the mandated structured data reporting for state-owned agencies. Embracing the increasing significance of ESG/ sustainability reporting, IRIS CARBON® is equipped to facilitate the digitisation of these reports. It incorporated the Staff Draft IFRS Sustainability Disclosure Taxonomy introduced by the International Sustainability Standards Board (ISSB), which is anticipated to gain global adoption. Furthermore, the platform readily accommodates the European Sustainability Reporting Standard (ESRS) represented by the XBRL taxonomy draft released by the European Financial Reporting Advisory Group (EFRAG). The company is building enduring relationships with partners and customers, which includes Fortune 500 companies as well.

Accolades

IRIS CARBON® received prestigious recognitions for its exceptional performance and contributions in the software-as-a-service (SaaS) industry.

At the 2022 SaaS Awards hosted by Awarding and Consultancy International, IRIS CARBON® was honored with the esteemed title of 'The Most Agile/ Responsive SaaS Solution of the Year.' This award highlights the organisation's unwavering dedication to an agile approach in developing and continuously improving our SaaS solution.

IRIS CARBON® won the '2023 APPEALIE SaaS Software Awards,' a coveted accolade that celebrates exceptional achievements within the SaaS industry. IRIS CARBON® was distinguished in the category of ERP + Finance for the small business mid-market segment. This award underscores our commitment to providing cutting-edge solutions tailored to the unique requirements of small and mid-sized businesses.

IRIS GST

IRIS GST is IRIS' tax technology platform offering for business taxpayers in India. The journey started in 2017, when India adopted the 'one nation, one market, one tax system' of GST; IRIS was amongst the initial GST Suvidha Providers (GSPs) selected by the Goods and Services Tax Network (GSTN). Since then through the digitalisation initiatives of the government, the tax system has progressed into automating the entire compliance process and introducing stricter checks through the introduction of e-way bills and e-invoices. IRIS has been a part of this digitisation journey and through its tax technology SaaS built solutions around GST compliance, e-invoicing and e-way bill management, facilitating a single view connecting all data points for enterprise taxpayers.

With the compliance need of taxpayers now taken care of, the need for value beyond compliance has become a value driver, where our tax technology platform offers solutions in Accounts Payables Automation and Tax Litigation Management space. Besides GST compliance for enterprise taxpayers, newer opportunities for using consent based GST, e-Invoice and eway bill data have emerged in the BFSI segment for credit underwriting/monitoring, invoice/ cash flow based lending etc. where IRIS GST has a platform offering – IRIS Credixo. IRIS is also one of the four private Invoice Registry Portals (IRPs) appointed by the government, and with the threshold mandate of e-invoicing being reduced to ₹5 cr to include small taxpayers, there is also an opportunity to provide Value Added Services (VAS) to taxpayers in the MSME segment.

Accolades

IRIS GST won the Jury award for the Best Tax Technology Solution Provider - 2022 award by TIOL.

IRIS iDEAL

IRIS iDeal, an XBRL authoring, validation and workflow tool, offers automated structured data regulatory reporting capabilities by extracting data from financial institutions' central repositories. This tool has gained significant traction in the banking sectors of India and Mauritius. The Reserve Bank of India has been actively encouraging banks and financial institutions to adopt an automated data flow regulatory reporting model, in which IRIS iDeal plays an integral part. The product is offered in the market place using capital expenditure and operating expenditure models, providing flexibility to institutions. A majority of large banks in India rely on IRIS iDeal for their reporting needs. Furthermore, IRIS collaborated with various technology partners and system integrators, including HCL, Mphasis, and Fintellix, among others, to ensure smooth implementation of the solution.

Outlook

With the introduction of the disclosure management module, IRIS Carbon is now positioned as an offering that is not only meeting compliance requirements emanating from XBRL reporting mandates but as a productivity multiplier in the CFO's office as well. In addition, the demand outlook in the traditional segment is promising, given the expected mandates emerging from ESG reporting in Europe as well as the ACFR reporting of government agencies in the US.

In the GST related area, IRIS is deepening its offering to large enterprises through partnerships and exploring building a multi-utility platform for small businesses encompassing compliance, collection and credit facilitation.

IRIS iDeal has a dominant market share in India and is looking at expanding to other geographies in addition to Mauritius where it already has a presence. A move towards more granular data and higher automation in BFSI reporting augurs well for this product line.

Our Founders and Executive Directors

S Swaminathan

Founder and CEO

Mr. Swaminathan is an economist from Yale University and serves as a Consultant to the World Bank and is experienced in numerous media executive roles. His is passionate about the adoption of XBRL as a standard for ensuring high-quality data. Mr. Swaminathan actively participates in world politics and policymaking and has contributed to the organisation of World Cup cricket tournaments. He holds significant leadership positions in esteemed organisations such as the Consultative Committee on XBRL, MCA, Government of India and the IT sub-committee of CII, Western Region.

K Balachandran

Co-Founder and CFO

Mr. Balachandran represented IRIS at esteemed forums such as the IFRS Taxonomy Consulting Group of the International Accounting Standards Board (IASB) and the XBRL sub-committee of the Ministry of Corporate Affairs, Government of India. Prior to founding IRIS, he worked with CRISIL and Tata Economic Consultancy Services. He holds a graduate degree in chemical engineering and an MBA from the Indian Institute of Management, Bangalore.

Deepta Rangarajan

Co-founder

Ms. Rangarajan was instrumental in overseeing significant client engagements during the Company's growth phase in structured data, which culminated in the creation of the product, IRIS Carbon, for which she now serves as a sponsor. With a background as a Chemical Engineer from IIT Delhi and an MBA from IIM Ahmedabad, she earned recognition by being featured in the bestseller 'Stay Hungry, Stay Foolish' and was honored as one of Navi Mumbai's Power Women of 2015.

Vinod Agarwala

Independent Director and Chairman of the Board

Mr. Agarwala is a reputed Advocate & Solicitor in Mumbai with specialisation in various legal domains, including Corporate Laws, Securities Laws, Project Finance, Property Law, FDI and Commercial Laws. He is a Solicitor in the Supreme Court of England & Wales and an Advocate of the Supreme Court of India. He has over 35 years of experience in the legal field.

Bhaswar Mukherjee

Independent Director, Chairman, Audit Committee

Mr. Mukherjee was a former Director, Finance, on the Board of Hindustan Petroleum Corporation Limited. He also served as the CFO and Head of HR at Haldia Petrochemicals Limited. He is a qualified Chartered Accountant.

Ashok Venkatramani

Independent Director, Chairman, NRC

Mr. Venkatramani was the CEO at ABP News Network and later assumed the position of Managing Director at ZEE Media Corporation. He had been with Hindustan Unilever for 19 years. An alumnus of the prestigious Indian Institute of Management, Ahmedabad and Harvard Business School, Mr. Venkatramani was featured in the World CMO Council's esteemed list of India's 75 top marketers.

Haseeb Drabu

Independent, Director, Chairman, Committee on Risk

Mr. Drabu is a renowned economist who has held various roles in his career, including lawmaker, policy planner, banker and economic commentator. He has served as Chairman of J&K Bank and held the position of Finance Minister in Jammu & Kashmir.

P K X Thomas

Chief Technology Officer

P K X Thomas is a highly skilled technocrat with a three-decade experience in various roles related to product, technology and operations. He has worked with renowned organisations such as Hopscotch, Reliance Industries Limited and Cleartrip. As Senior Vice President and Chief Technology Officer at Reliance Brands Limited, Mumbai, he successfully oversaw the development and operations of India's mono-brand sites and played a key role in the achievements of Hamleys UK and other projects.

NOTICE

NOTICE is hereby given that the Twenty-third (23rd) Annual General Meeting ("**AGM**") of the members of IRIS Business Services Limited will be on Monday, August 14, 2023, at 11:00 a.m. (IST) through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") (deemed to be the Registered Office of the Company situated at T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi Station, Vashi - 400 703, Maharashtra, India) to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – To consider and adopt the Audited Financial Statements

To receive, consider and adopt the standalone and consolidated audited financial statements of the Company for the financial year ended March 31, 2023 including the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss for the year ended on that date and the report of the Board of Directors' and Auditor's thereon.

Item No. 2 – To consider the re-appointment of Mr. Swaminathan Subramaniam (DIN: 01185930), liable to retire by rotation.

To re-appoint Mr. Swaminathan Subramaniam (DIN: 01185930), who retires by rotation, and being eligible, has offered himself for re- appointment.

SPECIAL BUSINESS

Item No. 3 – Re-appointment of Mr. Swaminathan Subramaniam (DIN: 01185930) as a Whole Time Director of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V and Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee of the Board and the approval of the Board of Directors and subject to any regulatory/government approval, if applicable, Mr. Swaminathan Subramaniam (DIN: 01185930) be and is hereby re-appointed as "Whole Time Director" of the Company, liable to retire by rotation, with effect from May 1, 2024 for a period of 3 (three) years on the following terms and conditions:

a) Salary shall be payable upto ₹45.00 lakhs per annum;

b) Bonus per annum shall be equivalent to such sum as may be fixed by the Board of Directors subject to an overall ceiling as per the Companies Act, 2013. The net profits shall be computed as set out under Section 198 of the Companies Act, 2013 and the rules framed thereunder;

c) Perquisites per annum shall not exceed his annual salary. Perquisites include medical expenses, payment of premium on personal accident and health insurance and such other perquisites as may be approved by the Board from time to time, subject to aforesaid overall ceiling;

d) Other benefits includes use of car with driver, telephone for Company's business (the expenses whereof would be borne and paid by the Company), leave travel allowance, contribution to provident fund, superannuation fund and all other benefits are as applicable to Directors and/or Senior employees of the Company including but not limited to gratuity, leave entitlement, encashment of leave and housing and other loan facilities as per the schemes of the Company and as approved by the Board from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as the Minimum Remuneration subject to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the appointee.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary and/or revise the terms of re-appointment including the remuneration of the said Whole Time Director within the permissible limits under the provisions of the Companies Act, 2013 or any statutory modification(s) thereof, from time to time and to settle any question or difficulty in connection therewith or incidental thereto and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the above may be treated as a written memorandum setting out the terms of the re-appointment of Mr. Swaminathan Subramaniam under Section 190 of the Companies Act, 2013.

RESOLVED FURTHER THAT certified true copy of the above resolutions, duly certified by any one of the Director or the Company Secretary of the Company be issued, if required."

Item No. 4 – Re-appointment of Mr. Balachandran Krishnan (DIN: 00080055) as a Whole Time Director of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the the Board of Directors of the Company and subject to any regulatory/government approval, if applicable, Mr. Balachandran Krishnan (DIN:00080055) be and is hereby re-appointed as "Whole Time Director" of the Company, liable to retire by rotation, with effect from May 1, 2024 for a period of 3 (three) years on the following terms and conditions:

a) Salary shall be payable upto ₹45.00 lakhs per annum;

b) Bonus per annum shall be equivalent to such sum as may be fixed by the Board of Directors subject to an overall ceiling as per the Companies Act, 2013. The net profits shall be computed as set out under Section 198 of the Companies Act, 2013 and the rules framed thereunder;

c) Perquisites per annum shall not exceed his annual salary. Perquisites include medical expenses, payment of premium on personal accident and health insurance and such other perquisites as may be approved by the Board from time to time, subject to aforesaid overall ceiling;

d) Other benefits includes use of car with driver, telephone for Company's business (the expenses whereof would be borne and paid by the Company), leave travel allowance, contribution to provident fund, superannuation fund and all other benefits are as applicable to Directors and/or Senior employees of the Company including but not limited to gratuity, leave entitlement, encashment of leave and housing and other loan facilities as per the schemes of the Company and as approved by the Board from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as the Minimum Remuneration subject to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the appointee.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary and/or revise the terms of re-appointment including remuneration of the said Whole Time Director within the permissible limits under the provisions of the Companies Act, 2013 or any statutory modification(s) thereof, from time to time and to settle any question or difficulty in connection therewith or incidental thereto and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the above may be treated as a written memorandum setting out the terms of the re-appointment of Mr. Balachandran Krishnan under Section 190 of the Companies Act, 2013.

RESOLVED FURTHER THAT certified true copy of the above resolutions, duly certified by any one of the Director or the Company Secretary of the Company be issued, if required."

Item no. 5 – Re-Appointment of Ms. Deepta Rangarajan (DIN: 00404072) Whole Time Director of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and Rules framed thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Articles of Association of the Company and pursuant to approval of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to any regulatory/ government approval, if applicable, Ms. Deepta Rangarajan (DIN: 00404072) be and is hereby re-appointed as "Whole Time Director" of the Company, liable to retire by rotation, with effect from May 1, 2024 for a period of 3 (three) years on the following terms and conditions:

a) Salary shall be payable upto ₹45.00 lakhs per annum;

b) Bonus per annum shall be equivalent to such sum as may be fixed by the Board of Directors subject to an overall ceiling as per the Companies Act, 2013. The net profits shall be computed as set out under Section 198 of the Companies Act, 2013 and the rules framed thereunder;

c) Perquisites per annum shall not exceed her annual salary. Perquisites include medical expenses, payment of premium on personal accident and health insurance and such other perquisites as may be approved by the Board from time to time, subject to aforesaid overall ceiling;

d) Other benefits includes use of car with driver, telephone for Company's business (the expenses whereof would be borne and paid by the Company), leave travel allowance, contribution to provident fund, superannuation fund and all other benefits are as applicable to Directors and/or Senior employees of the Company including but not limited to gratuity, leave entitlement, encashment of leave and housing and other loan facilities as per the schemes of the Company and as approved by the Board from time to time.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, notwithstanding anything to the contrary herein contained, the appointee shall be paid the above remuneration as the Minimum Remuneration subject to the overall limits as per provisions contained in the Schedule V to the Companies Act, 2013 or any amendments hereinafter made, as may be agreed to between the Board of Directors and the appointee.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to vary and/or revise the terms of re-appointment including the remuneration of the said Whole Time Director within the permissible limits under the provisions of the Companies Act, 2013 or any statutory modification(s) thereof, from time to time and to settle any question or difficulty in connection therewith or incidental thereto and to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.

RESOLVED FURTHER THAT the above may be treated as a written memorandum setting out the terms of the re-appointment of Ms. Deepta Rangarajan under Section 190 of the Companies Act, 2013.

RESOLVED FURTHER THAT certified true copy of the above resolutions, duly certified by any one of the Director or the Company Secretary of the Company be issued, if required."

By order of the Board of Directors

Santosh kumar Sharma
Company Secretary & Compliance Officer
(Membership No. ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

Notes:

1. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has, vide General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2021 dated January 13, 2021, Circular No.02/2022 dated May 5, 2022 and General Circular No. 10/2022 dated December 28, 2022 respectively, (collectively referred as 'MCA Circulars') and Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/ CIR/P/ 2021/11 dated January 15, 2021 and SEBI/HO/ CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and Circular No. SEBI/HO/CFD/PoD-2/P/ CIR/2023/4 dated January 5, 2023 issued by Securities and Exchange Board of India (SEBI) (collectively referred as 'SEBI Circulars'). MCA circulars and SEBI circulars (collectively referred as 'Circulars') allowed the companies to hold AGM through VC/OAVM, without the physical presence of members at the venue. In compliance with the Circulars, the AGM of the Company will be held through VC/ OAVM without the physical presence of the shareholders at a common venue.

2. Explanatory Statement pursuant to Section 102 of the Act relating to Items nos. 3, 4 and 5 of the Notice of the 23rd AGM, which are considered to be unavoidable by the Board of Directors of the Company, is annexed hereto. The relevant details as required under Regulation 36(4) and SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India, of the persons seeking re-appointment / appointment under Item No. 3, 4 and 5 of the Notice, are also annexed to this Notice.

3. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself, and the proxy need not be a member of the Company. However, since this AGM is being held through VC / OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said Circulars. The facility to appoint a proxy to attend and cast vote for the shareholder is not made available for this AGM and hence the Proxy Form, and Attendance Slip are not annexed to this Notice. However, in terms of the provisions of Section 112 and 113 of the Act read with the said Circulars, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC / OAVM on their behalf and participate thereat, including cast votes by electronic means (details of which are provided separately, herein below).

4. The shareholders can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 shareholders on 'first come first serve' basis. This will not include large shareholders (i.e. shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.

5. The attendance of the shareholders attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. The shareholders seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before Monday, August 07, 2023, 5:00 pm (IST), through Email on cs@irisbusiness.com. The same will be replied by / on behalf of the Company suitably.

7. In line with the said Circulars issued by the MCA and SEBI, the Annual Report including Notice of the 23rd AGM of the Company indicating the process and manner of e-voting is being sent only by Email, to all the shareholders whose Email IDs are registered with the Company/ Depository Participant(s) for communication purposes to the shareholders and to all other persons so entitled. Further, in terms of the applicable provisions of the Act, SEBI Listing Regulations read with the said Circulars, the Annual Report including Notice of the 23rd AGM of the Company will also be available on the website of

the Company at www.irisbusiness.com. The same can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com, National Stock Exchange of India Limited at www.nseindia.com and on the website of NSDL at (agency for providing the remote e-voting facility and e-voting system during the AGM) https://www.evoting.nsdl.com.

8. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, August 08, 2023 to Monday, August 14, 2023 (both days inclusive).

9. SEBI has mandated the updation of PAN, contact, Bank account, specimen signature and nomination details, against folio / demat account. PAN is also required to be updated for participating in the securities market, deletion of name of deceased holder and transmission / transposition of shares. As per applicable SEBI Circular, PAN details are to be compulsorily linked to Aadhar details by the date specified by Central Board of Direct Taxes. Members are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their Depository Participant ("DP") in case of holding in dematerialised form or to Company's Registrar and Share Transfer Agents through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) available at www.irisbusiness.com.in case of holdings in physical form.

10. Shareholders holding shares in physical form are requested to dematerialize their holdings to eliminate all risks associated with physical shares and for ease of portfolio management. Shareholders can contact the Company or Link Intime India Private Limited ("LIIPL") for assistance in this regard.

11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said forms can be downloaded from the Company's website at www.irisbusiness.com.

12. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

13. Relevant documents referred to in the Notice shall be made available for inspection to the members through electronic mode, based on the request received from the member on cs@irisbusiness.com.

    The aforesaid documents will also be available for inspection by Members during the AGM.

14. To support the 'Green Initiative', members who have not registered their Email addresses are requested to register the same with DPs and/or LIIPL.

15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited ("NSDL") for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

16. The cut-off date for the purpose of remote e-voting and e-voting at the AGM shall be Friday, August 04, 2023. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date, i.e. Friday, August 04, 2023, shall be entitled to avail the facility of remote e-voting or e-voting at the AGM.

17. The e-voting facility shall also be made available at the AGM, and Members attending the AGM who have not already cast their vote by remote e-voting shall be able to exercise their right at the AGM. The members who have cast their vote by remote-voting prior to the AMG may attend the AGM but shall not be entitled to cast their vote again. Further, once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

18. The Company has appointed Ms. Priti Sheth, of M/s. Priti J. Sheth & Associates, Company Secretaries, (Membership No. FCS 6833, C.P. No. 5518) and failing her Ms. Rachana Maru, of M/s. Priti J. Sheth & Associates, (Membership No. FCS - 41825, C.P. No. 16210) as the Scrutinizer to scrutinize remote e-voting or e-voting at the AGM in a fair and transparent manner.

19. The voting rights of members shall be in proportion to their holding in the paid up equity share capital of the Company as on the cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of e-voting.

20. The result of remote e-voting and e-voting at the AGM along with the Scrutinizer's Report shall be placed on the Company's website http://www.irisbusiness.com and on the website of NSDL https://www.evoting.nsdl.com in due course. The Company shall be simultaneously forwarding the results to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

21. **THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**

    The remote e-voting period begins on Thursday, August 10, 2023 at 09:00 A.M. (IST) and ends on Sunday, August 13, 2023 at 05:00 P.M. (IST) The remote e-voting module shall be disabled by NSDL for remote e-voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e. Friday, August 04, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their holding in the paid-up equity share capital of the Company as on the cut-off date, being Friday, August 04, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and Email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices. nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
	4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https:// web. cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https:// web.cdslindia.com/myeasi/Registration/EasiRegistration
	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode)login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at no.: 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at HYPERLINK "mailto:helpdesk.evoting@cdslindia.com"helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member'section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID
	For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID
	For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company
	For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request

      at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to priti.pjsassociates@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on no.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@irisbusiness.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@irisbusiness.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at cs@irisbusiness.com before Monday, August 07, 2023. Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

22. Scrutinizer's report and declaration of results
    a. The Scrutinizer shall, after the conclusion of e-voting at the AGM, first count the votes cast vide e-voting at the AGM and thereafter shall, unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company. She shall be submitting a Consolidated Scrutinizer's Report of the total votes cast in favour or against, not later than 48 (forty-eight) hours of the conclusion of the AGM, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
    b. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.irisbusiness.com and on the website of NSDL i.e. www.evoting.nsdl.com. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India Limited where the shares of the Company are listed.
23. As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with Registrar and Share Transfer Agents or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DP. For relevant forms, please visit the Company's website at www.irisbusiness.com.
24. Shareholders are requested to quote their Folio No. or DP ID-Client ID, as the case may be, in all correspondence with the Company or the LIIPL.
25. Since the AGM will be held through Video Conferencing or Other Audio Visual Means, route map of venue of the AGM and admission slip is not attached to this Notice.

Explanatory statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

Mr. Swaminathan Subramaniam, (DIN: 01185930), Whole Time Director & CEO of the Company is one of the founders of the Company. He was the Whole Time Director ("WTD") of the Company for a period of five years from May 1, 2010. He was additionally appointed and designated as the 'Chief Executive Officer' of the Company by the Board of Directors of the Company on February 7, 2015 based on the recommendation of the Nomination and Remuneration Committee. He was further re-appointed as WTD by the shareholders in the fifteenth AGM held on September 29, 2015 for a period of 3 (three) years from May 1, 2015 till April 30, 2018 on the recommendation of the Board of Directors and the Nomination and Remuneration Committee of the Board at their meetings held on February 7, 2015. He was further re-appointed by the shareholders in the eighteenth AGM held on August 31, 2018 for a period of 3 (three) years from May 1, 2018 on the recommendation of the Board of Directors and the Nomination and Remuneration Committee of the Board at their meetings held on April 25, 2018. He was further re-appointed by the shareholders through Postal Ballot dated April 3 2021 for a period of 3 (three) years from May 1, 2021. His present tenure expires on April 30, 2024 and at the meeting of the Board of Directors held on May 26, 2023, he was re-appointed as a WTD by the Board with effect from May 1, 2024 for a period of 3 years pursuant to recommendation of the Nomination and Remuneration Committee of Board and subject to the approval of the members of the Company.

In terms of Section 196 and Section 197 read with Schedule V of the Act read with applicable provisions of the Listing Regulations a special resolution is proposed to be passed for the re-appointment and payment of remuneration to Mr. Swaminathan Subramaniam for a period of 3 years with effect from May 1, 2024.

In accordance with the resolution and within the aforesaid limits, the amount of salary, bonus and perquisites payable to Mr. Swaminathan Subramaniam (including the types and amount of each type of perquisites) will be decided by the Board, at such time or times, as it may deem fit in its absolute discretion. Mr. Swaminathan Subramaniam shall be entitled to all other benefits as are provided to the Directors and/or senior employees of the Company, in accordance with schemes made/ to be made by the Company, from time to time.

The valuation of perquisites will be as per the Income Tax Rules in cases where the same is otherwise not possible to be valued.

The Board of Directors recommends the special resolution for approval of the members.

Mr. Swaminathan Subramaniam and Ms. Deepta Rangarajan are interested in the resolution at Item No. 3, being husband and wife.

None of the other Directors and/or Key Managerial Personnel of the Company and their relatives except as mentioned above and to the extent of their shareholding in the Company is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice.

Item No. 4

Mr. Balachandran Krishnan, (DIN: 00080055), Whole Time Director & CFO of the Company is one of the founders of the Company. He was the Whole Time Director ("WTD") of the Company for a period of five years from May 1, 2010. He was re-appointed as WTD by the shareholders in the fifteenth AGM held on September 29, 2015 for a period of three years from May 1, 2015 till April 30, 2018 on the recommendation of the Board of Directors and the Nomination and Remuneration Committee of the Board at their meetings held on February 1, 2015. He was further re-appointed by the shareholders in the eighteenth AGM held on August 31, 2018 for a period of 3 (three) years from May 1, 2018 on the recommendation of the Board of Directors and the Nomination and Remuneration Committee of the Board at their meetings held on April, 2018. He was further re-appointed by the shareholders through Postal Ballot dated April 3, 2021 for a period of 3 (three) years from May 1, 2021. His present tenure expires on April 30, 2024 and at the meeting of the Board of Directors held on May 26, 2023, he was re-appointed as a WTD by the Board with effect from May 1, 2024 for a period of 3 years pursuant to recommendation of the Nomination and Remuneration Committee of Board and subject to the approval of the members of the Company.

In terms of Section 196 and Section 197 read with Schedule V of the Act read with applicable provisions of the Listing Regulations a Special resolution is proposed to be passed for the re-appointment and payment of remuneration to Mr. Balachandran Krishnan for a period of 3 years with effect from May 1, 2024.

In accordance with the resolutions and within the aforesaid limits, the amount of salary, bonus and perquisites payable to Mr. Balachandran Krishnan (including the types and amount of each type of perquisites) will be decided by the Board, at such time or times, as it may deem fit in its absolute discretion. Mr. Balachandran Krishnan shall be entitled to all other benefits as are provided to the Directors and/or senior employees of the Company, in accordance with schemes made/ to be made by the Company, from time to time.

The valuation of perquisites will be as per the Income-Tax Rules, in cases where the same is otherwise not possible to be valued.

The Board of Directors recommends the special resolution for approval of the members.

Mr. Balachandran Krishnan is interested in the resolution at Item No.4.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives except as mentioned above and to the extent of his shareholding in the Company is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

Item No. 5

Ms. Deepta Rangarajan, (DIN: 00404072), Whole Time Director ("WTD") of the Company is one of the founders of the Company. She was the WTD of the Company for a period of five years from May 1, 2010. She was reappointed as WTD by the shareholders in the fifteenth AGM held on September 29, 2015 for a period of three years from May 1, 2015 till April 30, 2018 on the recommendation of the Board of Directors and the Nomination and Remuneration Committee of the Board at their meetings held on February 7, 2015. She was further re-appointed by the shareholders in the eighteenth AGM held on August 31, 2018 for a period of 3 (three) years from May 1, 2018 on the recommendation of the Board of Directors and the Nomination and Remuneration Committee of the Board at their meetings held on April 25, 2018. She was further re-appointed by the shareholders through Postal Ballot dated April 3 2021 for a period of 3 (three) years from May 1, 2021. Her present tenure expires on April 30, 2024 and at the meeting of the Board of Directors held on May 26, 2023, she was re-appointed as a WTD by the Board with effect from May 1, 2024 for a period of 3 years pursuant to recommendation of the Nomination and Remuneration Committee of Board and subject to the approval of the members of the Company.

In terms of Section 196 and Section 197 read with Schedule V of the Act read with applicable provisions of the Listing Regulations a special resolution is proposed to be passed for the re-appointment and payment of remuneration to Ms. Deepta Rangarajan for a period of 3 (three) years with effect from May 1, 2024.

In accordance with the resolutions and within the aforesaid limits, the amount of salary, bonus and perquisites payable to Ms. Deepta Rangarajan (including the types and amount of each type of perquisites) will be decided by the Board, at such time or times, as it may deem fit in its absolute discretion. Ms. Deepta Rangarajan shall be entitled to all other benefits as are provided to the directors and/ or senior employees of the Company, in accordance with schemes made/ to be made by the Company, from time to time.

The valuation of perquisites will be as per the Income-Tax Rules, in cases where the same is otherwise not possible to be valued.

The Board of Directors recommends the special resolution for approval of the members.

Mr. Swaminathan Subramaniam and Ms. Deepta Rangarajan are interested in the resolution at Item No. 5 being husband and wife.

None of the other Directors and/or Key Managerial Personnel of the Company and their relatives except as mentioned above and to the extent of their shareholding in the Company is in any way concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

By order of the Board of Directors

Santosh kumar Sharma
Company Secretary & Compliance Officer
(Membership No. ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

DETAILS AS REQUIRED UNDER SCHEDULE V TO THE COMPANIES ACT, 2013, REGULATION 36(3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS") AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA, OF THE PERSONS SEEKING RE-APPOINTMENT UNDER ITEM NO. 2, 3, 4 AND 5

Additional information on directors recommended for appointment / re-appointment as required under Regulation 36 of the LODR Regulations and applicable secretarial standards as under:

I.	**General Information**			
1	Nature of Industry	Software Products and Solutions		
2	Date or expected date of commencement of commercial production	Company is already in operation		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4	Financial performance based on given indicators	The Company has made a profit after tax of ₹36,773 thousands for the financial year ended March 31, 2023 on a standalone basis.		
5	Foreign Investments or collaborations, if any	The Company has the following subsidiaries outside India: 1. IRIS Business Services, LLC (USA) 2. IRIS Business Services (Asia) Pte. Ltd. (Singapore) 3. Atanou S.r.l. (Italy)		
II	**Other Information**			
1	Reasons of loss or inadequate profits	The Company had undertaken a significant transition from a service-oriented business to an IP driven software product business. This business revamp entailed initial expenses and also led to drop in revenues in the initial years. We are happy to report that our efforts have succeeded with IRIS pivoting into a product business with a large number of clients. Despite a setback due to Covid, in FY 2022-23, the company reported modest profit after tax of ₹36,773 thousands on a standalone basis. We are optimistic about the future, having built a compelling suite of products along with a marquee client base.		
2	Steps taken or proposed to be taken for improvement	With the shift in business focus, we have diversified our revenue base across multiple customers, business lines and geographies. Our offerings are truly global catering to customers in as many as 52 countries. The 'Create' business segment of the Company which caters to enterprise regulatory reporting needs, has grown well with new markets opening up in US and Europe for XBRL reporting mandates. The Saas based GST suite of offerings in the Indian market has a good presence in the large enterprise segment. Finally, with Covid receding away, the Collect business segment is witnessing increased interest from regulators.		
3	Expected increase in productivity and profits in measurable terms	With the product suite pretty much in place, the Company is focussing on expanding the sales footprint, especially in the enterprise market. Increased customer acquisition within the existing mandates should substantially improve the margins as operating leverage kicks in. In addition, new reporting mandates in areas such as state government agencies in the US, look promising. The 'Collect' segment business that caters to regulators is picking up as well.		
III	**Information about the appointee**			
	Name of Director	**Mr.Swaminathan Subramaniam**	**Mr.Balachandran Krishnan**	**Ms. Deepta Rangarajan**
1	Background details	Mr. Swaminathan Subramaniam, Founder and CEO, has 20+ years of experience in information technology, financial information and media. An Economics Graduate with a Master's degree from Yale University, he was a Consultant to The World Bank in Washington, DC. Previously, he served in senior editorial positions with The Economic Times and Business India. He is Past Chairman, IT sub-committee, CII, Western Region, Past member, Regional Council, CII (Western Region) and Patron Member, Indian Merchants Chamber and Past Vice-Chairman, Indian Merchants Chamber, Navi Mumbai.	Mr. Balachandran Krishna, Co-founder, WTD & CFO, has 20+ years of experience in financial research and information business. He was previously a research analyst at Tata Economic Consultancy Services, and CRISIL (India's premier rating agency, now a subsidiary of Standard and Poor's). He holds a B. Tech degree from Calicut University and MBA from IIM-Bangalore.	Ms. Deepta Rangarajan, Whole Time Director, Co-founder & Head, International Business, has 20+ years of experience in operations and business development, previously worked at American Express Bank and headed CRISIL's operations in North India. She holds a B. Tech degree from IIT-Delhi and MBA from IIM-Ahmedabad. She is identified as one of the top 25 entrepreneurs from IIMA and 1 of 2 women entrepreneurs in the list.
2	Past remuneration	₹4,500 thousands	₹4,500 thousands	₹4,500 thousands
3	Recognition or awards	Several	Several	Several
4	Job profile and his suitability	Job requires strong knowledge of and experience in sales and marketing and exposure to the IT industry. Mr. Swaminathan Subramaniam is eminently suitable given his background.	Job requires expert knowledge of financial reporting and accounting. Mr. Balachandran Krishnan is an MBA in finance and therefore possesses the necessary skills required.	Job requires strong knowledge of and experience in sales and marketing and exposure to the IT industry, which Ms. Rangarajan possesses.
5	Proposed Remuneration	As per resolution given above	As per resolution given above	As per resolution given above
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Well within industry norms	Well within industry norms	Well within industry norms
7	Pecuniary Relationship directly or indirectly with the Company, or relationship with the Managerial personnel, if any.	Mr. Swaminathan Subramaniam is husband of Ms. Deepta Rangarajan, Whole Time Director on the Board of the Company.	Not Applicable	Ms. Deepta Rangarajan is wife of Mr. Swaminathan Subramaniam, Whole Time Director & CEO on the Board of the Company.
IV	**Additional information to be given to the members in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 is as under**			
1	Age	61 years	60 years	57 Years
2	DIN	01185930	00080055	00404072
3	Date of Birth	24.03.1962	13.04.1963	23.04.1966
4	Date of first appointment	03.10.2000	03.10.2000	03.10.2000
5	Shareholding in the Company	45,72,168	11,04,000	14,46,052
6	Number of Board meeting(s) attended	5 out of 5	5 out of 5	5 out of 5
7	Directorships held in other companies including equity listed companies and excluding foreign companies as of the date of this Notice.	a) IRIS Knowledge Foundation b) Investment Research and Information Services Limited	a) IRIS Knowledge Foundation b) Investment Research and Information Services Limited	-
	Name of listed entities from which the person has resigned in the past three years	-	-	-
8	Other membership of committee (Includes only Audit Committee and Stakeholders Relationship Committee)	-	-	-
9	Qualifications, brief resume and experience	Mr. Swaminathan Subramaniam is Promoter, CEO and Whole Time Director of our Company. He has been the CEO of the Company since February 07, 2015. He is an economist trained at Yale University, USA. He is one of the founders of the Company and looks after overall management and marketing department of our Company. He was in committee of various Consultative Committee on XBRL, MCA, Govt. of India. He was also a Chairman of IT subcommittee, CII, Western Region and Vice-Chairman, Indian Merchants Chamber, Navi Mumbai.	Mr Balachandran Krishnan is Promoter, CFO and Whole Time Director of our Company. He holds a graduate degree in chemical engineering from University of Calicut and an MBA from Indian Institute of Management, Bangalore. He has represented IRIS at various forums such as the IFRS Taxonomy Consulting Group of the International Accounting Standards Board (IASB); the XBRL sub-committee of the Ministry of Corporate Affairs, Govt. of India; the steering committee on fraud prediction models, Serious Fraud Investigation Office, Govt. of India and the XBRL International conferences.	Ms. Deepta Rangarajan is the Promoter and Whole Time Director of our Company. She is a Chemical Engineer from the Indian Institute of Technology, Delhi, and an MBA from the Indian Institute of Management, Ahmedabad. Her key responsibilities in the Company include international sales and marketing and strategically building out the team and employee recruitment. She also heads the Human Resources Department of our Company.
10	Expertise in specific functional areas	Marketing, Strategy, Governance, Management, Business Development	Finance, Management, Governance, Audit, Legal	Marketing, Governance, Management, Business Development
11	Terms & Conditions of Appointment/ Re-appointment	Re-appointed as a Whole Time Director and liable to retire by rotation.	Re-appointed as a Whole Time Director and liable to retire by rotation.	Re-appointed as a Whole Time Director and liable to retire by rotation.
12	Remuneration last drawn	₹3,750 thousands	₹4,500 thousands	₹4,500 thousands
13	Relationship with other Directors /KMP	Mentioned above	None	Mentioned above

By order of the Board of Directors

Santosh kumar Sharma
Company Secretary & Compliance Officer
(Membership No. ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

BOARD'S REPORT

TO
THE MEMBERS OF
IRIS BUSINESS SERVICES LIMITED

Your Board of Directors ("Board") is pleased to present the Twenty-third Annual Report of your Company, for the financial year ended March 31, 2023.

1. SUMMARY OF OPERATIONS / RESULTS

(Amount in thousands - ₹)

Particulars	Standalone		Consolidated	
	FY 2023	FY 2022	FY 2023	FY 2022
Turnover	6,75,433	5,61,519	7,35,712	6,12,723
Other Income	12,110	7,550	13,322	7,445
Total Expenditure	6,41,948	5,56,212	6,97,016	6,03,906
Operating Profit (Loss)	45,595	12,857	52,018	16,262
Exceptional Items	-	-	-	-
Net Profit (Loss) before tax	45,595	12,857	52,018	16,262
Tax Expense				
Current Tax	8,822	1,100	9,004	1,150
Deferred Tax	-	-	166	61
Tax expense/(income) for earlier years	-	5,000	(3)	5,000
Profit (Loss) for the year	36,773	6,757	42,851	10,051

2. PERFORMANCE OF THE COMPANY

On the back of a rebound in the growth in the Collect segment, the company's revenue for the reporting year grew 21% over the previous year. The Create segment, which caters to enterprises, continued to perform creditably in the reporting year as well. Notably, towards the end of the financial year, the company was able to bag a couple of important contracts in the Collect segment.

Highlights of financial results

(Amount in Thousands - ₹)

Particular	Standalone			Consolidated		
	FY 2023	FY 2022	% Increase/ (Decrease)	FY 2023	FY 2022	% Increase/ (Decrease)
Revenues	6,87,543	5,69,069	20.82	7,49,034	6,20,168	20.78
Revenues from operation	6,75,433	5,61,519	20.29	7,35,712	6,12,723	20.07
Revenues from export	3,98,055	2,87,942	38.24	4,58,110	3,37,800	35.62
Revenues from "Collect" segment	2,48,099	2,10,910	17.63	2,68,833	2,31,092	16.33
Revenues from "Create" segment	3,92,492	3,19,817	22.72	4,32,037	3,50,840	23.14
Revenues from "Consume" segment	34,842	30,792	13.15	34,842	30,791	13.15
Other income	12,110	7,550	60.40	13,322	7,445	78.94
Employee Costs	3,89,857	3,29,834	18.20	4,07,966	3,47,691	17.34
Finance Costs	9,785	10,480	(6.63)	10,196	10,676	(4.50)
Travel related expenses	21,303	9,956	113.97	25,172	11,987	109.99
Other Expenses	1,95,514	1,63,786	19.37	2,31,774	1,93,224	19.95
Depreciation and Amortization	46,792	52,112	(10.21)	47,080	52,315	(10.01)
Exceptional Items	-	-	-	-	-	-

3. STATE OF COMPANY AFFAIRS

Your company continues to be recognized as a key player in the global regulatory reporting solutions market, especially with respect to solutions built on the extensible Business Reporting Language (XBRL) standard. Your company also occupies a distinct position in the market with IP driven product offerings across the information supply chain encompassing enterprises and regulators. The Covid pandemic had resulted in a material slowdown in regulatory spends on technology. However, the current year saw a revival and the company has been also benefitted by this improvement in demand conditions. The enterprise segment of the business continues to witness good traction. Your company's flagship product, IRIS Carbon is also now offering a disclosure management product which will boost productivity in building collaborative reports, particularly for the CFO's office. We are also planning an entry into the ESG reporting space where the company brings obvious strengths in the XBRL space, which when combined with the disclosure management suite should offer significant value to customers. In the tax technology space, the company is steadily expanding its footprint among enterprises in the Indian market. Our software to facilitate bank automated compliance data reporting, IRIS iDeal has seen robust demand in the Indian marketplace. We continue to evangelize the XBRL reporting standard across the world with special focus on the Africa continent.

4. TRANSFER TO RESERVE

The Board does not propose to transfer any amount to general reserve out of the net profits of the Company for the financial year 2022-23.

5. DIVIDEND AND TRANSFER TO IEPF

With a view to conserving resources, the Board has not recommended any dividend during the year under review.

The Company was not required to transfer any unpaid / unclaimed amount of dividend to IEPF during the financial year ended March 31, 2023.

6. CHANGE IN THE NATURE OF BUSINESS

There were no changes in the nature of business during the financial year ended March 31, 2023.

7. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the Company's financial position since the end of the Financial Year of the Company and date of this Report.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No significant or material order was passed, during the period under review, by the Regulators or Courts or Tribunals bearing an impact on the going concern status and Company's operations in future.

9. RISK AND CONCERN

Your company primarily operates in two distinct customer segments, one that comprises regulators and other being enterprises. Though both have separate characteristics, the common denominator continues to be that of intense competition. However, the company's ability to offer integrated solutions is a unique feature that helps us to stand out.

The Collect segment has risks pertaining to execution where there could be substantial time creep or change in requirements that impact profitability. Moreover, we also see certain regulators preferring large, omnibus RFPs where we can only bid for specific components with partners. Our presence in the US and European markets are also limited at this point of time in the regulatory platform solutions business.

In the Create segment, deep pocketed competitors invest heavily in on the ground sales and marketing as well as in product features. However, we continue to hold on our own with frugal engineering practices and innovative solutions. We also see consolidation among players in the European market that could affect the competitive dynamics, especially in the business of regulatory data collection platforms.

10. RISK MANAGEMENT

Your Company is aware of the risks associated with the business. The Company follows a method for identifying, minimizing and mitigating risks which will be periodically reviewed. The Company has a risk management system in place for the purpose of identification of all the major elements of risk, which in the opinion of the Board may threaten the existence of the company.

Some of the risks identified which will have the attention of the management are:

- Securing critical resources including capital and human resources;
- Data Security;
- Ensuring cost competitiveness;
- Building product differentiation and the appropriate value proposition;
- Maintaining and enhancing customer service standards;
- Identifying and introducing innovative marketing and branding activities, especially in the digital media.

11. DEPOSITS

During the year under review, the Company has not accepted any deposits from the public falling within the purview of provisions of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014.

As on March 31, 2023, there were no deposits which were unclaimed and due for repayment.

12. PERFORMANCE AND FINANCIAL HIGHLIGHTS OF SUBSIDIARY COMPANIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY

The Company had the following subsidiaries as on March 31, 2023:

1. IRIS Business Services (Asia) Pte. Ltd., Singapore
2. IRIS Business Services, LLC, United States of America
3. Atanou S.r.l., Italy
4. IRIS Logix Solutions Private Limited, India

None of the above companies ceased to be a subsidiary during the year under review. The Company does not have any Joint Venture or Associate Company.

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's Subsidiaries in Form AOC-1 is enclosed as "**Annexure – 1**" to this report. The consolidated financial statement of the company forms part of this annual report.

Pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate financial statements in respect of subsidiaries, are available on the website of the Company at https://www.irisbusiness.com/investors/financials/ Any Member, who is interested in obtaining a copy of the financial statements of subsidiaries companies, may write to the Company Secretary at cs@irisbusiness.com.

As on the financial year ended March 31, 2023, none of the subsidiaries of the Company were identified as 'material subsidiary' within the meaning of Regulation 16(1)(c) of SEBI Listing Regulations.

13. SHARE CAPITAL

During the year, there was no change in the authorised share capital of the Company.

However, the paid-up share capital of the Company increased from ₹19,21,81,620/- divided into 1,92,18,162 Equity Shares of ₹10/- each to ₹19,36,11,620/- divided into 1,93,61,162 Equity Shares of ₹10/- each on account of issue and allotment of 1,43,000 Equity Shares of ₹10/- to eligible employees upon exercise of the options granted to the said employees under IRIS Employee Stock Options Scheme, 2017.

i. Issue of Equity Shares with Differential Rights: The Company has not issued any equity shares with differential rights during the financial year ended March 31, 2023.

ii. Issue of Sweat Equity Shares: The Company did not issue any Sweat Equity Shares during the financial year ended March 31, 2023.

14. EMPLOYEE STOCK OPTIONS SCHEME

The shareholders of the Company approved IRIS Employee Stock Options Scheme, 2017 ("Scheme") at the Extra Ordinary General Meeting held on September 13, 2017. The Nomination and Remuneration Committee of the Board, inter-alia, administers and monitors the Employees Stock Option Scheme of the Company in accordance with the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations") as amended from time to time. Pursuant to shareholders' approval, the Nomination and Remuneration Committee of the Board granted Options to the eligible employee(s) under the Scheme. Further, the shareholders of the Company granted their approval through Postal Ballot for ratification of the Scheme and for extension of benefits of the Scheme for the eligible employees of subsidiary Company(ies) of the Company. As per the application to BSE Limited, the Stock Exchange, the Company received an in-principal approval of the Stock Exchange dated April 19, 2019 for the Scheme. The details of Scheme as required under Rule 9 of Companies (Share Capital and Debentures) Rules, 2014 and those under SEBI (Share Based Employee Benefits) Regulations, 2014, as amended, to the extent applicable are provided in **"Annexure – 2"** attached hereto. The Scheme is in compliance with the SEBI SBEB Regulations. Further, there were no material change in the Scheme during the year. The details required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are disclosed on Company's website at https://www.irisbusiness.com/investors/disclosures-announcements/

During the year ended March 31, 2020, the Board of Directors of the Company approved 'IRIS Business Services Limited Employee Stock Option Scheme 2019' ("IRIS ESOS 2019" / "Scheme") covering up to 14,00,000 (Fourteen Lakh) Employee Stock Options to eligible employees of the Company, as determined in terms of IRIS ESOS 2019, in one or more tranches, exercisable in aggregate into not more than 14,00,000 (Fourteen Lakh) equity shares of face value of ₹10/- each fully paid up. IRIS ESOS 2019 is subject to the approval of shareholders of the Company at a future date in alignment with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

15. INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has internal financial control and risk mitigation system which is constantly assessed and strengthened. The Company also conducts internal audits from time to time. The Audit Committee actively reviews the internal audit report, adequacy and effectiveness of the internal financial control and suggests improvements for the same.

16. DECLARATIONS GIVEN BY DIRECTORS

The Company has received necessary declarations and disclosures from its Independent Directors under Section 149(7) and Section 184(1) of the Companies Act, 2013 ("the Act") stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and under the applicable provisions of the SEBI Listing Regulations and have disclosed their interest in the form MBP-1. All the Directors have certified that the disqualifications mentioned under sections 164, 167 and 169 of the Companies Act, 2013 do not apply to them. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

The Board of the Company has taken the disclosures on record after verifying the due veracity of the same. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfil the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act. All the Independent Directors of the Company are also registered with the databank of Independent Directors as required under the provisions of the Companies Act, 2013.

The Directors and the senior management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel during the year under review.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL AND COMPOSITION OF BOARD

The composition of Board of Directors of the Company as on March 31, 2023 is as follows:

Sr.	Name of Director	DIN	Category
1.	Mr. Swaminathan Subramaniam	01185930	Promoter, Whole Time Director & CEO
2.	Mr. Balachandran Krishnan	00080055	Promoter, Whole Time Director & CFO
3.	Ms. Deepta Rangarajan	00404072	Promoter, Whole Time Director
4.	Mr. Puthenpurackal Kuncheria Xavier Thomas	09760233	Whole Time Director & CTO
5.	Mr. Vinod Balmukand Agarwala	01725158	Independent Director
6.	Mr. Ashok Venkatramani	02839145	Independent Director
7.	Mr. Bhaswar Mukherjee	01654539	Independent Director
8.	Mr. Haseeb A. Drabu	00489888	Independent Director

Mr. Bhaswar Mukherjee and Mr. Ashok Venkatramani were re-appointed by the Board of Directors of the Company at their meeting held on May 27, 2022 and by the shareholders of the Company on August 25, 2022 as Non-Executive Independent Director(s) of the Company for second and final term of five (05) years w.e.f October 9, 2022 upto October 8, 2027 and Mr. Vinod Agarwala was re-appointed in the same Board Meeting and General Meeting as the Non-Executive Independent Director(s) of the Company for second and final term of three (03) years w.e.f November 27, 2022 upto November 26, 2025.

Mr. Puthenpurackal Kuncheria Xavier Thomas, (DIN: 00080055), was appointed by the Board of Directors of the Company as Whole Time Director(s) of the Company for a period of five years effective from November 11, 2022 on the recommendation of the Nomination and Remuneration Committee at its meeting held on November 11, 2022 and the shareholders of the Company approved the said appointment on February 04, 2022 through postal ballot.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on May 26, 2023 have approved the re-appointment of Mr. Swaminathan Subramaniam, (DIN: 01185930), Ms. Deepta Rangarajan, (DIN: 00404072) and Mr. Balachandran Krishnan, (DIN: 00080055) of the Company for a period of three (03) years w.e.f May 01, 2024 subject to the approval of shareholders of the Company at the ensuing Annual General Meeting.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Swaminathan Subramaniam, (DIN: 01185930), Whole Time Director, retires by rotation at the forthcoming 23rd Annual General Meeting, and being eligible, has offered himself for re-appointment.

Apart from the above, there was no other change in the composition of the Key Managerial Personnel during the period under review.

18. BOARD AND COMMITTEE MEETING(S)

A total of 19 Board/Committee meetings were held during the year under review comprising 5 Board meetings, 5 meetings of the Audit Committee, 5 meetings of the Nomination and Remuneration Committee, 1 meetings of the Stakeholders Relationship Committee, 1 meeting of the Risk Management Committee, 2 meeting of the Rights Issue Committee, 1 Independent Directors' meeting and due to non-applicability of CSR provisions no meeting was held for Corporate Social Responsibility Committee.

Committees of Board:

The Company has Seven (7) Board-level Committee(s), which have been established in compliance with the provisions of the Act and SEBI Listing Regulations:

- Audit Committee;
- Nomination and Remuneration Committee;
- Stakeholder's Relationship Committee;
- Corporate Social Responsibility Committee;
- Risk Management Committee;
- Rights Issue Committee; and
- Business Responsibility and Sustainability Committee

Details of Committees along with their terms of reference, composition and attendance of Members at the meeting of the Committees are provided in the Corporate Governance Report.

I. Audit Committee:

The Audit Committee has been constituted by the Board, in accordance with the provisions of Section 177 of the Act read with Regulation 18 of SEBI Listing Regulations. During the year under review, the Board had accepted all the recommendations of the Audit Committee.

II. Nomination and Remuneration Committee:

Pursuant to the provisions of Section 178 of the Act read with Regulation 19 of SEBI Listing Regulations, the Board has constituted the Nomination and Remuneration Committee, which inter-alia recommends to the Board the criteria for appointment of Director(s) along with the compensation, terms of executive directors and senior managerial personnel.

The Board has approved the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and all other Employees of the Company. The said policy is hosted on the website of the Company. The web link of the same is as follows: https://www.irisbusiness.com/wp-content/uploads/2023/02/NRC-Policy.pdf

III. Stakeholder's Relationship Committee:

The Stakeholder's Relationship Committee is duly constituted in accordance with the provisions Section 178 of the Act, read with Regulation 20 of SEBI Listing Regulations. The primary objective Stakeholder's Relationship Committee of the Company is to consider and resolve the grievances of security holders/ members of the Company.

IV. Corporate Social Responsibility ("CSR Committee"):

The CSR Committee is duly constituted as per the provisions of Section 135 of the Act. The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, the Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The detailed report on CSR activities is attached as "**Annexure 3**" to this report.

The key philosophy of the Company's CSR initiative is to promote development through social and economic transformation. The CSR Policy of the Company can be accessed on the Company's website at the link provided herein below: https://www.irisbusiness.com/wp-content/uploads/2023/02/CSR-Policy.pdf

V. Risk Management Committee

The Board of your Company voluntarily constituted the Risk Management Committee ('RMC') of the Board for the purpose of internal administration.

VI. Rights Issue Committee

The Board of Directors at their meeting held on January 29, 2022, has approved the raising of funds by way of offer and issue of equity shares of the Company on a right basis (Rights Issue) up to ₹32.00 Crore and accordingly constituted a Rights Issue Committee.

VII. Business Responsibility and Sustainability Committee:

The Board of Directors at their meeting held on February 13, 2023 constituted the Business Responsibility and Sustainability Committee on voluntarily basis. The said committee constituted with an aim to help the business in demonstrating the structure, policies and processes as set in the principles and core elements of the National Guidelines on Responsible Business Conduct (NGRBC).

19. COMPLIANCE WITH SECRETARIAL STANDARD

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

20. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were in the ordinary course of the business, on an arm's length basis and in accordance with the Policy on Related Party Transactions formulated and adopted by the Company. The Company has not entered into material contracts or arrangements or transactions with related parties in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. The details of the transactions as per section 188 of the Companies Act, 2013 and rules framed thereunder is enclosed as "**Annexure – 4**" in Form AOC-2, as required under Rule 8(2) of Companies (Accounts) Rules, 2014.

The Related Party Transactions are placed before the Audit Committee for prior approval, as required under applicable law. Only those members of the Audit Committee who were Independent Directors approved the same.

Prior omnibus approval of the Audit Committee is also obtained for the transactions which are repetitive in nature. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature and value of the transactions.

The Board of Directors on the recommendations of the Audit Committee approved the revised "Policy on Related Party Transactions" to align with the amendments notified by the SEBI. The Policy on Related Party Transactions is available on the website of the Company at https://www.irisbusiness.com/wp-content/uploads/2023/02/Policy-on-Related-Party-Transactions.pdf

21. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is enclosed as "**Annexure – 5**".

The information required under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including amendment thereto, is provided in the "**Annexure – 5**" forming part of the Report.

22. ANNUAL EVALUATION OF BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Committees and individual Directors, pursuant to the provisions of the Act, SEBI Listing Regulations and the guidance note on Board evaluation issued by the Securities and Exchange Board of India dated January 05, 2017.

The Nomination & Remuneration Committee (NRC) has defined the evaluation criteria for the performance evaluation of individual Directors, the Board and its Committees.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as structure of the Board, meetings and functions of the Board, degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and the Management, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as mandate and composition, effectiveness of the Committees, structure of the Committees and meetings, independence of the Committees from the Board, contribution to decisions of the Board, effectiveness of the meetings and quality of relationship of the Committees with the Board and the Management, etc.

The Board and the NRC reviewed the performance of the individual Directors on the basis of the criteria such as knowledge and competency, fulfilment of functions, ability to function as a team, initiatives taken, availability and attendance at the meeting, integrity, independence, contribution at Board/Committee Meetings and guidance/support to the management outside Board/Committee Meetings etc. In addition, the performance of the Chairman was also evaluated on key aspects of his role, including effectiveness of leadership and ability to steer the meetings, impartiality, ability to keep shareholders' interests in mind and motivating and providing guidance to the Executive Directors etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Outcome of evaluation process: Based on inputs received from the board members, it emerged that the Board has a good mix of competency, experience, qualifications and diversity. Each Board member contributed in his/her own manner to the collective wisdom of the Board, keeping in mind his/her own background and experience. There was active participation and adequate time was given for discussing strategy. Overall, the Board was functioning very well in a cohesive and interactive manner.

The NRC Policy including the criteria of annual evaluation of board, committees and individual directors are available on the Company's website https://www.irisbusiness.com/wp-content/uploads/2023/02/NRC-Policy.pdf

23. COMPANY'S POLICY OF APPOINTMENT OF DIRECTOR'S AND KEY MANAGERIAL PERSONNEL

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel ("KMP") and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act 2013, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination And

Remuneration Committee and approved by the Board of Directors.

The policy is available on the Company's website at https://www.irisbusiness.com/wp-content/uploads/2023/02/NRC-Policy.pdf

24. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed as "**Annexure – 6**" to this report.

25. STATUTORY AUDITORS

M/s. KKC & Associates LLP, Chartered Accountants, (Formerly Khimji Kunverji & Co LLP) (ICAI Firm Registration No. 105146W/W100621) were appointed as the Statutory Auditors of the Company by the shareholders of the Company at the Twentieth Annual General Meeting ("AGM") of the Company held on August 14, 2020 to hold office from the conclusion of Twentieth Annual General Meeting till the conclusion of the Twenty-fifth AGM.

The Auditors' Report on the Financial Statements (Standalone and Consolidated) of the Company for the year under review, "with an unmodified opinion", as given by the Statutory Auditors, is disclosed in the Financial Statements forming part of this Annual Report. The Auditors' Report on financial statements of the Company for the year ended March 31, 2023 does not contain any qualifications, reservations or adverse remarks.

26. SECRETARIAL AUDITOR

In terms of Section 204 of the Companies Act, 2013 and Rules made there under, M/s. Priti J. Sheth & Associates, Company Secretary, Mumbai, were appointed as a Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for Financial Year 2022-23. The report does not contain any qualification, reservation or adverse remark for the reporting year. The report of the Secretarial Auditor is enclosed as **"Annexure – 7"**.

The Secretarial Audit was not applicable to any of the subsidiaries of the Company during the year under review.

In pursuance to the SEBI Circular no. CIR/CFD/CMD1/27/2019 dated February 08, 2019 issued by the Securities and Exchange Board of India with respect to the Annual Secretarial Compliance Report is enclosed as **"Annexure – 7A".**

27. INTERNAL AUDITOR

In terms of Section 138 of the Companies Act, 2013 and Rules made there under, M/s. M.P. Chitale & Co., Chartered Accountants, Mumbai, were appointed as Internal Auditors of the Company to undertake the Internal Audit of the Company for Financial Year 2022-23. During the year, the Company continued to implement its suggestions and recommendations to improve the control environment. Their scope of work included, review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

28. COST AUDITOR

The Company was not required to appoint any Cost Auditor or maintain Cost Audit Records pursuant to the requirements of Section 148 of the Act during the year under review.

29. EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) read with the Companies (Management and Administration) Rules, 2014 of the Act, the Annual Return of the Company for the financial year March 31, 2023 in Form MGT-7 is available on the website of the Company https://www.irisbusiness.com/wp-content/uploads/2023/07/Annual_Return_2022-23.pdf

30. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The Company has not granted any loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013.

31. DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year ended March 31, 2023.

Accordingly, pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their information and knowledge, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;

b) we have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c) we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) we have prepared the annual accounts on a going concern basis;

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

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

32. HUMAN RESOURCES / INDUSTRIAL RELATIONS, INCLUDING NUMBER OF PEOPLE EMPLOYED

Your Company provides regular training to employees to improve skills. Your Company has put in place a performance appraisal system that covers all employees. Your Company had 396 permanent employees as on March 31, 2023 while the count was 373 as on March 31, 2023.

33. CORPORATE GOVERNANCE

A separate section on Corporate Governance is enclosed as "**Annexure-8**" along with the certificate from the Practicing Company Secretary confirming compliance with conditions on Corporate Governance as stipulated in the SEBI Listing Regulations as on March 31, 2023.

34. COMMITTEE AND POLICY UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, to provide protection to employees at the workplace and for prevention and redressal of complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee to consider and to redress complaints of sexual harassment. During the year under review, Company did not receive any complaint under the Policy for Prevention of Sexual Harassment of the Company.

35. REPORTING OF FRAUDS BY AUDITORS

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees.

36. WHISTLE BLOWER POLICY / VIGIL MECHANISM

Your Company has Whistle Blower Policy /Vigil Mechanism Policy for the Company to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct. Functioning of the Whistle Blower Policy is reviewed by the Audit Committee / Board on periodical basis. During the financial year ended March 31, 2023, the Company has not received any complaint under the Whistle Blower Policy of the Company.

37. CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the members of the Board of Directors and Senior Management Personnel. It is confirmed that all Directors and Senior Management Personnel have affirmed their adherence to the provisions of the Code of Conduct during the financial year 2022-23. The declaration to this effect signed by Mr. Swaminathan Subramaniam, Whole Time Director & CEO is enclosed to the Corporate Governance report as **'Annexure 8B'.**

38. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of provisions of Regulation 34(2)(e) of SEBI Listing Regulations, a Management Discussion & Analysis Report has been separately furnished in the Annual Report.

39. POLICIES AND DISCLOSURE REQUIREMENTS

In terms of provisions of the Act and provisions of the SEBI Listing Regulations, the Company has adopted the following Policies. The policies are available on Company's website – https://www.irisbusiness.com/investors/policies/

- Policy on Related Party Transactions
- Nomination and Remuneration Policy
- Corporate Social Responsibility Policy
- Code of Conduct for Director & Senior Management Personnel
- Material Subsidiary Policy
- Policy for Determination of Materiality of Events
- Policy for Preservation of Documents
- Terms and Condition of Independent Director
- Vigil Mechanism Policy
- Code of Conduct to Regulate, Monitor and Report Trading by insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Policy for Procedure of Inquiry in Case of Leak of Unpublished Price Sensitive Information ("UPSI")

The Company's Policy on Directors' appointment, remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 forms part of the Nomination and Remuneration Policy.

40. GENERAL

The Board of Directors confirm that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the financial year 2022-23:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. Issue of sweat equity shares.
3. non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014;
4. application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year;
5. difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

41. ACKNOWLEDGEMENTS

Your Board takes this opportunity to thank all its employees for their dedicated service and firm commitment to the goals of the Company. Your Board also wishes to place on record its sincere appreciation for the wholehearted support received from members, clients, bankers and all other business associates. The Company looks forward to continued support of all these partners in progress.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure - 1

FORM AOC-1

[Pursuant to first provision to sub-section (3) of section129 read with rule 5 of Companies (Accounts) Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part - A

(Amount in thousands - ₹)

Sr. No.	1	2	3	4
Name of the subsidiary	IRIS Business Services LLC	IRIS Business Services (Asia) Pte. Ltd.	Atanou S.r.l.	IRIS Logix Solutions Private Limited
The date since when subsidiary was formed/ acquired	26.02.2010	07.07.2010	31.07.2015	13.12.2019
Reporting period for the subsidiary concerned, if different from the holding company's reporting period. (start and end of accounting period)	01.04. 2022 to 31.03.2023	01.04. 2022 to 31.03.2023	01.04. 2022 to 31.03.2023	01.04. 2022 to 31.03.2023
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	USD BS - 82.11 P&L - 80.30	SGD BS - 61.76 P&L - 58.49	EURO BS - 89.27 P&L - 83.66	INR
Share capital	14,540	11,382	712	1,490
Reserves and surplus	(25,019)	(5,018)	(609)	490
Total assets	36,101	16,518	720	7,681
Total Liabilities	46,580	10,154	617	5,701
Investments	-	-	-	-
Turnover	51,905	28,002	1,172	5,211
Profit before taxation	2,656	1,180	643	934
Provision for taxation	-	5	31	309
Profit after taxation	2,656	1,175	612	626
Proposed Dividend	-	-	-	-
Extent of shareholding (in percentage)	100%	98.36%	100%	51%

Names of subsidiaries which are yet to commence operations – NIL

Names of subsidiaries which have been liquidated or sold during the year – NIL

Part B- Joint Ventures and associates

The Company does not have any Associates nor has entered into joint ventures.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure – 2

DETAILS OF IRIS EMPLOYEES STOCK OPTION SCHEME, 2017

Disclosures pursuant to SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 for the financial year ended March 31, 2023.

Sr. No.	Particulars	Remarks
A.	Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time.	Members may refer to note 32 of the standalone financial statement of the Company.
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time	Diluted EPS on consolidated basis for the year ended March 31, 2023, is ₹2.21 and on Standalone basis is ₹1.90
C.	i. Details related to ESOP	
	a. Date of shareholders' approval	September 13, 2017
	b. Total number of options approved under ESOP	7,00,000
	c. Vesting requirements	Employee Stock Options granted under Scheme shall vest not earlier than 1 (one) year and not later than maximum Vesting Period of 4 (four) years from the date of Grant and that different vesting period may be decided by the Nomination and Remuneration Committee (NRC) for employees at discretion of the NRC.
	d. Exercise price or pricing formula	The Exercise Price per Option shall be determined by the Nomination and Remuneration Committee being not lesser than the face value of the Share underlying such Option as on date of Grant.
	e. Maximum term of options granted	Nine years
	f. Source of shares (primary, secondary or combination)	Primary - Fresh equity allotment by the Company
	g. Variation in terms of options	During the financial year 2022-23, there was no amendment/ modification/ variation in the Scheme
	ii. Method used to account for ESOP - Intrinsic or fair value	The Company uses the Fair Value-based method of accounting for stock options granted
	iii. Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	N.A.
	iv. Option movement during the year (for each ESOP)	Annexure - 2A
	v. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock.	N.A.
	vi. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -	
	a. Senior Managerial personnel as defined under Regulations 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	Nothing to report
	b. Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and	Refer Annexure – 2A
	c. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant.	Nothing to report
	vii. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:—	
	a. the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model;	Members may refer to note 32 of the standalone financial statement of the Company.

Sr. No.	Particulars	Remarks
	b. the method used and the assumptions made to incorporate the effects of expected early exercise;	Members may refer to note 32 of the standalone financial statement of the Company.
	c. how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility; and	Since shares of the Company got listed only on the Grant Date and there is no history of share price trading, expected volatility had been derived from historic values NSE index as on the Grant date.
	d. whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	N.A.
D.	Disclosures in respect of grants made in three years prior to IPO under each ESOP	Not Applicable
E.	Details related to ESPS	Not Applicable
F.	Details related to SAR	Not Applicable
G.	Details related to GEBS / RBS	Not Applicable
H.	Details related to Trust	Not Applicable

Annexure – 2A

Option movement during the year (For each ESOS)

Particulars	Details
Number of options outstanding at the beginning of the period	1,55,000
Number of options granted during the year*	2,10,000
Number of options forfeited / lapsed during the year	8,000
Number of options vested during the year (excluding lapsed options which were vested, due to resignation of employee)	NIL
Number of options exercised during the year	1,43,000
Number of shares arising as a result of exercise of options	1,43,000
Money realized by exercise of options (₹), if scheme is implemented directly by the company	45,76,000
Loan repaid by the Trust during the year from exercise price received	Not Applicable
Number of options outstanding at the end of the year	2,14,000
Number of options exercisable at the end of the year	4,000

Employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:

Sr	Name	Designation	Exercise Price in INR	Options Granted
1	Mr. Puthenpurackal Kuncheria Xavier Thomas	Whole Time Director & CTO	75.55	50,000
2	Mr. Anand Padmanabhan	Manager - Business Development	32.00	1,00,000

*During the year ended March 31, 2023, the Company has granted 210,000 options. Out of this, 160,000 options have been granted at an exercise price of ₹32 and 50,000 options have been granted at an exercise price of ₹75.55 under the Scheme 2017. The weighted average share price for the year over which options was exercised was ₹42.37.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure – 3

REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs**

   The CSR policy has been formulated for indicating the activities to be undertaken by the Company in compliance with the provisions of Section 135 of the Companies Act, 2013 and Rules framed thereunder and to recommend the amount of expenditure to be incurred on CSR Activities as enumerated in Schedule VII of the Companies Act, 2013 and monitor the CSR Policy of the Company periodically.

   Our policy acknowledges that our responsibilities to the communities in which we operate are essential to the long- term success of our business and to all its stakeholders.

   We are committed to working with our customers, suppliers, employees and the society to achieve results that grow our company, reward our shareholders, our people and contribute to our communities.

2. **The Composition of the CSR Committee is as follows:**

Sl. No.	Name of the Committee Member	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ashok Venkatramani (Chairman)	Non-Executive, Independent Director	-	-
2.	Ms. Deepta Rangarajan	Whole Time Director	-	-
3.	Mr. Swaminathan Subramaniam	Whole Time Director & CEO	-	-

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**

   a. The composition of the CSR Committee is available on our website, at https://www.irisbusiness.com/investors/board-committees/

   b. The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, at: https://www.irisbusiness.com/wp-content/uploads/2023/02/CSR-Policy.pdf

   c. CSR projects approved by the Board: Not Applicable

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) –** Not Applicable

5. (a) **Average net profit of the company as per section 135(5):** ₹ 15,562 thousands

   (b) Two percent of average net profit of the Company as per section 135(5): ₹ 311.23 thousands

   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years – Not Applicable

   (d) Amount required to be set off for the financial year, if any– Not Applicable

   (e) Total CSR obligation for the financial year (5a+5b-5c) – Not Applicable

6. (a) **Details of CSR amount spent against ongoing projects for the financial year:**

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project Duration	Amount allocated for the project (in H)	Amount spent in the current financial Year (in H Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in H)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in H)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
Not Applicable									

(b) Amount spent in Administrative Overheads: Not Applicable

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year (6b+6c+6d): Not Applicable

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

Total Amount Spent for the Financial Year (in H)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NA	NA	NA	NA	NA	NA

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

Sr. No.	Particular	Amount (in ₹)
(i)	**Two percent of average net profit of the company as per Section 135(5)**	**Not Applicable**
(ii)	**Total amount spent for the Financial Year**	
(iii)	**Excess amount spent for the financial year [(ii)-(i)]**	
(iv)	**Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any**	
(v)	**Amount available for set off in succeeding financial years [(iii)-(iv)]**	

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

Sr. No.	Preceding Financial Year	Amount transferred to	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any:			Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Name of the Fund	Amount (in ₹)	Date of transfer.		
Not Applicable									

8. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):** Not Applicable

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

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure – 4

FORM AOC-2

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

Form for Disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sr. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts /arrangements / transaction	
3.	Duration of the contracts / arrangements / transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis. (Amount in thousands - ₹)

Sr.	Particulars	Details							
1.	Name (s) of the related party & nature of relationship	Atanou S.r.l.	IRIS Business Services, LLC	IRIS Knowledge Foundation		IRIS Business Services (Asia) Pte Ltd		FinX Solutions	IRIS Logix Solutions Private Limited
2.	Nature of contracts /arrangements / transaction	Provide Computer Software and XBRL Services	Availing / Providing marketing support services for building business in United States	Rental Income / Provide technology supported services	Donation	Providing software product & related services along with marketing support	Avail marketing, support services for building business	Provide Computer Software services.	Providing service of software development/ Providing infrastructure hosting service
3.	Duration of the transaction	Financial Year 2022-23							
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's length basis.	Ordinary Course of Business and on Arm's	Ordinary Course of Business and on Arm's length basis.
5.	Value of transaction	-	12,583	-	-	7,269	-	1,203	4,947
6.	Investment in the Subsidiary	Nil	Nil	-	-	Nil	Nil	-	Nil
7.	Date of approval by the Board	Not applicable as the transactions entered into are at arm's length price and are in the ordinary course of business as provided under Section 188(1) of the Companies Act, 2013.							
8.	Amount paid as advances, if any	Nil							

There were no material related party transactions during the financial year 2022-23 with related parties .

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure – 5

DETAILS OF THE REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during the Financial Year 2022-23, ratio of the remuneration of each Director to the of the employees of the Company for the Financial Year 2022-23 are as under:

(Amount in Thousands - ₹)

Sr. No.	Name of Director / Key Managerial Personnel (KMP) and Designation	Remuneration of Director/ KMP for Financial Year 2022-23 @	% increase in Remuneration in the Financial Year 2022-23	Ratio of Remuneration of each Director to median remuneration of employees**
1	Mr. Swaminathan Subramaniam, Whole Time Director & CEO	3,750	0	5.49:1
2	Ms. Deepta Rangarajan, Whole Time Director	4,500	0	6.58:1
3	Mr. Balachandran Krishnan, Whole Time Director & CFO	4,500	0	6.58:1
4	Mr. Puthenpurackal Kuncheria Xavier Thomas, Whole Time Director & CTO*	6,569	0	9.60:1
5	Mr. Santoshkumar, Company Secretary & Compliance Officer	1,417	10	2.07:1

*Remuneration was paid to Mr. Puthenpurackal Kuncheria Xavier Thomas from November 11, 2022.

** The Independent Directors of the Company viz. Mr. Vinod Agarwala, Mr. Ashok Venkatramani, Mr. Bhaswar Mukherjee and Mr. Haseeb Drabu are not entitled to any remuneration other than sitting fees for attending the meetings of the Board and its Committee(s). Hence ratio of their sitting fees to median remuneration of employee is not comparable. The ratio of remuneration (sitting fees) of Independent Directors to median remuneration of employees is as follows:

Mr. Ashok Venkatramani (0.47: 1), Mr. Bhaswar Mukherjee (0.54: 1), Mr. Vinod Agarwala (0.47:1), Mr. Haseeb Drabu (0.31: 1) @There was no increase in remuneration of Independent Directors during the financial year, they are entitled for sitting fees in proportion to number of meeting(s) attended by them.

2) The percentage increase in the median remuneration of employees in the financial year ended March 31, 2023:

The median remuneration of employees of the Company for the Financial Year 2022-23 was ₹648 thousand (as on March 31, 2023). For the financial year ended 2022-23, the median remuneration of employees was 5.31% higher as compared to the previous year.

3) The number of permanent employees on the rolls of the Company:

There were 396 permanent employees on the Payroll of the Company as on March 31, 2023 as compared to 373 employees as on March 31, 2022.

4) Average percentage increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration:

The average percentage increase made in the salaries of employees other than the managerial Personnel was 9.45%. There was no increase in the managerial remuneration during the financial year other than mentioned above.

5) Affirmation that the Remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the Remuneration has paid is as per the Remuneration Policy of the Company.

6) Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

(A) Employed throughout the financial year under review and in receipt of remuneration for the financial year in the aggregate of not less than ₹1,02,00,000/- per annum: None

(B) Employed for the part of the financial year under review and in receipt of remuneration at the rate of not less than ₹8,50,000/- per month: YES – P.K.X. Thomas.

(C) There was no employee either throughout the financial year or part thereof who was in receipt of remuneration which in the aggregate was in excess of that drawn by the Managing Director or Whole-time Director and who held by himself or alongwith his spouse or dependent children two percent of the Equity Shares of the Company.

(D) None of the employees covered under Rule 5(2) and 5(3) are a relative of any Director of the Company.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report.

Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure – 6

PARTICULARS IN REGARDS TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE COMPANIES (ACCOUNT) RULES, 2014.

(A) Conservation of energy

i. The steps taken or impact on conservation of energy: Since the Company is not engaged in any manufacturing activity, the consumption of energy is relatively low. The company takes reasonable steps to ensure conservation energy at its offices.

ii. The steps taken by the company for utilizing alternates source of energy: NIL

iii. The capital investment on energy conservation equipment: NIL

(B) Technology absorption

i. The efforts made towards technology absorption:

(a) The company primarily uses cloud based technologies and a virtualized environment for internal development activities.

(b) The company's key products IRIS Carbon® and IRIS GST are on cloud based technologies. There is also focus on adopting mobile technologies starting with the GST compliance offering. A mobile app, IRIS Peridot, enabling counterparty compliance check and GSTIN verification, is very popular. The company is now working with the data standard, SDMX (Statistical Data and Metadata Exchange) which is an international initiative supported by institutions such as the Bank for International Settlements (BIS), the World Bank and the IMF. The company is also increasingly looking at AI based technologies to enhance our product suite, especially in the 'Create' segment.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution: Adoption of cloud based technologies gives significant advantages in terms of user experience as well as operational and cost efficiencies. The API based technologies the company has invested in helps in building products that are in the sync with the emerging eco system and is a source of competitive advantage. Investment in SDMX technologies will help the company to expand its array of offerings.

iii. In case of imported technology (imported during last three years reckoned from beginning of financial year):

(a) Details of technology imported: Nil

(b) Year of Import: Nil

(c) Whether technology has been fully absorbed: Nil

(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof: Nil

iv. The expenditure incurred on Research and Development:

Capital expenditure on the development of IRIS Noah, IRIS Bushchat and IRIS GSTN IRP Platform during the year 2022-23 is ₹12,239 thousands. As a percentage of total revenue: 1.78% on standalone basis

(C) Foreign exchange earnings and outgo

i. The Earnings in foreign Exchange during the financial year 2022-23: ₹2,77,378 thousands

ii. The outgo in foreign exchange during the financial year 2022-23: ₹54,896 thousands

For and on behalf of the Board of Directors
IRIS Business Services Limited

waminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure – 7

Form MR-3

Secretarial Audit Report

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

To,
The Members,
IRIS BUSINESS SERVICES LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IRIS Business Services Limited (hereinafter referred to as 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2023 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
3. The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during Audit period)
   d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during Audit period)
   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during Audit period)
   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during Audit period)
6. We further report that, based on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the following laws, regulations, directions, orders are applicable specifically to the Company:
   a) The Company is registered as a N-STPI unit with Software Technology Parks of India (STPI), a society set up by the Ministry of Electronics & Information Technology (MeitY), Government of India. STPI is statutory body.
   b) Information Technology Act, 2000
   c) Trademarks Act, 1999
   d) Patents Act, 1970 as amended from time to time.
   e) Copyright Act, 1957

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

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

ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review and as per representations and clarifications provided by the management, I confirm that the Company has complied with the provisions of the Acts, rules, regulations, guidelines, standards etc. mentioned above.

I further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that:

- The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Non-Executive Independent Directors
- The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices (shorter notices in some cases) is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- As per the minutes, the decisions at Board & Committee Meetings were carried out unanimously.

I further report that:

As confirmed by the Management, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

There were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Priti J. Sheth & Associates**
Company Secretaries

Priti J Sheth
CP No: 5518
FCS: 6833
UDIN: F006833E000392075
Peer Review No : 1888/2022

Date: May 26, 2023
Place: Kiel

Annexure to the Secretarial Audit Report

To,
The Members,
IRIS BUSINESS SERVICES LIMITED
CIN: L72900MH2000PLC128943

Our Secretarial Audit Report dated May 26, 2023 is to be read along with this letter.

Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to make a report based on the secretarial records produced for our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our report.

We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.

We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

Compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Priti J. Sheth & Associates**
Company Secretaries

Priti J Sheth
CP No: 5518
FCS: 6833
UDIN: F006833E000392075
Peer Review No : 1888/2022

Date: May 26, 2023
Place: Kiel

Annexure – 7A

SECRETARIAL COMPLIANCE REPORT FOR THE YEAR ENDED ON MARCH 31, 2023

I, Priti J Sheth of Priti J Sheth & Associates, Company Secretary in whole-time Practice have examined:

(a) all the documents and records made available to us and explanation provided by IRIS Business Services Limited ("the listed entity"),

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2023 ("Review Period") in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(ii) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable as there were no reportable events during the period under review);

(iii) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(iv) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not Applicable as there were no reportable events during the period under review)

(v) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(vi) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2018; (Not Applicable as there were no reportable events during the period under review)

(vii) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not Applicable as there were no reportable events during the period under review)

(viii) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(ix) SEBI (Depositories and Participants) Regulations, 2018, as amended

(x) Other applicable Regulations and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the review period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of matters specified below:-

Compliance Requirement (Regulations/circulars/ guidelines including Specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
None									

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Compliance Requirement (Regulations/ circulars/ guidelines including Specific clause)	Intimation about the meeting of the board of directors for considering financial results should be given at least 5 days in advance as per Regulation 29 (2) / 29 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015
Regulation / Circular No.	Regulation 29 (2) / 29 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015
Deviation	Prior intimation about the meeting of the board of directors for the meeting held on November 13, 2021 for considering financial results was given on 8th November, 2021
Action Taken by	BSE Limited
Type of Action	Fine of ₹11,800/- levied on December 14, 2021.
Details of Violation	Delay in furnishing prior intimation about the meeting of the board of directors for the meeting held on November 13, 2021 for financial results required under Regulation 29 (2) / 29 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015
Fine Amount	11,800/-
Observations/ Remarks of the Practicing Company Secretary	The Company had made a representation to BSE for waiver of said fine. BSE vide its email dated 19.05.2022, declined the request for the said waiver to which the Company has again made its representation.
Management Response	BSE response awaited
Remarks	

In Addition to the abovementioned regulations /circulars the following affirmations are being provided hereunder:

S No	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS*
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI)	Yes	
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI	Yes	
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website • Timely dissemination of the documents/ information under a separate section on the website • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re- directs to the relevant document(s)/ section of the website	Yes	
4.	**Disqualification of Director:** None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013	Yes	
5.	**To examine details related to Subsidiaries of listed entities:** (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA Yes	Company does not have material subsidiaries
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	
8.	**Related Party Transactions:** (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/rejected by the Audit committee	Yes NA	
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	
12.	**Additional Non-compliances, if any:** No any additional non-compliance observed for all SEBI regulation/circular/guidance note etc.	None	

For **Priti J. Sheth & Associates**
Company Secretaries

Priti J Sheth
CP No: 5518
FCS: 6833
UDIN: F006833E000392207
Peer Review No : 1888/2022

Date: May 26, 2023
Place: Kiel

Annexure – 8

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2022-23

[As required under Schedule V(C) of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance and as a part of its growth strategy, it places high importance on strengthening and further developing Corporate Governance initiatives. Our Corporate Governance framework not only ensures that we make timely disclosures and share relevant information regarding our financials and performance, but also disclose important information related to the leadership and governance of the Company. For the Company, Corporate Governance is not just adherence to the Statutory & Regulatory requirements but is equally about focusing on voluntary practices that underline the highest levels of transparency & propriety.

The Management's philosophy on corporate governance is aimed at conducting business in an ethical and professional manner and to enhance confidence of all stakeholders, viz.; shareholders, investors, brand partners, customers and clients, employees, regulatory bodies and public in general, since we believe that adhering to the best Corporate Governance practice is essential to achieve long term corporate goals and enhance shareholder value. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. The Company's philosophy on Corporate Governance oversees business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

2. BOARD OF DIRECTORS

The Board of Directors ('Board') is entrusted with the ultimate responsibility for the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Company believes that an active, diverse, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The Board is at the core of our corporate governance practices. Driven by the principles of ethics and accountability, the Board strives to work in best interest of the Company and its stakeholders. It provides strategic direction, leadership and guidance to the Company's management and also monitors the performance of the Company with the objectives of creating long term value for the Company's stakeholders.

a. Composition of the Board

We acknowledge the importance of diversity in the Boardrooms as a driver of effectiveness. For the Board diversity encompasses difference in perspective, experience, education, ethnicity, gender and other personal attributes. The Board represents an appropriate composition of Executive and Non-Executive Directors, including Independent Directors, which is in compliance with the Companies Act, 2013 ('the Act') and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

Pursuant to Section 149(4) of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI Listing Regulations, the Company has a balanced Board, comprising of Executive and Non-Executive Directors which includes independent professionals with rich experience and expertise from diverse background relevant to the Company's business requirements, who have long standing experience and expertise in their respective fields.

As on March 31, 2023, the Company's Board comprised of Four (04) Executive Directors and Four (4) Non- Executive Independent Directors. The Chairperson of the Company is a Non-Executive Independent Director.

b. Compliance with Directorship limits

All the Directors have made necessary disclosures regarding their directorships/memberships and other interests as required under Section 184 of the Act. None of the Directors of your Company is a Director in more than twenty (20) Companies (including ten public Companies) or acts as an Independent Director in more than seven (7) Listed Companies, or three (3) Listed Companies in case they serve as a Whole-time Director in any Listed Company.

c. Compliance with Committee positions

Disclosures have been made by the Directors regarding their Chairmanships/ Memberships of mandatory Committees of the Board and the same are within the permissible limits as stipulated under Regulation 26(1) of the SEBI Listing Regulations. Accordingly, none of the Directors on the Board of your Company is a member of more than ten (10) Committees or Chairperson of more than five (5) Committees, across all Public Limited Companies in which he/she is a Director.

d. Declaration from Independent Directors

All the Independent Directors on the Board of your Company have confirmed that they meet the criteria of independence as mentioned in Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act and they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

The Board has carried out an assessment of declarations and confirmations submitted by the Independent Directors of the Company and after undertaking due assessment of the veracity of the same, is of the opinion that the Independent Directors are independent of the Company's management and they fulfil the conditions specified in the SEBI Listing Regulations and the Act.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs.

e. Composition and Details of other Directorships & Committee memberships / chairmanships

The composition of the Board and other relevant details relating to Directors as on March 31, 2023 is given below:

Name of the Director	Category	DIN	No. of Directorship of Other Public Limited Companies@	No. of Committee Positions held of other Public Limited Companies#		Directorship in other listed entities (category of directorship)	
				Chairperson	Member	Directorship in other listed entities	Type of Directorship
Mr. Swaminathan Subramaniam	Promoter, Whole Time Director & CEO	01185930	1	-	-	-	-
Mr. Balachandran Krishnan	Promoter, Whole Time Director & CFO	00080055	1	-	1	-	-
Ms. Deepta Rangarajan	Promoter, Whole Time Director	00404072	-	-	-	-	
Mr. Puthenpurackal Kuncheria Xavier Thomas	Whole Time Director & CTO	09760233	-	-	-	-	
Mr. Vinod Balmukand Agarwala	Non-Executive Independent Director – Chairman	01725158	4	2	5	Technocraft Industries (India) Limited GTL Infrastructure Ltd Supreme Infrastructure India Limited West Coast Paper Mills Ltd	Non- Executive Independent Director
Mr. Ashok Venkatramani	Non-Executive Independent Director	02839145	-	-	-		
Mr. Bhaswar Mukherjee	Non-Executive Independent Director	01654539	1	2	2	GP Petroleums Limited	Non- Executive Independent Director
Mr. Haseeb A. DrabuDrabu	Non-Executive Independent Director	00489888	2	-	-	Aspira Pathlab & Diagnostics Limited	Non- Executive Independent Director

@Excludes Private Limited Companies, Foreign Companies, Companies registered under Section 8 of the Act.

#Committees considered as per Regulation 26 of SEBI Listing Regulations i.e. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies excluding that of your Company. Committee Membership(s) includes Chairmanship(s).

During the year under review, none of the Independent Director of the Company had resigned before the expiry of their respective tenure(s).

Mr. Bhaswar Mukherjee and Mr. Ashok Venkatramani as Non-Executive Independent Director(s) of the Company for second and final term of five (05) years w.e.f October 9, 2022 upto October 8, 2027 respectively and Mr. Vinod Agarwala as the Non-Executive Independent Director(s) of the Company for second and final term of three (03) years w.e.f November 27, 2022 upto November 26, 2025, were re-appointed by the Board of Directors of the Company at their meeting held on May 27, 2022 and by the shareholders of the Company on August 25, 2022.

Mr. Puthenpurackal Kuncheria Xavier Thomas, (DIN: 09760233), on the recommendation of the Nomination and Remuneration Committee at its meeting held on November 11, 2022 was appointed by the Board of Directors of the Company as Whole Time Director(s) of the Company for a period of five years with immediate effect and by the shareholders of the Company on February 04, 2023 through postal ballot.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have approved the re-appointment of Mr. Swaminathan Subramaniam, (DIN: 01185930), Ms. Deepta Rangarajan, (DIN: 00404072) and Mr. Balachandran Krishnan, (DIN: 00080055) of the Company for a period of three (03) years w.e.f May 1, 2024, subject to the approval of shareholders of the Company at the forthcoming AGM.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and pursuant to relevant clause of Articles of Association of the Company, Mr. Swaminathan Subramaniam, (DIN: 01185930), Whole Time Director, retires by rotation at the forthcoming 23rd Annual General Meeting, and being eligible, has offered himself for re- appointment.

f. Dates and Number of Board Meetings

During the financial year ended March 31, 2023, the Board met 05 (five) times on May 27, 2022, August 12, 2022, November 11, 2022, February 13, 2023 and March 21, 2023. Necessary quorum was present at all meetings. The gap between any two consecutive meetings did not exceed 120 consecutive days as stipulated under Section 173(1) of the Act, Regulation 17(2) of the SEBI Listing Regulations and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The 22nd (Twenty-second) AGM of the Company was held on August 25, 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without the physical presence of the members of the Company at a common venue as per the Circulars and directions issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India.

g. Attendance at Board Meetings and previous AGM

Details of attendance of Directors at Board Meetings held during the year under review and the previous AGM is as under:

Name of Director	Number of Board meetings attended		Attendance at previous AGM
	Held during tenure	Attended	
Mr. Swaminathan Subramaniam	5	5	Yes
Mr. Balachandran Krishnan	5	5	Yes
Ms. Deepta Rangarajan	5	5	Yes
Mr. Puthenpurackal Kuncheria Xavier Thomas	2	2	No
Mr. Vinod Balmukand Agarwala	5	5	Yes
Mr. Ashok Venkatramani	5	5	Yes
Mr. Bhaswar Mukherjee	5	5	Yes
Mr. Haseeb A. Drabu	5	3	Yes

h. Meeting of Independent Directors

Pursuant to Schedule IV of the Act read with the Rules made thereunder and Regulation 25(3) of the SEBI Listing Regulations, a meeting of Independent Directors of the Company was held on May 26, 2022 without the attendance of Non-Independent Directors and members of management. At the meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the Chairperson of the Company, considering the views of Executive Directors and Non-Executive Directors, and also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board which was necessary to effectively and reasonably perform their duties. The Independent Directors have conveyed their satisfaction on the performances of Non- Independent Directors, Whole Time Director and the Board as a whole, and also on the flow of information to the Board.

i. Inter-se relationships between Directors

Other than Mr. Swaminathan Subramaniam and of Ms. Deepta Rangarajan, being husband and wife none of the Director(s) and/ or Key Managerial Personnel of the Company and their relative's inter-se related to each other.

j. Shares and Convertible Instruments held by Non-Executive Directors

As on March 31, 2023, the Company does not have any convertible instruments.

None of the Non-Executive Directors held Equity shares of the Company as on March 31, 2023.

k. Director(s) seeking Appointment/Re-appointment

In terms of Section 152 of the Act, Mr. Swaminathan Subramaniam, Whole-time Director of the Company is liable to retire by rotation and being eligible for re-appointment at the ensuing AGM of your Company, has offered himself for re-appointment.

Subsequent to the year end, the Board at its meeting held on May 26, 2023, based on the recommendation of the Nomination and Remuneration Committee ('NRC') and subject to the approval of Members of the Company has approved:

- Mr. Swaminathan Subramaniam's re-appointment as a Whole Time Director for a term of 3 years from May 1, 2024 to April 30, 2027;
- Mr. Deepta Rangarajan's re-appointment as a Whole Time Director for a term of 3 years from May 1, 2024 to April 30, 2027; and
- Mr. Balachandran Krishnan's re-appointment as a Whole Time Director for a term of 3 years from May 1, 2024 to April 30, 2027

Detailed profile and other information, as required under Schedule V of Companies Act, 2013 and Regulation 36(3) of the SEBI Listing Regulations, of the proposed appointee(s) are provided in the Notice of the ensuing AGM.

l. CODE OF CONDUCT

Code of Conduct ('Code') is derived from three interlinked fundamental principles, viz.; good corporate governance, good corporate citizenship and exemplary personal conduct. The Board has laid down a Code for all Board Members and Senior Management of the Company. The Code also provides for the duties of Independent Directors as laid down in the Act. The Company has obtained confirmation of compliance with the Code from all members of the Board and Senior Management of the Company for the Financial Year 2022-23.

A copy of the Code has been put up on the Company's website and can be accessed at https://www.irisbusiness.com/wp-content/uploads/2023/02/Code-of-conduct-for-Directors-Senior-Management-Personnel.pdf

As required under Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the declaration on compliance of the Company's Code signed by the Whole-time Director & CEO forms part of Corporate Governance Report as **"Annexure 8B".**

m. Induction and Familiarisation Programme for Independent Directors

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the Industry in which the Company operates, business model of the Company etc.

Pursuant to Schedule IV of the Act and the SEBI Listing Regulations, the Company has an Induction and Familiarization process for Independent Directors that includes background material, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company.

The Directors are provided with all necessary documents, reports and internal policies and procedures to enable them to understand the working of the Company. They are also given periodic presentation in the Board and Committee meetings in order to provide details on the business and performance updates, Company's strategy and operating plans, key issues on corporate governance, code of business conduct, risk management issues, etc.

The details of the aforementioned induction and familiarisation programme are disclosed on the Company's website and can be accessed at https://www.irisbusiness.com/wp-content/uploads/2023/03/Familiarisation-Programme-for-Independent-Directors-1.pdf

n. Skills, Expertise and Competencies of Directors

Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, the Board has identified the key skills, expertise and competencies required in the context of the Company's business for its effective functioning which are currently available with the Board.

The identified skills/expertise/competencies as identified are leadership qualities, industry knowledge and experience, understanding of relevant laws, rules, regulations, Accounting and Taxation and policies, strategic thinking, corporate governance, financial management expertise, risk management, internal control systems, investor relations and insights into mergers and acquisitions.

The Directors of your Company comprises of qualified individuals who collectively possess the above skills, competencies and experience across diverse fields that enable them to make effective contributions to the Board and its Committees.

Further, the information in terms of Para C(2)(h)(ii) of Schedule V of the SEBI Listing Regulations is mentioned below:

Sr. No.	Name of Director	Skills / competencies / experience possessed
1	Mr. Swaminathan Subramaniam	Marketing, Strategy, Governance, Management, Business Development
2	Mr. Balachandran Krishnan	Finance, Management, Governance, Audit, Legal
3	Ms. Deepta Rangarajan	Marketing, Governance, Management, Business Development
4	Mr. Vinod Balmukand Agarwala	Law, Finance
5	Mr. Ashok Venkatramani	Business Strategy, Risk Management, Marketing, Stakeholder Management and Fund Raising.
6	Mr. Bhaswar Mukherjee	Finance, Audit, Human Resource Management.
7	Mr. Haseeb A. Drabu	Economic, Strategy, Finance, Risk Management
8	Puthenpurackal Kuncheria Xavier Thomas	Technology, product development, ecommerce, security compliance

o. COMMITTEES OF THE BOARD

The Board Committees are set up by the Board and are governed by its terms of reference which exhibit the scope, composition, tenure, functioning and reporting parameters. The Board Committees play a crucial role in the governance structure of the Company and deal with specific areas of concern for the Company that need a closer review. The Committees operate under the direct supervision of the Board, and Chairpersons of the respective committees' report to the Board about the deliberations and decisions taken by the Committees. All Committee decisions are taken, either at the meetings of the Committee or by passing of circular resolutions. During the financial year, all recommendations made by the various Committees have been accepted by the Board. The minutes of the meetings of all committees of the Board are placed before the Board for noting.

The details of the various Board Committees are as mentioned below

● Audit Committee

The Audit Committee's role is to assist the Board to fulfil its corporate governance and overseeing responsibilities in relation to the Company's financial reporting process carried out by the Management, internal control system, risk management system and internal and external audit functions.

a. Constitution

The Audit Committee ('the Committee') of the Board, has been constituted in line with the provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations, and as on the date of this report comprises of four Non-Executive Independent Directors and one Executive Director.

All the Members of the Committee are financially literate and possess strong accounting and related financial management expertise. The Company Secretary acts as the Secretary of the Committee.

b. Composition and Attendance

During FY 2022-23, the Committee met 05 (Five) times on May 27, 2022, August 12, 2022, November 11, 2022, February 13, 2023 and March 21, 2023 and the necessary quorum was present at all the meetings. The composition of the Audit Committee as on March 31, 2023 and the number of meetings attended by each member is as follows:

Name of Member	Category	Attendance at meetings	
		Held/Entitled	Attended
Mr. Bhaswar Mukherjee	Non-Executive Independent Director – Chairperson	5	5
Mr. Vinod Balmukand Agarwala	Non-Executive Independent Director – Member	5	5
Mr. Ashok Venkatramani	Non-Executive Independent Director – Member	5	5
Mr. Haseeb A. Drabu	Non-Executive Independent Director – Member	5	5
Mr. Balachandran Krishnan	Executive Director – Member	5	5

The Audit Committee invites such executives, as and when it considers appropriate to be present at the meetings. The Finance Controller of the Company, the Internal Auditors and the Statutory Auditors also remain present as invitees for the meetings of Committee.

Mr. Bhaswar Mukherjee, Chairman of the Audit Committee attended the last AGM of the Company held on August 25, 2022.

C. Terms of Reference of the Audit Committee

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the SEBI Listing Regulations. The Committee relies on the expertise and knowledge of the management, the internal auditor and the statutory auditor, in carrying out its oversight responsibilities. It also uses external expertise, if required. The management is responsible for the preparation, presentation and integrity of the Company's financial statements, including consolidated statements, accounting and financial reporting principles. The Committee acts as a link between the Statutory Auditors and the Internal Auditors and the Board of the Company.

The terms of reference of the Audit Committee are in accordance with all the items listed in Part C of Schedule II of SEBI Listing Regulations and Section 177 of the Act which are as follows:

i. Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are true and accurate and provide sufficient information and credible;

ii. Recommending to the Board for appointment, re- appointment and, if required, replacement or removal of the Statutory Auditor and fixation of their terms of appointment and remuneration;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors, if any;

iv. Reviewing, with the management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report.

v. Reviewing with the Management, quarterly Financial Statements/results before submission to the Board for approval;

vi. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;

vii. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Evaluation of internal financial controls and risk management systems;

xii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with Internal Auditors of any significant findings and follow up there on;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. Review of the functioning of Whistle Blower mechanism;

xix. Approve appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xx. Carrying out any other function as is mentioned in the terms of reference of the audit committee;

xxi. Review utilization of loans and/or advances from/ investment by the holding company in the subsidiary exceeding 100 crores or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/ investments;

xxii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;

xxiii. Reviewing the Management Discussion and Analysis of financial condition and results of operations;

xxiv. Review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

xxv. Review the management letters/letters of internal control weaknesses issued by the statutory auditors;

xxvi. Review the Internal Audit Report relating to internal control weaknesses;

xxvii. Review the appointment, removal and terms of remuneration of the Chief Internal Auditor;

xxviii. Statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).

(b) annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

xxix. Review the financial statements, in particular, the investments made by unlisted subsidiaries;

xxx. Carry out such other responsibility as may be provided by the Companies Act, 2013 and the SEBI Listing Regulations;

xxxi. To review compliance with the provisions of regulations 9A and other applicable provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

d. Review of matters by Audit Committee

The Committee also reviews the terms of appointment and remuneration of the Internal Auditor and the Chief Financial Officer of the Company, financial statements of subsidiaries and in particular investments made by the subsidiaries, Management discussion and Analysis of financial condition and results of operations, functioning of the Whistle Blower Policy/ Vigil Mechanism. The Committee reviews, on a quarterly basis, related party transactions, uses / application of funds raised on private placement basis, loans, investments and guarantees given, risks and mandatory information under Para B of Part C of Schedule II of the SEBI Listing Regulations.

The Committee also reviews the Report on compliance under Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. Further, Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistle blower Policy are also placed before the Committee.

• Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee ('NRC') is to oversee the selection of Directors and Senior Management Personnel based on criteria related to the specific requirement of expertise and independence. The NRC evaluates the performance of Directors and Senior Management Personnel based on their expected performance criteria.

a. Constitution

NRC is constituted in compliance with the requirements of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

As on the date of the report, the NRC comprises of three Non- Executive Independent Directors including the Chairman of the Board. The Company Secretary acts as Secretary to the Committee.

b. Composition and Attendance

During FY 2022-23, the Committee met 05 (Five) times and the necessary quorum was present at all the meetings. The NRC meetings were held on May 26, 2022, August 19, 2022, September 19, 2022, November 11, 2022 and January 23, 2023. The composition of the NRC as on March 31, 2023 and its attendance at its meetings is as follows:

Name of Member	Category	Attendance at meetings	
		Held/ Entitled	Attended
Mr. Ashok Venkatramani	Non-Executive Independent Director – Chairman	5	5
Mr. Vinod Agarwala	Non-Executive Independent Director - Member	5	5
Mr. Bhaswar Mukherjee	Non-Executive Independent Director - Member	5	5

The Chairperson of the Committee, Mr. Ashok Venkatramani was present at the 22nd AGM of the Company held on August 25, 2022.

c. Terms of reference of Nomination and Remuneration Committee

The terms of reference of the NRC are in line with regulatory requirements mandated in the Act and Part D of Schedule II of the SEBI Listing Regulations which include:

i. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;

ii. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. Consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

iii. Formulation of criteria for evaluation of independent directors and the Board of Directors;

iv. Devising a policy on diversity of Board of Directors;

v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

vi. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent directors.

vii. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

viii. Shall specify the manner for effective evaluation of performance of Board, its committees and individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.

ix. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

x. Grant of options and allotment of shares under and in accordance with terms of Employee Stock Scheme(s) of the Company.

d. Nomination and Remuneration Policy

The NRC has formulated a policy for determining qualifications, positive attributes and independence of a Director and other related matters provided under sub section (3) and (4) of Section 178 of the Act which is available on the Company's website at https://www.irisbusiness.com/wp-content/uploads/2023/02/NRC-Policy.pdf

It is affirmed that the remuneration paid to the Directors is as per the terms laid in the duly approved and adopted Nomination and Remuneration Policy of the Company.

e. Performance Evaluation criteria for Independent Directors

The Committee has approved the evaluation process, methodology, framework and criteria for evaluation of performance of Independent Directors, Committees of the Board, the Board as a whole and the Chairperson. Basis the approved framework, the performance evaluation of all the Directors, Committees, Chairperson and the Board as a whole was carried out during the year under review.

• Stakeholders' Relationship Committee

The Stakeholders Relationship Committee **('SRC')** looks into various aspects of interest of shareholders which include approval of requests for transfer and transmission of shares, transposition and deletion of name in the Register of Members, change of address in the Register of Members, addressing to the complaints of shareholders including non-receipt of declared dividends, non-receipt of Annual Report, revalidation of dividend warrants, consolidation and split of shares, etc.

a. Constitution

As on the date of this report, SRC comprises of a Non-Executive Independent Director and Two Executive Directors. The Chairman of the Committee is an Independent Director. The Company Secretary acts as the Secretary to the Committee.

b. Composition and Attendance

During FY 2022-23, the Committee met 01 (One) times i.e. on May 26, 2022. Necessary quorum was present at both the meetings. The composition of the SRC as on March 31, 2023 and its attendance at its meeting is as follows:

Name of Member	Category	Attendance at meetings	
		Held/ Entitled	Attended
Mr. Bhaswar Mukherjee	Non-Executive Independent Director-Chairman	1	1
Ms. Deepta Rangarajan	Executive Director - Member	1	1
Mr. Balachandran Krishnan	Executive Director - Member	1	0

c. Terms of Reference:

The role and terms of reference of the Committee covers all the areas as contemplated under Regulation 20 read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Act as applicable.

The Committee deals with matters relating to transfer/ transmission of shares, issue of duplicate certificates and monitors the redressal of Shareholder grievances. The terms of reference of the Committee include:

i. To look into various aspects of interest of shareholders, debenture holders and other security holders;

ii. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;

iii. Reviewing on a periodic basis the approval/ refusal of transfer or transmission of shares, debentures or any other securities;

iv. Issue of duplicate certificates and new certificates on split/ consolidation/renewal;

v. Allotment and listing of shares;

vi. Reference to statutory and regulatory authorities regarding investor grievances; and

vii. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;

viii. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

ix. Review of measures taken for effective exercise of voting rights by shareholders.

x. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent

xi. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

xii. Any other power specifically assigned by the Board of Directors of the Company with a view to expedite the process of share transfers, necessary authorities have been delegated to the Compliance Officer of the Company. Details of transfer and transmission requests, if any received at every meeting and report of investor complaints is presented to the Board on a quarterly basis.

d. Investor Complaints

During FY 2022-23, the Company did not receive any complaints from its shareholders/investors. There were no complaints pending as at the end of the year.

Status of Investor Complaints as on March 31, 2023 and reported under Regulation 13(3) of the SEBI Listing Regulations is as under:

No. of Shareholder complaints pending at the beginning of the year i.e. as on April 1, 2022	NIL
No. of Shareholder Complaints received during the year	NIL
No. of Shareholder Complaints resolved during the year	NIL
No. of Shareholder Complaints pending as on March 31, 2023	NIL

The Chairman of the Committee, Mr. Bhaswar Mukherjee attended the 22nd AGM of the Company held on August 25, 2022.

e. Stakeholders' Relationship Committee other details:

Name and Contact detail of Compliance officer	Mr Santoshkumar Sharma Company Secretary & Compliance officer Tel.: +91 22 6723 1000
Email Id for Correspondence	cs@irisbusiness.com
Office address for Correspondence	T-231, Tower 2, 3rd Floor, International Infotech Park,Vashi Station, Vashi, Thane - 400703, Maharashtra, India

f. Compliance Officer under SEBI Listing Regulations

Mr. Santoshkumar Sharma, Company Secretary of the Company is designated as Compliance Officer of the Company pursuant to Regulation 6 of the SEBI Listing Regulations.

• Corporate Social Responsibility Committee

a. Constitution

In accordance with Section 135 of the Act, the Board of Directors of the Company have formed a Corporate Social Responsibility ('CSR') Committee. The Committee has framed a Corporate Social Responsibility Policy, the purpose of which is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

The framework enables to put in place, policies and practices in line with this Policy. The CSR Policy is an attempt to showcase the linkage of the Company's social objectives with business strategy.

b. Composition and Attendance

The CSR Committee comprises of three directors of whom one is a Non-Executive Independent Director and two Executive Directors. Mr. Ashok Venkatramani, Non-Executive Independent Director is the Chairperson of the Committee. The Company Secretary acts as the Secretary to the Committee.

No CSR Committee meetings were required to be held during the year under review.

The composition of the CSR Committee as on March 31, 2023 is as follows:

Name of Member	Category
Mr. Ashok Venkatramani	Non-Executive Independent Director - Chairman
Ms. Deepta Rangarajan	Executive Director – Member
Mr. Swaminathan Subramaniam	Executive Director - Member

The Company's Corporate Social Responsibility Policy is disclosed on the Company's website and can be accessed at https://www.irisbusiness.com/wp-content/uploads/2023/02/CSR-Policy.pdf

• Risk Management Committee

The Board of your Company voluntarily constituted the Risk Management Committee ('RMC') of the Board. As on date of this Report, RMC comprised of 2 (two) Non-Executive Independent Directors and 2 (two) Executive Director of the Company. The Company Secretary acts as the Secretary to the Committee.

The primary role of the RMC is that of assisting the Board in overseeing the Company's risk management processes and controls. RMC, through the Risk Management Policy, seeks to minimise adverse impact on the business objectives and enhance stakeholder value. The Board has adopted a Risk Management Policy for functioning of the RMC.

a. The terms of reference of RMC includes the following:

1) To formulate a detailed risk management policy which shall include:
   - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
   - Measures for risk mitigation including systems and processes for internal control of identified risks.
   - Business continuity plan.

2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The appointment, removal and terms of remuneration of the Chief Risk Officer, if any appointed by the Board during F.Y. 2022-23. During the year the Risk Management Committee met 01 (One) time i.e. on March 30, 2023. The composition of the Risk Management Committee as on March 31, 2023 and its attendance at its meetings is as follows:

Name of Member	Category	Attendance at meetings	
		Held	Attended
Mr. Haseeb Drabu	Non-Executive Independent Director Chairman	1	1
Mr. Bhaswar Mukherjee	Non-Executive Independent Director – Member	1	1
Ms. Deepta Rangarajan	Executive Director - Member	1	1
Mr. Puthenpurackal Kuncheria Xavier Thomas*	Executive Director - Member	1	1

*Inducted in the Committee on February 13, 2023.

b. Risk Management Framework

Your Company has a well-defined risk management framework in place which inter alia includes identification of elements of risk, if any, which in the opinion of the Board may seriously impact the Company. The Risk Management Policy inter alia includes identification, assessment for likelihood and impact, mitigation steps and reporting of existing and new risks associated with your Company's activities in a structured manner. This facilitates timely and effective management of risks and opportunities and in turn achievement of your Company's objectives.

• Rights Issue Committee

The Board of Directors at their meeting held on January 29, 2022 constituted the Rights Issue Committee consisting of 3 (Three) Directors comprising of 2 (two) Executive Directors and 1 (one) Non-Executive Independent Director, approved the rights issue of Upto ₹32.00 crores or such other sum which shall be partly or fully paid up as may be determined by the Board or Rights Issue Committee.

The primary role of the Committee was to advise the Board on the mode of capital raising, to engage intermediaries/agencies as may be required in connection with the fund raising, to apply for and obtain all statutory / regulatory approvals from any statutory, regulatory, judicial or quasi-judicial authority and such other function related in connection with the capital raising.

During the FY 2022-23, the Committee met 02 (Two) time, i.e. on April 28, 2022 and August 11, 2022.

The composition of the Rights Issue Committee and its attendance at its meetings is as follows:

Name of Member	Category	Attendance at meetings	
		Held	Attended
Mr. Balachandran Krishnan	Executive Director - Chairman	2	2
Mr. Bhaswar Mukherjee	Non-Executive Independent Director-Member	2	2
Mr. Swaminathan Subramaniam	Executive Director - Member	2	2

3. REMUNERATION PAID TO DIRECTORS

a. Non-Executive Directors /Independent Directors

Non-Executive Independent Directors are eligible for sitting fees and commission within the limits prescribed in the Act. The remuneration payable to Independent Directors is decided by the Nomination and Remuneration Committee of the Board of Directors. The Independent Directors are eligible for sitting fees of ₹25,000/- for attending each meeting of the Board and Audit Committee, and ₹15,000/- for attending meetings of other Committees. Except as disclosed, there are no pecuniary relationships or transactions between the Independent Directors and the Company during FY 2022-23.

Details of sitting fees and commission paid to Directors during FY 2022-23 are as under:

Name of the Director	Sitting Fees paid (₹ in thousands)						
	Board	Audit	NRC	SRC	RMC	RIC	CSR
Mr Bhaswar Mukherjee	125	125	75	15	15	30	-
Mr Vinod Balmukand Agarwala	125	125	75	-	-	-	-
Mr Ashok Venkatramani	125	125	75	-	-	-	-
Mr Haseeb A. Drabu	75	125	-	-	15	-	-
Total	**450**	**625**	**225**	**15**	**30**	**30**	**-**

b. Executive Directors

The appointment of Executive Directors is as per the resolutions passed by the Board of Directors and Members' of the Company, which cover the terms of such appointment and are implemented in conjunction with the service rules of the Company.

During FY 2022-23, remuneration was paid to Mr. Swaminathan Subramaniam, Mr. Balachandran Krishnan, Ms. Deepta Rangarajan and Mr. Puthenpurackal Kuncheria Xavier Thomas, which is in accordance and within the limits approved by the Board and the Members based on the recommendation of NRC.

Details of remuneration paid by the Company to Executive Directors during the Financial Year ended March 31, 2023 are given below:

Particulars	Mr. Swaminathan Subramaniam	Mr. Balachandran Krishnan	Ms. Deepta Rangarajan	Mr. Puthenpurackal Kuncheria Xavier Thomas
	Whole-Time Director	**Whole-Time Director**	**Whole-Time Director**	**Whole-Time Director**
Term of appointment	Appointed for a period of 3 years w.e.f. May 01, 2021	Appointed for a period of 3 years w.e.f. May 01, 2021	Appointed for a period of 3 years w.e.f. May 01, 2021	Appointed for a period of 5 years w.e.f. November 11, 2022
Salary & Perquisites (₹ in thousands)	3,750	4,500	4,500	6,569
Variable Pay / Performance Linked Incentive	0	0	0	0
Other retirement benefits	0	0	0	0
Total	3,750	4,500	4,500	6,569

*The remuneration of ₹45,00,000/- per annum to Mr. Swaminathan Subramaniam, Mr. Balachandran Krishnan and Ms. Deepta Rangarajan was approved by the shareholders of the Company on April 3, 2021 through a Postal Ballot. The remuneration of ₹1,20,00,000 per annum to Mr. Puthenpurackal Kuncheria Xavier Thomas was approved by the shareholders of the Company on February 4, 2023 through Postal Ballot.

Notes:

1. There is no separate provision for payment of severance fees.
2. Notice period as per the Rules of the Company.

c. Details of Stock Options granted to the Executive Directors

During the year 2022-23, 50,000 stock options were granted to Mr. Puthenpurackal Kuncheria Xavier Thomas. Other than that none of the Directors have been granted any stock options during the Financial Year 2022-23.

d. Details of Shares held by Executive Directors

Details of shares held by the Executive Directors as on March 31, 2023 are as follows:

Name of Member	Category	Number of Shares held
Mr. Swaminathan Subramaniam	Promoter, Whole Time Director & CEO	45,72,168
Mr. Balachandran Krishnan	Promoter, Whole Time Director & CFO	11,04,000
Ms. Deepta Rangarajan	Promoter, Whole Time Director	14,46,052

4. KEY GOVERNANCE POLICIES

a. Policy on Materiality of and dealing with Related Party Transactions

Your Company has formulated a Policy on Materiality of and dealing with Related Party Transactions which specifies the manner of entering into related party transactions and other related matters.

The Policy has been framed to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations, and intends to ensure proper approval and reporting of transactions as applicable, between the Company and its related parties in the best interest of the Company and its stakeholders.

Provisions of this policy are designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of related party transactions, in terms of the applicable laws.

The Company's Policy on Materiality of and dealing with Related Party Transactions is uploaded for viewing on its website and can be accessed at https://www.irisbusiness.com/wp-content/uploads/2023/02/Policy-on-Related-Party-Transactions.pdf

b. Policy on Material Subsidiaries

In line with the requirements prescribed by the SEBI Listing Regulations, the Board of Directors the Company has adopted a Policy on Material Subsidiaries which sets out the criteria to identify material subsidiaries of the Company in accordance with the SEBI Listing Regulations and defines processes and procedures for any transactions with it.

The Company's Policy on Material Subsidiaries is disclosed on its website and can be accessed at https://www.irisbusiness.com/wp-content/uploads/2023/02/Material-Subsidiary-Policy.pdf

c. Whistle Blower Policy

Pursuant to Section 177(9) and (10) of the Act and Regulation 22 of the SEBI Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Policy was amended by the Board in line with the amended SEBI (Prohibition of Insider Trading) Regulations, 2015 to provide for whistle blowing in case of leak or suspected leak of unpublished price sensitive information.

The Company's Policy on Whistle Blower/Vigil Mechanism is disclosed on its website and can be accessed at

d. Policies under SEBI (Prohibition of Insider Trading) Regulations, 2015

In accordance with Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, ("Insider Trading Regulations"), the Company has put in place a Code, which provides for procedure to be followed by Designated Persons for trading in securities of the Company including pre- approval, reporting and restrictions on contra trading. The Code also contains processes to ensure safeguards against leakage of Unpublished Price Sensitive Information ("UPSI") of the Company.

The updated Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information is disclosed on its website and can be accessed at https://www.irisbusiness.com/wp-content/uploads/2023/02/Code-for-Prohibition-of-Insider-Trading-Fair-Disclosure.pdf

5. GENERAL BODY MEETINGS

a. Annual General Meetings ('AGM')

Details of last three AGM's and Special Resolutions passed are as follows:

Financial Year	Day and Date	Time (IST)	Venue	Details of Special Resolutions passed
2021-22	Thursday, August 25, 2022	11:00 a.m. I.S.T.	Due to COVID-19 Virus Pandemic, meeting held through video conferencing ('VC') /other audio visual means ('OAVM')	1. Re-appointment of Mr. Bhaswar Mukherjee as an Independent Director of the Company for second and final term of five (05) years w.e.f October 9, 2022 upto October 8, 2027 2. Re-appointment of Mr. Ashok Venkatramani as an Independent Director of the Company for second and final term of five (05) years w.e.f October 9, 2022 upto October 8, 2027 3. Re-appointment of Mr. Vinod Agarwala as the Independent Director of the Company for second and final term of three (03) years w.e.f November 27, 2022 upto November 26, 2025
2020-21	Saturday, August 14, 2021			No Special Resolution was passed
2019-20	Friday, August 14, 2020			

b. Extra-Ordinary General Meeting ('EGM')

During the year under review, no Extra ordinary General Meeting was held.

c. Postal Ballot

The Company had passed following Special Resolutions through Postal Ballot during FY 2022-23.

Postal Ballot - 1				
Details of Special Resolutions	Appointment of Mr. Puthenpurackal Kuncheria Xavier Thomas (DIN: 09760233) as a Whole Time Director for a period of five (5) years w.e.f. November 11, 2022			
Persons conducting Postal Ballot exercise	Company representatives	Mr. K. Balachandran, Whole Time Director & CFO; Mr. Santoshkumar Sharma, Company Secretary		
	Scrutinizer	Ms. Priti Sheth, M/s. Priti J. Sheth & Associates, Company Secretaries		
Postal Ballot procedure	Date of Postal Ballot Notice	Thursday, January 05, 2023		
	Cut-off date	Friday, December 23, 2022		
		Electronic voting facility was provided to all the Members, to enable them to cast their votes electronically. The Company engaged service of National Securities Depository Limited ("NSDL") for facilitating Remote e-voting to enable the Members to cast their votes electronically.		
		On account of the threat posed by the COVID-19 pandemic and in terms of the MCA Circulars, the Company had sent the Postal Ballot Notice in electronic form only. The hard copy of the Postal Ballot Notice along with postal ballot forms and pre-paid self-addressed business envelope were not sent to the Members for the postal ballot in accordance with the requirements specified under the MCA Circulars. Accordingly, the communication of the assent or dissent of the Members took place through Remote e-voting only.		
	Date of completion of dispatch of Notices	Thursday, 05 January, 2023		
	Commencement of voting period	Friday, January 06, 2023 at 9:00 a.m. I.S.T.		
	End of voting period	Saturday, February 04, 2023 at 5:00 p.m. I.S.T.		
	Date of Scrutinizers' Report	Monday, February 06, 2023		
	Date of declaration of results	Monday, February 06, 2023		
Details of voting pattern	Resolution	No. of Valid Votes polled	No. of Votes in Favour (%)	No. of Votes Against (%)
	Appointment of Mr. Puthenpurackal Kuncheria Xavier Thomas (DIN: 09760233) as a Whole Time Director	99,94,381	9946780	47601
		100%	99.52%	0.48%

Currently, no postal ballot exercise is proposed to be carried out.

6. Means of Communication

a. Modes of Communication

Your Company, from time to time and as may be required, communicates with its Shareholders and Investors through multiple channels of communications including the following:

- Dissemination of information on the website of the Stock Exchanges;
- Press releases;
- Annual reports;
- Earnings calls, investor conferences; and
- Uploading relevant information on the Company's website.
- Presentations made to institutional investors or to the analysts.

b. Financial Results

The quarterly, half-yearly and annual financial results along with the press release are posted by the Company on its website at https://www.irisbusiness.com/investors/financials/

These are also submitted to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE), in accordance with Regulation 33 of the SEBI Listing Regulations and published quarterly in leading newspapers like the Financial Express in English language which is a national daily newspaper circulating in the whole or substantially the whole of India and Dainik Pudhari in Marathi language which is the regional daily newspaper circulating in Maharashtra, giving adequate coverage of the financial results in accordance with Regulation 47 of the SEBI Listing Regulations.

c. Disclosures

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' of Schedule III of the SEBI Listing Regulations including material information having a bearing on the performance / operations of the Company and other price sensitive information, if any. All information is filed electronically on BSE Corporate & Listing Centre, online portal of BSE and on NSE Electronic Application Processing System, the online portal of NSE.

d. Investor Interactions

The Senior Management team of the Company conducts several conference calls and meets with institutional investors / analysts on the results published after the Board meetings. Presentations are also made to international and domestic institutional investors and analysts. These presentations and related disclosures which are required to be disseminated on the Company's website under the SEBI Listing Regulations have been uploaded on the website of the Company at https://www.irisbusiness.com/investors/investor-contact/ These presentations are also uploaded on the website of the Stock Exchanges where equity shares of the Company are listed.

e. Website

The Annual Report of the Company, the quarterly/ half yearly financial results and the annual audited financial statements and the official news releases of the Company are also disseminated on the Company's website https://www.irisbusiness.com/investors/financials/

The Company's website link, https://www.irisbusiness.com/ contains all information as prescribed under the Act and the SEBI Listing Regulations, including details of the contact persons and the Registrar and Share Transfer Agent of the Company, shareholding pattern, policies etc.

7. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	Date	August 14, 2023
	Time	11 a.m. I.S.T.
	Venue	Meeting through Video Conferencing / Other Audio Visual Means
Financial Year (April – March)	The financial year of the Company comprises of period of 12 months from April 1 to March 31	
Dividend Payment Date	Not applicable	
Book Closure	The share transfer book of the Company will be closed for the purpose of AGM from Tuesday, August 08, 2023 to Monday, August 14, 2023	
Listing on Stock Exchanges	The Equity Shares of the Company are listed on following Stock Exchanges:	
	Name	BSE Limited
	Address	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
	Scrip Code	540735
	Name	National Stock Exchange of India Limited
	Address:	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051
	Symbol	IRIS
	Annual Listing Fees for FY 2023-24 has been paid to the Stock Exchanges (BSE and NSE) where the Company is listed.	
	Annual Custody Fees for FY 2023-24 has been paid to the Depositories as per invoices received.	
Dematerialization of Shares	As on March 31, 2023, 1,93,61,162 equity shares constituting 98.13% representing 1,89,99,762 shares were held in dematerialized form and the balance of 3,61,400 shares constituting 1.87% were held in physical form. NSDL: 62,35,416 equity shares CDSL: 1,27,64,346 equity shares	
International Securities Identification Number (ISIN):	INE864K01010	
Traded Securities	The securities of the Company have not been suspended from trading from any of the aforesaid stock exchanges during FY 2022-23.	
Global / American Depository Receipts, warrants or other convertible instruments	As on March 31, 2023, the Company does not have any outstanding Global / American Depository Receipts, warrants or any other convertible instruments.	
Plant Locations	The Company does not carry any manufacturing activities and hence does not have any plant location.	

8. Updation of Bank and PAN details

In compliance with terms of the SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 on strengthening the Guidelines and Raising Industry standards for RTA, Issuer Companies and Banker to an Issue, communications and reminders were sent by the Company to its Shareholders holding equity shares in physical form.

Shareholders have been requested to update any change in their Bank Account Number, including the correct 9-Digit MICR Code and 11-digit IFSC Code, e-mail ID and Mobile No(s).

Shareholders holding equity shares in physical form can update their Bank Account details by submitting a written request letter quoting their folio number along with original cancelled cheque bearing their name on it or bank passbook/statement attested by their Bank to Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company at C-101, 1st Floor, 247 Park, L B S Marg, Vikhroli (West), Mumbai-400 083 or through e-mail on rnt.helpdesk@linkintime.co.in. Shareholders holding equity shares in dematerialised form are requested to update their Bank Account details with their respective Depository Participant in case of any change in their Bank Account details.

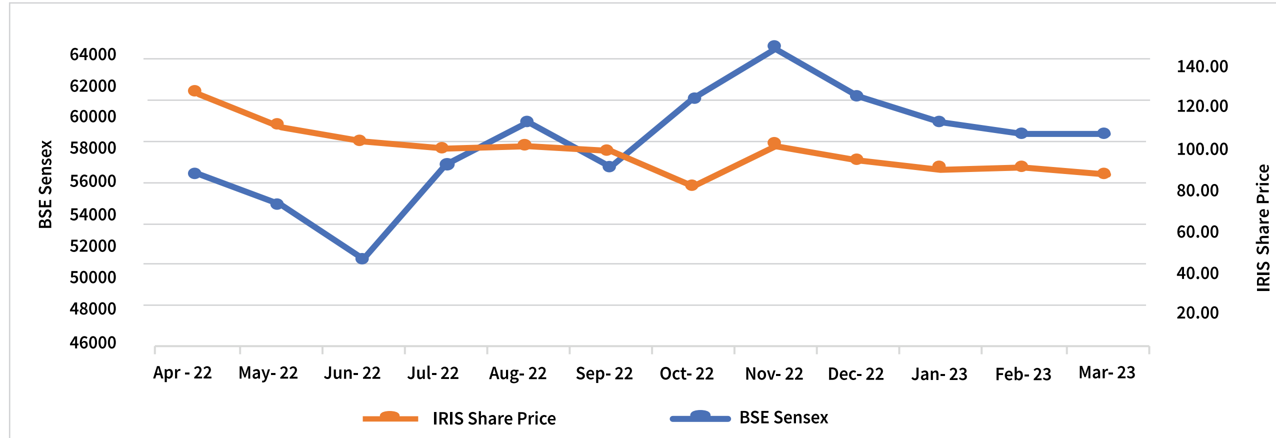
9. Market Price Data

The monthly high and low stock quotations of the equity shares of the Company on BSE and NSE during the financial year from April 1, 2022 to March 31, 2023 was as under:

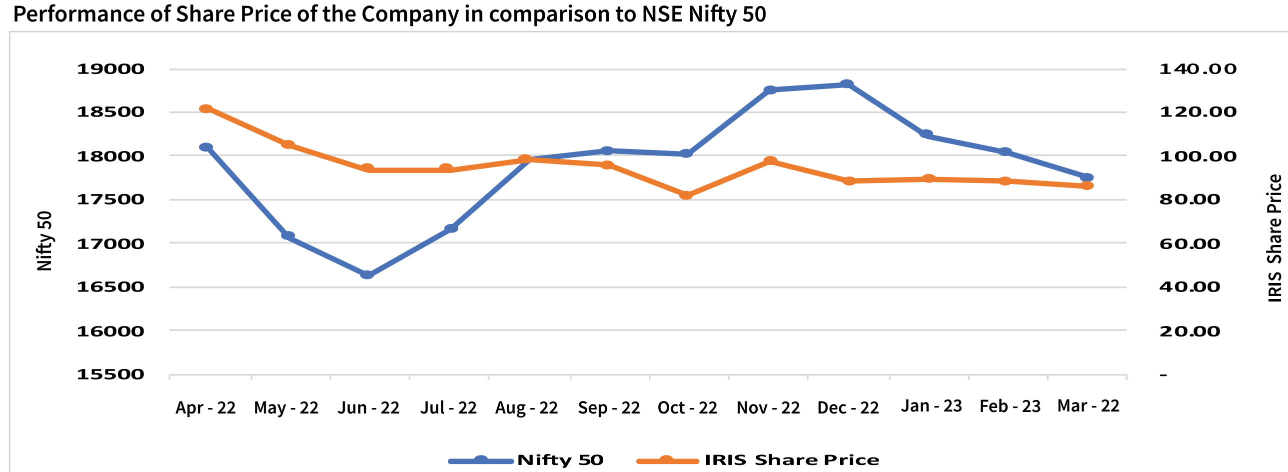
Month	BSE			NSE		
	High	Low	No. of Shares Traded	High	Low	No. of Shares Traded
April 2022	116.15	97.20	53,540	121.00	97.05	3,62,803
May 2022	103.95	72.90	1,21,431	104.80	71.10	6,24,883
June 2022	98.00	71.00	29,616	93.50	78.00	3,13,713
July 2022	95.80	74.50	52,072	93.55	74.65	3,16,358
August 2022	96.95	73.25	1,13,444	98.00	71.05	6,42,559
September 2022	95.25	70.25	89,069	96.00	75.60	5,46,903
October 2022	81.45	73.20	18,534	82.30	74.65	1,40,261
November 2022	97.00	66.55	3,19,822	97.40	66.70	34,53,737
December 2022	91.30	68.30	91,192	88.55	68.60	5,87,379
January 2023	88.10	74.85	58,328	89.00	74.40	6,87,989
February 2023	88.45	76.95	68,924	88.90	76.40	6,86,773
March 2023	85.70	66.10	48,225	85.90	65.65	5,01,195

(Source: The above information is compiled from the data available on BSE & NSE Webs

Performance of Share Price of the Company in Comparison to the BSE Sensex



Performance of Share Price of the Company in comparison to NSE Nifty 50



10. Share Transfer system / other investor service requests:

All share transfers / requests for dematerialization of shares received are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all aspects by the Registrar and transfer Agent. Further, in compliance with Notification No. SEBI/LAD-NRO/GN/2018/24 issued by SEBI, the Company has ceased to accept physical transfer of shares w.e.f. April 1, 2019, except in case of transmission of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Directors of the Company and the Company Secretary have been empowered to approve transfers.

Pursuant to SEBI circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition.

Category-wise Shareholding as on March 31, 2023

Category	No. of Shares held	% of holding
Promoter and Promoter Group	73,22,220	37.82
Clearing Members	6,105	0.03
Bodies Corporate	41,06,092	21.21
Hindu Undivided Family	2,68,448	1.39
Non Resident Indians	2,68,479	1.39
Resident Individual	67,03,794	34.63
Trusts	500	0.00
Body Corporate - Ltd Liability Partnership	6,85,524	3.54
Total	**1,93,61,162**	**100.00**

Distribution of Shareholding as on March 31, 2023

SERIAL #	SHARES RANGE	NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1 to 500	3593	78.5699	380455	1.9650
2	501 to 1000	332	7.2600	271115	1.4003
3	1001 to 2000	171	3.7393	258868	1.3370
4	2001 to 3000	61	1.3339	158444	0.8184
5	3001 to 4000	167	3.6519	651196	3.3634
6	4001 to 5000	43	0.9403	200961	1.0380
7	5001 to 10000	88	1.9243	683489	3.5302
8	10001 & Above	118	2.5804	16756634	86.5477
Total		**4573**	**100.0000**	**19361162**	**100.0000**

11. Dematerialisation of shares and liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialisation. For dematerialising the shares, the shareholders should open a demat account with a Depository Participant (DP). The shareholder is required to fill in a Demat Request Form and submit the same along with the original share certificates to his DP. The DP will allocate a demat request number and shall forward the request physically and electronically through NSDL/CDSL to Registrar & Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of the shares is given in the account of the shareholder.

The Company's shares are required to be compulsorily traded on the Stock Exchanges in dematerialized form. The market lot of the Share of your Company is one Share. Distribution of shareholding in physical and dematerialized form as of March 31, 2023 is as under:

Category	No. of Shareholders	No. of equity shares held	% Shareholding
Dematerialized Form	4,550	1,89,99,762	98.13
Physical Form	23	3,61,400	1.87

12. Transfer of Shares in Demat form

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) cannot be processed from April 1, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, Members who continue to hold equity shares of the Company in physical form are requested to dematerialise their shareholding to avail of numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, and elimination of any possibility of loss of documents and bad deliveries.

13. Reconciliation of Share Capital Audit Report

As mandated by Securities and Exchange Board of India ('SEBI'), M/s. Rathi & Associates, Company Secretaries, Mumbai were appointed to undertake Reconciliation of Share Capital Audit under Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018 to reconcile total share capital held with NSDL and CDSL and held in physical form, with the issued and listed capital of the Company. This audit is undertaken every quarter and the report thereon is submitted to the Stock Exchanges within prescribed timelines.

The audit report confirms that the total listed and paid up/ issued share capital as on March 31, 2023 matches with the aggregate of the total number of shares in demat form held by NSDL and CDSL and in physical form.

Further, pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificate have been issued, on a yearly basis, by M/s. Rathi & Associates, Company Secretaries, Mumbai certifying due compliance of share transfer formalities by the Company.

14. Credit Rating

During the year under review, the credit rating agency ICRA Limited has upgraded the long-term rating to [ICRA]BB+ (pronounced ICRA double B plus) from [ICRA]BB (pronounced ICRA double B) and reaffirmed the short-term rating at [ICRA] A4+ (pronounced ICRA A four plus) ("Rating"), with respect to the bank facilities of ₹19.75 crores. In addition, it has been stated by ICRA that the outlook on the long-term rating is Stable.

The rating summary is given below:

Details of the bank limit rated by ICRA (Rated on long-term scale)

Bank Limit	Amount in Crore- ₹	Rating	Assigned On
ICICI Bank – Cash Credit	14.00	[ICRA]BB+(Stable)	October 27, 2022
Total	**14.00**		

Details of the bank limits rated by ICRA (Rated on short-term scale)

Bank Limit	Amount in Crore- ₹	Rating	Assigned On
ICICI Bank - Bank Guarantee Limits	5.00	[ICRA]A4+	October 27, 2022
ICICI Bank – Forward Contract	0.75	[ICRA]A4+	October 27, 2022
Total	**5.75**		

15. Commodity price risk, foreign exchange risk and hedging activities

The Company does not deal in commodities and has no foreign exchange or hedging exposures hence disclosures relating to risk management policy with respect to commodities, commodity price risks, foreign exchange risk and hedging thereof in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated November 15, 2018 is not applicable.

16. Disclosure on details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

Not Applicable

17. Disclosures with respect to demat suspense account/ unclaimed suspense account:

Not Applicable

18. Disclosures on materially significant related party transactions

Details of transactions with the related parties as specified in Indian Accounting Standards (Ind AS 24) have been reported in the Financial Statements. There were no related party transactions of material nature which were in conflict of interest with the Company.

Further, in terms of the provisions of Section 188(1) of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI Listing Regulations, all contracts/ arrangements/ transactions entered into by the Company with its related parties, during the year under review, were in "ordinary course of business" of the Company and on "an arm's length basis".

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web-link as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

https://www.irisbusiness.com/wp-content/uploads/2023/02/Policy-on-Related-Party-Transactions.pdf

19. Recommendation of Committees

All recommendations / submissions made by various Committees of the Board during the financial year 2022-23 were accepted by the Board.

20. Fees to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to Statutory Auditor, KKC & Associates LLP (Formerly known as 'Khimji Kunverji & Co LLP'), Chartered Accountants, for the FY 2022-23 are as under:

(Amount in Thousands - ₹)

Type of Service	Amount
Statutory Audit	1,175
Certifications and Other services	720
Out of Pocket Expenses	31

The Company has not availed any services from the network firm/network entity of which the Statutory Auditors is a part.

21. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has a Prevention of Sexual Harassment Policy for Women in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act'). All women employees (permanent, contractual, temporary, trainees) as well as women who visit the premises of the Company for any purpose are covered under this Policy.

During the year under review and pursuant to Rule 8(5)(x) of the Companies (Accounts) Rules, 2014, your Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the POSH Act.

Status of complaints as on March 31, 2023:

Sr. No.	Particulars	Number of Complaints
1	Number of complaints filed during the financial year	NIL
2	Number of complaints disposed of during the financial year	NIL
3	Number of complaints pending at the end of the financial year	NIL

22. Address for correspondence

Shareholders may correspond with the Company's Registrar and Share Transfer Agent viz. Link Intime India Private Limited for any assistance relating to dematerialization of shares, share transfers, transmissions, change of address, change in bank details, non- receipt of dividend or any other query relating to shares at the below mentioned address:

23. Registrar & Share Transfer Agent

Link Intime India Private Limited C 101, 247 Park,

L B S Marg, Vikhroli West, Mumbai 400 083

Tel. No.: 022-49186000

Fax No.: 022-49186060

Email: mumbai@linkintime.co.in

Shareholders may also contact the Company at the below mentioned address:

24. Address for general correspondence

Mr. Santoshkumar Sharma

Company Secretary & Compliance Officer

IRIS Business Services Limited,

T-231, Tower 2, 3rd Floor, International Infotech Park,

Vashi Station, Vashi,

Thane - 400 703, Maharashtra, India.

Tel.: +91 22 6723 1000

Fax: +91 22 2781 4434

E-mail: cs@irisbusiness.com

25. Statutory Compliance, Penalties and Strictures

The Company received a Notice from BSE Limited ("BSE") on December 14, 2021 levying a fine of ₹ 11,800/- as per SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 under Regulation 29(2) and 29(3) of SEBI Listing Regulations for delay in furnishing prior intimation of the meeting of the Board of Directors held on November 13, 2021 for considering the financial results for the quarter ended September 30, 2021.

Apart from the above, there were no other instances of non-compliance on any matter relating to capital markets, during the last three years nor any penalties, strictures imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority.

26. Accounting Treatment in preparation of Financial Statements

The Company has prepared the Financial Statements in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act, as applicable.

27. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

28. Disclosure under Part F of Schedule V of the SEBI Listing Regulations 2015 in respect of unclaimed shares:

There were no unclaimed shares at the financial year ended on March 31, 2023.

29. Transfer of Amounts/ Shares to Investor Education and Protection Fund ("IEPF")

The Company was not required to transfer any unpaid / unclaimed amount of dividend to IEPF during the financial year ended March 31, 2023.

30. Shares held in electronic form

Members holding shares in electronic form may please note that:

i) For the purpose of making cash payments to the investors through Reserve Bank of India (RBI) approved electronic mode of payment (such as ECS, NECS, NEFT, RTGS, etc.), relevant bank details available with the depositories will be used. Members are requested to update any change in their bank details with their Depository Participant (DP).

ii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

31. Shares held in physical form

To facilitate better servicing, Members holding shares in physical form are requested to notify/send to Company's Registrar and Share Transfer Agent any change in their address/ mandate/bank details in which they wish their dividend to be credited, in case they have not been furnished earlier.

32. Disclosure of Loans and Advances:

The Company and its subsidiaries has not advanced any loans to firms / Companies in which the Directors of the Company are interested.

33. Details of material subsidiaries:

The company does not have material subsidiaries.

34. CERTIFICATIONS

a. Certificate from Secretarial Auditor

M/s. Priti J. Sheth & Associates, Company Secretaries have certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors, by the SEBI/Ministry of Corporate Affairs or any such other statutory authority (ies). The said certificate is enclosed to this report as "**Annexure 8A**".

b. Declaration on affirmation with the Code of Conduct

A declaration signed by Mr. Swaminathan Subramaniam, Whole Time Director & CEO, stating that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, in accordance with Regulation 26(3) read with Para D of Part C of Schedule V of the SEBI Listing Regulations is enclosed to this report as "**Annexure 8B**".

c. Certification by CEO / CFO

A certificate received from Mr. Swaminathan Subramaniam, Whole Time Director & CEO and Mr. Balachandran Krishnan, Whole Time Director & CFO pursuant to Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations was place before the the Board at its Meeting held on May 26, 2023 and the same certificate is enclosed to this report as "**Annexure 8C**".

35. DISCLOSURES OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2)

Your Company has complied with all the mandatory requirements of the SEBI Listing Regulations including Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations. and paras (2) to (10) mentioned in part 'C' of Schedule V of the SEBI Listing Regulations during the year under review.

36. COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

Compliance certificate from M/s Priti J. Sheth & Associates, Practising Company Secretaries confirming compliance with the conditions of Corporate Governance for the year ended March 31, 2023 in terms of Schedule V (E) of the SEBI Listing Regulations is enclosed to this report as "Annexure 8D".

37. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARAS (2) TO (10) OF PARA C TO SCHEDULE V OF THE LISTING REGULATIONS

The Company has complied with all the requirements in this regard, to the extent applicable.

38. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The following non-mandatory requirements under Part E of Schedule II of the SEBI Listing Regulations to the extent they have been adopted are mentioned below:

i. **Office for non-executive Chairperson at company's expense :** Not Applicable

ii. **Modified Opinion in Auditors Report:** The Company's financial statements for the year 2022-23 does not contain any modified audit opinion. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

iii. **Reporting of Internal Auditor:** The Internal Auditor reports to the Audit Committee. The Internal Auditor also participates in the meetings of the Audit Committee and also presents internal audit observations to the Audit Committee.

For and on behalf of the Board of Directors
IRIS Business Services Limited

Swaminathan Subramaniam	**Deepta Rangarajan**	**Balachandran Krishnan**
Whole Time Director & CEO	Whole Time Director	Whole Time Director & CFO
(DIN: 01185930)	(DIN: 00404072)	(DIN: 00080055)

Date : May 26, 2023
Place : Navi Mumbai

Annexure – 8A

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of IRIS Business Services Limited having CIN L72900MH2000PLC128943 and having registered office at T-231, Tower 2, 3rd Floor, International Infortech Park, Vashi Station, Vashi, Thane – 400703 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as director of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority for the Financial Year ended on March 31, 2023.

For **Priti J. Sheth & Associates**
Company Secretaries

Priti J Sheth
CP No: 5518
FCS: 6833
UDIN: F006833E000392163
Peer Review No : 1888/2022

Date: May 26, 2023
Place: Kiel

Annexure – 8B

DECLARATION

[Pursuant to Part D of Schedule V of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members
IRIS Business Services Limited

I, Swaminathan Subramaniam, Whole Time Director & CEO of IRIS Business Services Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2023.

Swaminathan Subramaniam
Whole Time Director & CEO
DIN: 01185930

Place: Navi Mumbai
Date : May 26, 2023

Annexure – 8C

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / CHIEF FINANCIAL OFFICER

[Pursuant to Part D of Schedule V of the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Swaminathan Subramaniam, Whole Time Director & Chief Executive Officer and Balachandran Krishnan, Whole Time Director & Chief Financial Officer of IRIS Business Services Limited, to the best of our knowledge and belief, certify that:

A. We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2023 and that to the best of their knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2023 which are fraudulent, illegal or violative of the Company's code of conduct;

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;

D. We have indicated to the auditors and the Audit committee:

   1. significant changes in internal control over financial reporting during the financial year ended on March 31, 2023;

   2. significant changes in accounting policies during the financial year ended on March 31, 2023 and that the same have been disclosed in the notes to the financial statements; and

   3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Balachandran Krishnan
Whole Time Director & CFO
DIN: 00080055

Swaminathan Subramaniam
Whole Time Director & CEO
DIN: 01185930

Place: Navi Mumbai
Date : May 26, 2023

Annexure – 8D

CERTIFICATE OF COMPLIANCE WITH THE CORPORATE GOVERNANCE

(Pursuant to SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015)

To
The Members
IRIS Business Services Limited

I have examined the compliance of the conditions of Corporate Governance by IRIS Business Services Limited ('the Company') for the year ended on March 31, 2023, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2023. I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Priti J. Sheth & Associates**
Company Secretaries

Priti J Sheth
CP No: 5518
FCS: 6833
UDIN: F006833E000392231
Peer Review No : 1888/2022

Date: May 26, 2023
Place: Kiel

INDEPENDENT AUDITOR'S REPORT

To the Members of
IRIS Business Services Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone Ind AS financial statements of IRIS Business Services Limited ('the Company'), which comprise the standalone balance sheet as at 31 March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information ('the Standalone Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Emphasis of Matter

4. Attention is invited to Note No. 5(a) to the Standalone Financial Statements regarding investment in subsidiary, IRIS Business Services LLC being carried at cost despite the liabilities thereof exceeding the total assets, having regards to business plans of that subsidiary and continued financial support from the Company.

   Our opinion is not modified in respect of the above matter.

Key Audit Matters

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

Key Audit Matter	How the matter was addressed in our audit
Revenue from Long Term Contracts: Long Term Contracts with Customers include contracts with services components which include software development, maintenance, implementation, and licensing of software products. Certain contracts include rights to access to platforms offered by the company and support services. The recognition and measurement of revenue from such contracts is complex and involves application of several key judgments and estimates such as identification of multiple performance obligations embedded in the contracts, determination and allocation of transaction price to each component of services or performance obligation and determination of expected cost of completion these contracts at each reporting date. Also, such contracts require assessment of foreseeable losses and assessment of contract being onerous in nature.	Our audit procedures include as under: ◆ Obtained an understanding of the systems, processes and controls implemented by the Company for recording and computing revenue and the associated contract assets, unearned and deferred revenue balances ◆ Examination of Selective Contracts and performing our analysis of identification of performance obligation, criteria of satisfaction of performance obligation and determination the expected revenue to be recognized and reconciling with amount recognized in the books of accounts. ◆ Assessment of expected cost of completion considered by the company vide inquires to management and examination of service details considered as component of expected cost. Analysis of assumption used and inquiring of expected variation or possible changes to expected cost of completion.

Key Audit Matter	How the matter was addressed in our audit
	◆ Examination of underlying details/records of cost incurred which includes tracing of expenditure incurred for each project. ◆ Performing analytical procedure to identify any unusual deviation and inquiring rationale for such deviation.
Impairment of Intangibles As on 31 March 2023, Intangibles Assets is measured at ₹ 34,522 thousand which includes Cost of internally developed software/ application. The Company is required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives. Based on the recoverable amount determined of the underlying assets, supported by value-in-use calculations which are based on future discounted cash flows, management concluded that the intangible assets were not impaired. The assessments made by management involves significant estimates and judgments, including sales growth rates, gross profit margin, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. These estimates and judgments may be affected by unexpected changes in future market or economic conditions, or discount rates applied. Considering the use of such signification estimates and judgements, Impairment of Intangible is identified as Key Audit Matter.	Our audit tests include as under: ◆ We obtained management's future cash flow forecasts and assessed the methodology of determination of future cash flow to obtain understanding of the impairment model ◆ Tested the mathematical accuracy of the underlying value-in-use calculations ◆ Assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed with management to understand and evaluate management's basis for determining the assumptions. ◆ Evaluated management's assessment on whether any events or change in circumstances indicate there may be a change in the expected useful lives of intangible assets. ◆ Performing sensitivity analysis on revenue growth assumptions to assess the impact on forecasted cashflows. ◆ Obtained suitable representations from the management pertaining to key estimates..

Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the Standalone Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

7. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

8. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

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

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

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

Auditor's responsibilities for the audit of the Standalone Financial Statements

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

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

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

    13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

    13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

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

    13.5. Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

14. 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.

15. 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.

16. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year 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

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

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

18.1. 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.

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

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

18.4. In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act.

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

18.6. With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

18.7. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V of the Act.

19. 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:

19.1. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its Standalone Financial Statements – Refer Note 33(c) to the Standalone Financial Statements;

19.2. The Company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 33(b) to the Standalone Financial Statements.

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

19.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

19.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

19.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as mentioned under paragraph 19.4 and 19.5 contain any material misstatement.

19.7. The Company has not declared and paid any dividend in the current year and has not proposed dividend for the current year, and hence reporting as per the provisions of Section 123 of the Act is not applicable to the Company.

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

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Soorej Kombaht
Partner
ICAI Membership No.: 164366
UDIN: 23164366BGYKTY8315

Place: Navi Mumbai
Date: 26 May 2023

Annexure 'A' to the Independent Auditor's Report on the Standalone Financial Statements of IRIS Business Services Limited for the year ended 31 March 2023

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, material discrepancies noted on such verification has been properly dealt with in the books of accounts.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not possess any such immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) which are not held in the name of the Company. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE (including Right of Use assets) or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) The Company is engaged in the business of providing services in connection with XBRL and XBRL Conversion, development and maintenance of websites, supply of software & providing software-related services. Accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii)(a) of the Order pertaining to Inventories is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. According to the information and explanations given to us, no requirements were stipulated under the renewal credit arrangement letter for submission of any returns of statements pertaining to security cover details and accordingly no quarterly returns or statements were filed by the Company with the Bank during the year under report.

iii. (a) In our opinion and according to the information and explanations given to us, the Company has not made investments in, or provided any guarantee or security in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. During the year under report, the Company has granted unsecured advances in nature of loan to employees, the details of which are material in the following table:

(Amounts in thousand - ₹)

Particulars	Guarantees	Security	Loans	Advances in the nature of loans
	Aggregate amount granted/ provided during the year			
Subsidiaries	-	-	-	-
Joint Ventures	-	-	-	-
Associates	-	-	-	-
Others (employees)	-	-	-	1,238
	Balance outstanding as at balance sheet date in respect of above cases			
Subsidiaries	-	-	-	-
Joint Ventures	-	-	-	-
Associates	-	-	-	-
Others (employees)	-	-	-	128

(b) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of all loans and advances in the nature of loans provided to employees are not prejudicial to the Company's interest.

(c) In our opinion and according to the information and explanations given to us, in respect of loans and advances in the nature of loans to employees, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular during the year.

(d) In our opinion and according to the information and explanations given to us, no amount is overdue in respect of loans and advances in the nature of loans given to employees.

(e) In our opinion and according to the information and explanations given to us, neither loans or advances in nature of loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.

(f) The Company has not granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or given any guarantee or provided any securities as covered under the provisions of sections 185 and 186 of the Act. In respect of the investments made by the Company, the provisions of sections 185 and 186 of the Act have been complied with.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The maintenance of Cost Records has not been specified by the Central Government under section 148(1) of the Act for the business activities / services carried out by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, we confirm that the following dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues, have not been deposited to/ with the appropriate authority on account of any dispute.

(Amounts in thousand - ₹)

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Employee's Provident Funds & Miscellaneous Provisions Act, 1952	Provident Fund	174	FY 2005 to FY 2007	Honorable High Court of Bombay	Nil

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to banks, or in the payment of interest thereon. The Company has not taken any loan from Financial Institutions, government or from debenture holders during the year.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year. Accordingly, paragraph 3(ix)(c) of the Order is not applicable to the Company.

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

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, the Company has not raised any loans during the year and hence, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

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

(c) As represented to us by the Management, there are no whistleblower complaints received by the Company during the year.

xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company

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

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. without obtaining a valid CoR from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a CIC as defined in the regulations made by Reserve Bank of India.

(d) In our opinion there is no core investment Company within the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, paragraph 3(xvi) (d) of the order is not applicable to the Company.

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

xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable / paragraph 3(xviii) of the Order is not applicable.

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

xx. (a) According to information and explanations given to us and based on our examination of the records of the Company, section 135 is not applicable. Accordingly, paragraph 3(xx)(a) of the Order is not applicable to the Company.

(b) There are no ongoing projects towards CSR during the year. Accordingly, paragraph 3(xx)(b) of the Order is not applicable to the Company.

xxi. In our opinion, paragraph 3(xxi) of the Order does not apply to the Standalone Financial Statements.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Soorej Kombaht
Partner
ICAI Membership No.: 164366
UDIN: 23164366BGYKTY8315

Place: Navi Mumbai
Date: 26 May 2023

Annexure 'B' to the Independent Auditors' report on the Standalone Financial Statements of IRIS Business Services Limited for the year ended 31 March 2023

(Referred to in paragraph '18.6' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the Standalone Financial Statements of IRIS Business Services Limited ('the Company ') as at 31 March 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to the Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

7. A Company's internal financial controls with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to the Standalone Financial Statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Soorej Kombaht
Partner
ICAI Membership No.: 164366
UDIN: 23164366BGYKTY8315

Place: Navi Mumbai
Date: 26 May 2023

Standalone Balance Sheet as at March 31, 2023

(Amount in Thousands - ₹)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
(I) ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3a	11,535	7,713
(b) Right-of-Use-Assets	3b	89,128	89,977
(c) Other Intangible Assets	4a	34,522	73,313
(d) Intangible Assets under Development	4b	16,104	3,865
(e) Financial Assets			
(i) Investments	5	26,100	27,085
(ii) Loans	10	-	-
(iii) Other Financial Assets	6	713	6,707
(f) Deferred Tax Assets (Net)		-	-
(g) Other Non Current Assets		-	-
Total Non-Current Assets		**1,78,102**	**2,08,660**
(2) CURRENT ASSETS			
(a) Financial Assets			
(i) Trade Receivables	7	2,35,402	1,48,463
(ii) Cash and Cash Equivalents	8	34,054	27,630
(iii) Bank Balances other than Cash and Cash Equivalents above	9	24,632	26,436
(iv) Loans	10	128	287
(v) Other Financial Assets	6	36,718	21,704
(b) Current Tax Assets (Net)		29,869	24,931
(c) Other Current Assets	11	1,51,147	1,37,091
Total Current Assets		**5,11,950**	**3,86,542**
TOTAL ASSETS		**6,90,052**	**5,95,202**
(II) EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	12a	1,93,612	1,92,182
(b) Other Equity	12b	1,50,925	1,15,721
Total		**3,44,537**	**3,07,903**
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	-	-
(ii) Lease Liabilities	14	1,235	510
(ii) Other Financial Liabilities	18	-	-
(b) Provisions	15	55,777	47,609
(c) Deferred Tax Liabilities (Net)	16	-	-
(d) Other Non Current Liabilities	19	-	-
Total Non-Current Liabilities		**57,012**	**48,119**
(2) CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	13	54,558	64,857
(ii) Lease Liabilities	14	1,300	855
(iii) Trade Payables	17		
(a) Total outstanding dues of micro and small enterprises		3,293	3,392
(b) Total outstanding dues of creditors other than micro and small enterprises		7,193	12,362
(iv) Other Financial Liabilities	18	1,02,585	54,366
(b) Other Current Liabilities	19	99,353	83,954
(c) Provisions	15	20,221	19,394
(d) Current Tax Liabilities (Net)		-	-
Total Current Liabilities		**2,88,503**	**2,39,180**
TOTAL EQUITY AND LIABILITIES		**6,90,052**	**5,95,202**

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date attached

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Soorej Kombaht
Partner
ICAI Membership No: 164366

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

Place: Navi Mumbai
Date: May 26, 2023

Standalone Statement of Profit and Loss for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
(I) INCOME			
(a) Revenue from Operations	20	6,75,433	5,61,519
(b) Other Income	21	12,110	7,550
Total Income		**6,87,543**	**5,69,069**
(II) EXPENSES			
(a) Employee Benefits Expense	22	3,89,857	3,29,834
(b) Finance Costs	23	9,785	10,480
(c) Depreciation and Amortisation Expense	24	46,792	52,112
(d) Other Expenses	25	1,95,514	1,63,786
Total Expenses		**6,41,948**	**5,56,212**
(III) Profit before tax (I-II)		**45,595**	**12,857**
(IV) Tax Expense			
(a) Current Tax		8,822	1,100
(b) Tax Expense for earlier year		-	5,000
(c) Deferred Tax		-	-
Total Tax Expenses		**8,822**	**6,100**
(V) Profit for the year (III-IV)		**36,773**	**6,757**
(VI) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Profit or Loss (net of taxes)			
(a) Remeasurements gain / (loss) on defined benefit obligations		(5,453)	(7,520)
(b) Equity Instruments at fair value through other comprehensive income		-	-
(B) (i) Items that will be reclassified to Profit and Loss (net of taxes)			
(a) Fair Value Changes on Derivatives Designated as cash flow hedge		(300)	2,532
(VII) Total Comprehensive Income for the year		**31,020**	**1,769**
Earnings per equity share of face value of ₹ 10 each			
Basic (₹)	34	1.91	0.35
Diluted (₹)	34	1.90	0.35

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date attached

For KKC & Associates LLP
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For and on behalf of the Board of Directors of IRIS Business Services Limited
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(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

Place: Navi Mumbai
Date: May 26, 2023

Standalone Statement of cash flows for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash Flows from Operating Activities		
Profit/(loss) for the year	36,773	6,757
Adjustments for:		
Depreciation and amortisation expense	46,792	52,112
Income Tax Expense	8,822	6,100
Loss / (profit) on sale / disposal of property, plant and equipment	(280)	(9)
Expense on Employee Stock Option Scheme	4,339	4
Allowance for diminution in the value of Investments	984	-
Bad debts written off	894	254
Allowance for doubtful trade receivables	4,100	2,656
Sundry Balance Written-Off	89	2,672
Doubtful Debts Provision Reverse	-	(1,097)
Finance costs	9,785	10,480
Interest income (Note no. 21)	(2,346)	(2,829)
Operating profit / (loss) before working capital changes	**1,09,952**	**77,100**
Changes in operating assets and liabilities		
(Increase) / decrease in trade receivables	(91,932)	(18,899)
(Increase) / decrease in loans	158	(212)
Increase / (decrease) in trade payables	(5,268)	3,788
(Increase) / decrease in other financial assets	(12,621)	(7,412)
(Increase) / decrease in other assets	(14,125)	(57,637)
Increase / (decrease) in provisions	2,557	(37,976)
Increase / (decrease) in other financial liabilities	48,220	9,333
Increase / (decrease) in other liabilities	15,398	13,895
Cash inflow / (outflow) from operating activity	**52,339**	**(18,020)**
Taxes paid (net)	(13,760)	8,789
Net cash inflow / (outflow) from operating activities - Total (A)	**38,579**	**(9,231)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment, intangibles and capital work in progress	(21,205)	(11,286)
Sale of property, plant and equipment and capital work in progress	280	37
Bank deposits with original maturity of more than 3 months	1,803	9,259
Interest received	2,415	2,806
Net cash inflow / (outflow) from investing activities - Total (B)	**(16,707)**	**816**
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital under ESOP Scheme	1,430	2,950
Securities premium received on issue of shares	3,146	6,490
Repayment of Lease Liabilities	(703)	(731)
(Repayment) / proceeds from short term borrowings (net)	(10,299)	4,646
Interest paid on bank loans and others	(9,022)	(10,480)
Net cash inflow / (outflow) from financing activities - Total (C)	**(15,448)**	**2,875**
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	**6,424**	**(5,540)**

Standalone Statement of cash flows for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
D. Cash and cash equivalents as at the beginning of the year	27,630	33,170
E. Cash and cash equivalents as at the end of the year (Refer note 8)	34,054	27,630

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date attached

Reconciliation of Cash and cash equivalents at the end of the year		
Cash and cash equivalents as per balance sheet	34,054	27,630
Cash and cash equivalents as per cash flow statement	34,054	27,630

Note:

i) Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows" prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 of the Companies Act, 2013.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Soorej Kombaht
Partner
ICAI Membership No: 164366

Place: Navi Mumbai
Date: May 26, 2023

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

Standalone Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital (Refer Note no. 12a)

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Balance as at April 01, 2022	**1,92,182**	**1,89,232**
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	-	-
Changes in equity share capital during the current year	1,430	2,950
Balance as at March 31, 2023	**1,93,612**	**1,92,182**

B. Other Equity (Refer Note no. 12b)

(1) Current Reporting Period for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity		Total Other Equity
					Cash Flow Hedge	Others #	
Balance as at April 01, 2022	**1,20,768**	**1,111**	**475**	**5,144**	**711**	**(12,488)**	**1,15,721**
Profit / (Loss) for the year	-	-	-	36,773	-	-	36,773
Other Comprehensive Income / (Loss) (net of tax)	-	-	-	-	(300)	(5,453)	(5,753)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**36,773**	**(300)**	**(5,453)**	**31,020**
Share-based payments	-	4,339	-	-	-	-	4,339
Add : Securities premium credited on share issue	4,168	-	-	-	-	-	4,168
Less: Transfer on exercise / cancellation of stock options	-	(1,079)	-	56	-	-	(1,023)
Less: Derecognition of financials assets	-	-	-	-	(3,300)	-	(3,300)
Balance as at March 31, 2023	**1,24,936**	**4,371**	**475**	**41,973**	**(2,889)**	**(17,941)**	**1,50,925**

Others represent the measurement of defined benefit plan

Standalone Statement of Changes in Equity for the year ended March 31, 2023

(2) Previous Reporting Period for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity		Total Other Equity
					Cash Flow Hedge	Others #	
Balance as at April 01, 2021	**1,12,133**	**3,252**	**475**	**(1,613)**	**-**	**(4,968)**	**1,09,279**
Profit / (Loss) for the year	-	-	-	6,757	-	-	6,757
Other Comprehensive Income / (Loss) (net of tax)	-	-	-	-	2,532	(7,520)	(4,988)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**6,757**	**2,532**	**(7,520)**	**1,769**
Share-based payments	-	4	-	-	-	-	4
Add : Securities premium credited on share issue	8,635	-	-	-	-	-	8,635
Less: Transfer on exercise / cancellation of stock options	-	(2,145)	-	-	-	-	(2,145)
Less: Derecognition of financials assets	-	-	-	-	(1,821)	-	(1,821)
Balance as at March 31, 2022	**1,20,768**	**1,111**	**475**	**5,144**	**711**	**(12,488)**	**1,15,721**

Others represent the measurement of defined benefit plan

The accompanying significant accounting policies and notes form an integral part of the standalone financial statements

As per our report of even date attached

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
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Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

Place: Navi Mumbai
Date: May 26, 2023

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

1. Corporate Information:

IRIS Business Services Limited ("the Company" or "IRIS") is a public limited company domiciled and incorporated in India under the provisions of erstwhile Companies Act, 1956 with its registered office at 3rd Floor, Infotech Park, Tower 2, Vashi, Navi Mumbai, Maharashtra. The Equity shares of the company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

IRIS primarily offers Regtech solutions to regulators and enterprises. Regulators include Central Banks, Business Registries, Capital Market Regulators and Stock Exchanges while regulated entities include Corporates, Banks, and Mutual Funds. The Company is one of the pioneers in providing an entire range of XBRL products and solutions to organizations across the globe. In addition, the Company also offers an array of tax technology solutions in the Indian market, addressing GST compliance requirements. The Company's XBRL based software and adjacent solutions for enterprise CFO office include SaaS based software products for authoring and assisted services related to converting structured and unstructured data into XBRL. The Company offers workflow based e-filing software solutions for Regulators, especially those in Capital Markets and Banking, including consulting and training services, taxonomy development and testing service.

2. Significant Accounting Policies:

2.1 Statement of Compliance and Basis of preparation and presentation of standalone financial statements

The standalone financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as amended, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and as per the requirements of Schedule III (Division II) of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

These financial statements have been prepared and presented on the going concern basis and on the historical cost basis, except for following:

- Derivative Financial Instruments which is measured at fair value
- Certain financial assets and liabilities at fair value
- Employee's Defined Benefit Plan as per actuarial valuation prescribed under Ind AS 19 'Employee Benefits'.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Standalone Balance Sheet and the Standalone Statement of Profit and Loss, Standalone Statement of Other Comprehensive Income, Standalone Statement of Changes in Equity are prepared and presented in the format prescribed in Division II of Schedule III to the Act. The Standalone Statement of Cash Flows has been prepared and presented as per Ind AS 7 "Statement of Cash Flows".

The financial statements of the Company for the year were approved and adopted by Board of Directors of the Company in its meeting held on May 26, 2023.

2.2 Use of estimates and judgment:

The preparation of the standalone financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation of uncertainty at the date of the standalone financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

2.3 Functional and Presentation Currency:

The standalone financial statements are presented in Indian Rupees which is the functional currency of the company, and all values are rounded to the nearest thousands except otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

2.4 Classification of Assets and Liabilities into Current/Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013.

Operating cycle

Based on the nature of products and the time lag between the development of the products, providing of services, and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months as its normal operating cycle for the purpose of classification of its Assets and Liabilities into Current and Non-Current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle; or
- it is held primarily for the purpose of being traded; or
- it expects to realise the asset within twelve months after the reporting period; or
- unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. Deferred tax assets are classified as non-current asset. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- the liability is due to be settled within twelve months after the reporting period; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. Deferred tax liabilities are classified as non-current liabilities. All other liabilities are classified as non-current.

2.5 Revenue Recognition:

The Company derives revenues from Software Products, Solutions & Services.

i. Revenues from software products, in the form of:

   a) Software licensing

   b) Subscription of software as a service

   c) Application maintenance service

ii. Revenue from Software services are mainly in the form of Implementation services/Professional services

   Revenue is recognized in the standalone statement of profit and loss upon transfer of control of promised products or services to customers at transaction price i.e. an amount that reflects the consideration which the Company expects to receive in exchange for those services or products and excluding taxes or duties. To recognize revenues, the Company applies the following five step approach:

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(1) identify contract(s) with a customer,

(2) identify performance obligations in the contract,

(3) determine the transaction price,

(4) allocate the transaction price to the performance obligations in the contract, and

(5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Company allocates the contract value to separately identifiable performance obligations based on their relative stand-alone selling price (mostly as reflected in the contracts) or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately. In cases where the Company is unable to determine the stand-alone selling price, the Company uses expected cost plus margin approach in estimating the stand-alone selling price. For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided. The method for recognizing revenues depends on the nature of the products sold / services rendered.

A) Revenue from Software Products:

i. Software Licensing:

Software licensing revenues represent all fees earned from granting customers licenses to use the Company's software, through initial licensing and or through the purchase of additional modules. For software license arrangements that do not require significant modification or customization of the underlying software, revenue is recognized on delivery of the software and when the customer obtains a right to use such licenses.

ii. Subscription for Software as a Service:

Subscription fees for offering the hosted software as a service are recognized as revenue ratably on straight line basis, over the term of the subscription arrangement.

iii. Application Maintenance Services:

Fees for the application maintenance services, covering inter alia the support of the customized software, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

B) Revenue from Software Services:

i. Product Support Services:

Fees for product support services, covering inter alia improvement and upgradation of the basic Software, whether sold separately (e.g., renewal period AMC, GST and subscription services) or as an element of a multiple-element arrangement, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

ii. Implementation / Professional Services:

Software Implementation / Professional Services contracts are either fixed price or time based. Revenues from fixed price contracts, where the performance obligations are satisfied over time, are recognized using the "percentage of completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Where the Software is required to be substantially customized as part of the implementation service, the entire fee for licensing and implementation services is considered to be a single performance obligation and the revenue is recognized using the percentage of completion method as the implementation services are performed. Revenues from implementation services in respect of hosting contracts are to be recognized as revenue ratably over the longer of the contract term or the estimated expected life of the customer relationship.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the standalone statement of profit and loss in the period in which such losses become probable based on the current contract estimates as a contract provision. In the case of time and material contracts, revenue is recognized based on billable time spent in the project, priced at the contractual rate. Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added 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 as a separate contract if the additional services are priced at the standalone selling price.

Non-refundable one-time upfront fees for enablement / application installation, consisting of standardization set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognized once the customer obtains a right to access and use the Software.

C) Contract assets, liabilities and financing arrangements:

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on implementation / professional services contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones (which we refer to as unbilled services revenue). Unbilled revenues on software licensing are classified as a financial asset where the right to consideration is unconditional upon passage of time (which we refer to as unbilled licenses revenue). The unbilled royalty revenue is also grouped here.

A contract liability is an entity's obligation to transfer software products or software services to a customer for which the entity has received consideration (or the amount is due) from the customer (which we refer to as unearned revenue). The Company assesses the timing of the transfer of software products or software services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Company does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

2.6 Other Income:

i. Dividend income is recognized in the Standalone Statement of Profit and Loss on the date on which the Company's right to receive payment is established.

ii. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

2.7 Employee Benefit expenses

a) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Standalone Statement of Profit and Loss in the period in which the employee renders the related service on accrual basis.

b) Post-employment benefits

1. Defined Contribution Plan – Provident Fund

The defined contribution plan is post - employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognized in the Standalone Statement of Profit and Loss in the period in which employee renders the related service.

2. Defined Benefit Plan – Gratuity

The obligation in respect of defined benefit plans, which covers Gratuity Plan, is provided for on the basis of an actuarial valuation at the end of each financial year. The employees are covered under the Company Gratuity Scheme of the Life Insurance Corporation of India.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Standalone Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Standalone Statement of profit and loss.

Defined benefit costs include service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), net interest expense or income; and re-measurement. The service cost and net interest expense or income are presented in the standalone statement of profit and loss.

The liability for Gratuity is ascertained as at the end of the financial year, based on the actuarial valuation by an independent external actuary as at the reporting date using the "projected unit credit method"

The discounted rates used for determining the present value are based on the market yields on Government bonds as at the reporting date. Actuarial gains and losses are recognized in other comprehensive income, net of taxes, for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

3. Other Long Term Employee Benefit Obligations:

The employees are eligible for leave as per leave policy of the company. The un-utilised leave can be carried forward and utilised during the course of employment. No encashment is allowed of unutilised leave. The obligation for the leave encashment is recognised based on an independent actuarial valuation at the reporting date. The expense is recognised in the standalone statement of profit and loss at the present value of the amount payable determined based on actuarial valuation using "projected unit credit method".

The obligation is measured at the present value of estimated future cash flows.

The rate used to discount defined benefit obligation is determined by reference to market yields at the reporting date on Indian Government Bonds for the estimated term of obligations.

2.8 Share based payment arrangements:

Stock options granted to employees of the Company and its subsidiaries under the stock option schemes approved by the shareholders of the Company on September 13, 2017 are accounted as per the treatment prescribed by the relevant Ind AS and as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments.

The fair value determined at the grant date of the equity-settled share-based payments, is charged to Standalone Statement of Profit and Loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The employee stock option outstanding account is shown net of unamortised deferred employee compensation expenses.

The fair value of the option being stock option granted for purchase could be exchanged between knowledgeable, willing parties in an arm's length transaction is recognised as deferred employee compensation with a credit to share options outstanding account.

The fair value has been calculated using the Black Scholes Option Pricing model.

2.9 Property plant and Equipment

The expenditure incurred for acquisition or development of Property, Plant & Equipment is recognised as asset if, and only if when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant & Equipment are stated at cost less accumulated depreciation and accumulated impairment losses/allowances, if any.

The initial cost of Property, Plant & Equipment comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Subsequent costs are included in the Property, Plant & Equipment's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of item can be measured reliably. The carrying amount of any component accounted for as separate asset is recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

The carrying amount of an item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the de-recognition of an item of Property, Plant & Equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

If significant parts of an item of Property, Plant & Equipment have different useful lives, then they are accounted for as separate items of Property, Plant & Equipment.

An item of Property, Plant & Equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Standalone Statement of Profit and Loss.

Depreciation method, Estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is the systematic allocation of the depreciable amount over its estimated useful lives and is provided on a straight-line basis from the date the same are available for use. Useful life of Property, Plant & Equipment is in accordance with the useful lives prescribed in Schedule II of the Companies Act, 2013 (as amended).

Pursuant to the adoption of Ind AS, the Company has not revised its estimate useful life of property, plant & equipment and they continue to remain the same basis the table given below:

Depreciation method, Estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is the systematic allocation of the depreciable amount over its estimated useful lives and is provided on a straight-line basis from the date the same are available for use. Useful life of Property, Plant & Equipment is in accordance with the useful lives prescribed in Schedule II of the Companies Act, 2013 (as amended).

Pursuant to the adoption of Ind AS, the Company has not revised its estimate useful life of property, plant & equipment and they continue to remain the same basis the table given below:

Assets type	Useful life (in Years)
Laptops and Desktops	3
Servers and network	6
Office equipment	5
Furniture	10

Depreciation on Property, Plant & Equipment acquired/ disposed-off during the year is provided on pro-rata basis with reference to the date of acquisition/disposal.

Items of Property, Plant & Equipment having cost of ₹ 5,000 or less are depreciated fully in the year of purchase/capitalisation.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate is accounted for on a prospective basis.

Intangible Assets

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to that asset will flow to the Company and the cost of the item can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Directly attributable costs, that are capitalised as part of the software development include employee costs and an appropriate portion of relevant overheads or expenses.

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Standalone Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Intangible Assets under Development

Intangible assets under development are stated at cost less accumulated impairment losses, if any.

Expenses incurred on in-house development of courseware and products are shown as Intangible asset under development till the asset is ready to use. Their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Ind AS 38, "Intangible Assets".

Amortisation

Amortization is recognised over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use, as under:

Asset Class	Useful Life
Software	5

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

Software development costs

Research costs are expensed as incurred. Software development expenditures on product / platform are recognised as intangible assets when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of these assets begins from the year, following the year in which such development costs are incurred. Amortization expense is recognised in the standalone statement of profit and loss unless such expenditure forms part of carrying value of another asset. Costs incurred in the development of the product, together with repository of new business components, upon completion of the development phase, have been classified and grouped as "Product software" under intangible assets. The costs which can be capitalized include direct labour, license costs and overhead costs that are directly attributable for the development of the intangible asset for its intended use.

Non-current Assets Classified as Held for Disposal

Assets which are available for immediate sale and its sale must be highly probable are classified as "Assets held for Disposal". Such assets or group of assets are presented separately in the Balance Sheet, in the line "Assets held for Disposal". Once classified as held for disposal, such assets are no longer amortized or depreciated. Such assets are stated at the lower of carrying amount and fair value less costs to sell.

2.10 Leases

Company as a lessee

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

As a Lessee

The Company's leased assets consist of leases for buildings and computers. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(i) the contract involves the use of an identified asset

(ii) the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

(iii) the Company has the right to direct the use of the asset.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

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

2.11 Borrowing Costs:

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, development or production of a qualifying asset are capitalised as part of cost of that asset, till such time the asset is ready for the intended use. All other borrowing costs are recognized as an expense in the period which are incurred and are charged to the Statement of Profit & Loss.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

The exchange differences arising from the foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

2.12 Derivate Contracts and Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. The Company does not hold financial instruments for speculative purpose.

Hedge Accounting –

- The Company designates certain hedging instruments in respect of foreign currency risk as cash flow hedges. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk
- The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss.
- Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a nonfinancial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.
- Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in the statement of profit and loss.

2.13 Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.14 Statement of Cash flow

Cash flows are presented using indirect method, whereby profit or loss after 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 and items of income or expenses associated with investing or financing cash flows. For the purpose of the standalone statement of cash flows, cash and cash equivalents consist of cash on Hand, cash at bank, and other short-term deposits net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management. The cash flows from operating, investing and financing activities of the Company are segregated.

2.15 Income Tax

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

i. Current Tax

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

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities are generally recognised for all taxable temporary differences. The company recognises deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

iii. Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Standalone Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Company reviews the same at each reporting date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.16 GST Input Tax Credit

Goods and Service tax Input tax credit is accounted in the books in the period in which supply of goods or service received is accounted and when there is no uncertainty in availing/utilizing the credits. The Input tax Credit was claimed in respect of eligible expenses and shall be adjusted against the GST payable as per the provisions of the applicable GST Act. The unutilised input credit under the GST provisions as on the reporting date was disclosed as other current asset in the Balance Sheet.

2.17 Foreign Currency Transactions:

- Transactions denominated in foreign currencies are recognised at the exchange rates prevailing on the date of the transactions. As at reporting date, monetary assets and liabilities designated in foreign currency are translated at the closing exchange rate. Foreign currency non-monetary items measured at fair value on initial recognition are translated at the prevailing exchange rate as at the date of initial transactions Foreign currency nonmonetary items measured in terms of historical cost are not translated at the reporting date .
- Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets (tangible/ intangible) under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and exchange differences on transactions entered into

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

in order to hedge certain foreign currency risks. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

- Foreign currency gain/loss are reported on a net basis

2.18 Provisions, Contingent Liabilities, Contingent Assets:

i. Provisions

A provision is recognized when the Company has a present obligation (Legal or Constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date, unless the effect of time value of money is material. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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 disclosed as a contingent liability. Contingent liabilities are also 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

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Further, long term provisions are determined by discounting the expected future cash flow specific to the liability. The unwinding of the discount is recognised as a finance cost.

ii. Onerous Contracts:

A contract is considered as onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

iii. Contingent Liabilities and Assets:

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 disclosed as a contingent liability. The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are also 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.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised

2.19 Earnings Per Share:

The Basic earnings per share is computed by dividing the net profit or loss (before other comprehensive income) for the year attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the year/ reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year, as adjusted for the effects of potential dilution of equity shares, by the weighted average number of equity shares and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.20 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

i. Initial Recognition

Financial assets and financial liabilities are initially measured at fair value except for trade receivables which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are adjusted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

ii. Classification and Subsequent Measurement :

- Financial Assets -

  The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets

a. Amortised Cost

A financial asset shall be classified and measured at amortised cost (based on Effective Interest Rate method), if both of the following conditions are met:

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

Cash and bank balances, trade receivables, loans and other financial assets of the Company are covered under this category

b. Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at Fair Value Through Other Comprehensive Income, if both of the following conditions are met:

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

c. Fair Value through Profit or Loss

A financial asset shall be classified and measured at Fair Value Through Profit or Loss unless it is measured at amortised cost or at Fair Value Through Other Comprehensive Income.

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.

Equity Instruments:

Equity investments in Subsidiaries, Associates and Joint ventures are out of scope of Ind AS 109, "Financial Instruments" and hence, the Company has accounted for its investment in Subsidiaries, Associates and Joint Ventures at cost.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Impairment of non-financial assets (Property, Plant & Equipment/ Intangible assets)

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that any assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Standalone Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Standalone Statement of Profit and Loss.

Impairment of financial assets

Financial assets, other than those at Fair Value Through Profit or Loss, are assessed for indicators of impairment at the end of each reporting period.

The Company assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies 'simplified approach' as specified under Ind AS 109, "Financial Instruments", which requires expected lifetime losses to be recognized from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets:

The 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 Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as Fair Value Through Other Comprehensive Income) 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 standalone statement of profit or loss if such gain or loss would have otherwise been recognised in standalone statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in standalone statement of profit or loss if such gain or loss would have otherwise been recognised in standalone statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

- Financial Liabilities and Equity Instruments:

Classification as Debt or Equity:

Debt and equity instruments, issued by the Company, are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument prescribed under Indian Accounting Standards.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial liabilities are classified, at initial recognition as fair value through profit or loss:

- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, are recognised net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments

Subsequent Measurement:

The measurement of financial liabilities depends on their classification, as described below

Financial Liabilities at Fair Value Through Profit or Loss:

Financial liabilities at Fair Value Through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 "Financial Instruments". Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at Fair Value Through Profit or Loss, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 "Financial Instruments" are satisfied.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Standalone Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Standalone Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Standalone Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously and are not prohibited under any Ind AS or applicable law.

2.21 Segment Reporting:

Based on Management approach, as defined in Ind AS 108 "Operating Segments", the "Chief Operating Decision Maker' (CODM) evaluates the operating segments. Operating segments are reported in a manner consistent with the internal reporting provided to CODM. Operating Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Geographical segment is identified based on geography in which major products of the Company are sold or services are provided.

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 the segments based on their relationship to the operating activities of the segment. Unallocated Corporate Items include general corporate income and expenses which are not attributable to segments

2.22 Cash Dividend to Equity Holders of the Company :

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.23 Critical Accounting Judgements and Key Sources of Estimation Uncertainty:

The preparation of the standalone financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Useful Life & Residual of Property, Plant and Equipment (PPE) and Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. Depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets

Recognition & Measurement of Current taxes and Deferred Taxes

i. Measurement of income taxes for the current period are done based on applicable tax laws and management's judgment by evaluating positions taken in tax returns, interpretations of relevant provisions of law, and based on the admissibility of various expense while determining the provisions for income tax.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

ii. Significant management judgment is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Recognition and Measurement of Contingent liabilities

Management judgment is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances to reflect the current tax estimate.

Impairment of financial assets

The impairment of financial assets including allowance for expected credit loss is done based on assumptions about risk of default and expected cash loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgment considering the past history, market conditions and forward-looking estimates at the end of each reporting date.

Impairment of Investments in Subsidiaries / Associate

The Company assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Company estimates the recoverable amount of the investment in subsidiary. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the standalone statement of profit and loss. The recoverable amount is based on management judgement considering realizable value, future cashflows, discount rates and the risks specific to the asset.

Measurement of Defined Employee Benefit plans and other long term benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rate are reasonable. Due to the complexities involved in the valuation and considering it's long term nature, this obligation is highly sensitive to changes in these assumptions.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is exercised in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Share based payments

The Company initially measures the equity settled transactions with employees using fair value model. This requires determination of most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including volatility and dividend yield and making assumptions about them.

Revenue recognition

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company applies the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts, which are performed over a period of time. The Company exercises judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation. The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgment is also required to determine the transaction price for the contract. The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 "Leases". Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the noncancellable term of a lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has lease contracts that include extension and termination options. The Company applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset). The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment or which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 3a : Property, Plant and Equipment

(Amount in Thousands - ₹)

Particulars	Owned Assets			Total
	Plant and Equipment (Computer Equipments)	Furniture and Fixtures	Office Equipment	
Gross Carrying Value				
As at April 01, 2022	65,524	3,141	4,741	73,406
Additions	7,670	-	1,296	8,966
Disposals / Adjustments	(32,516)	(389)	(704)	(33,609)
As at March 31, 2023	**40,678**	**2,752**	**5,333**	**48,763**
Accumulated Depreciation				
As at April 01, 2022	57,955	3,002	4,736	65,693
Depreciation for the year	4,615	139	31	4,785
Disposals / Adjustments	(32,516)	(389)	(345)	(33,250)
As at March 31, 2023	**30,054**	**2,752**	**4,422**	**37,228**
Net Carrying Value As at March 31, 2023	**10,624**	**-**	**911**	**11,535**
Gross Carrying Value				
As at April 01, 2021	58,161	3,322	4,741	66,224
Additions	7,421	-	-	7,421
Disposals / Adjustments	(58)	(181)	-	(239)
As at March 31, 2022	**65,524**	**3,141**	**4,741**	**73,406**
Accumulated Depreciation				
As at April 01, 2021	55,573	3,049	4,734	63,356
Depreciation for the year	2,412	134	2	2,548
Disposals / Adjustments	(30)	(181)	-	(211)
As at March 31, 2022	**57,955**	**3,002**	**4,736**	**65,693**
Net Carrying Value As at March 31, 2022	**7,569**	**139**	**5**	**7,713**

(i) There are no restriction on the use of the above mentioned assets and none of these assets are pledged as security

Note 3b : Right-of-Use-Assets

(Amount in Thousands - ₹)

Particulars	Building #	Laptops	Office	Total
Gross Carrying Value				
As at April 01, 2022	1,07,094	2,377	-	1,09,471
Additions	-	-	2,346	2,346
Disposals / Adjustments	-	-	-	-
As at March 31, 2023	**1,07,094**	**2,377**	**2,346**	**1,11,817**
Accumulated Depreciation				
As at April 01, 2022	18,436	1,058	-	19,494
Depreciation for the year	1,947	792	456	3,195
Disposals	-	-	-	-
As at March 31, 2023	**20,383**	**1,850**	**456**	**22,689**
Net Carrying Value As at March 31, 2023	**86,711**	**527**	**1,890**	**89,128**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 3b : Right-of-Use-Assets (contd...)

(Amount in Thousands - ₹)

Particulars	Building #	Laptops	Office	Total
Gross Carrying Value				
As at April 01, 2021	1,07,094	2,377	-	1,09,471
Additions	-	-	-	-
Disposals / Adjustments	-	-	-	-
As at March 31, 2022	**1,07,094**	**2,377**	**-**	**1,09,471**
Accumulated Depreciation				
As at April 01, 2021	16,489	265	-	16,754
Depreciation for the year	1,947	793	-	2,740
Disposals	-	-	-	-
As at March 31, 2022	**18,436**	**1,058**	**-**	**19,494**
Net Carrying Value As at March 31, 2022	**88,658**	**1,319**	**-**	**89,977**

Net block for building amounting to ₹ 86,711 Thousand (Previous Year : ₹ 88,658 Thousand) are pledged as security against the secured borrowing

Note 4a : Other Intangible Assets

(Amount in Thousands - ₹)

Particulars	Database	URL's	Computer Software	In-House Software	Total
Gross Carrying Value					
As at April 01, 2022	600	500	15,288	4,68,483	4,84,871
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at March 31, 2023	**600**	**500**	**15,288**	**4,68,483**	**4,84,871**
Accumulated Amortisation					
As at April 01, 2022	600	500	15,135	3,95,323	4,11,558
Amortisation for the year	-	-	91	38,700	38,791
Disposals	-	-	-	-	-
As at March 31, 2023	**600**	**500**	**15,226**	**4,34,023**	**4,50,349**
Net Carrying Value As at March 31, 2023	**-**	**-**	**62**	**34,460**	**34,522**
Gross Carrying Value					
As at April 01, 2021	600	500	15,288	4,68,483	4,84,871
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,288**	**4,68,483**	**4,84,871**
Accumulated Amortisation					
As at April 01, 2021	**600**	**500**	**14,889**	**3,48,744**	3,64,733
Amortisation for the year	-	-	246	46,579	46,825
Disposals	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,135**	**3,95,323**	**4,11,558**
Net Carrying Value As at March 31, 2022	**-**	**-**	**153**	**73,160**	**73,313**

Note: There are no restrictions on the use of above mentioned assets

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 4b : Intangible Assets under Development

(Amount in Thousands - ₹)

Particulars	In-House Software	Total
As at April 01, 2022	3,865	3,865
Additions	12,239	12,239
Disposals	-	-
Net Carrying Value As at March 31, 2023	**16,104**	**16,104**
As at April 01, 2021	-	-
Additions	3,865	3,865
Disposals	-	-
Net Carrying Value As at March 31, 2022	**3,865**	**3,865**

Intangible assets under development ageing schedule:

A: For intangible assets which are under development

Intangible assets under development as on March 31, 2023

(Amount in Thousands - ₹)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products					
IRIS Noah	4,179	2,335	-	-	6,514
IRIS Bushchat	2,454	1,530	-	-	3,984
IRIS GSTN IRP	5,606	-	-	-	5,606
Projects temporarily suspended	-	-	-	-	-
Total	**12,239**	**3,865**	**-**	**-**	**16,104**

Intangible assets under development as on March 31, 2022

(Amount in Thousands - ₹)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products					
IRIS Noah	2,335	-	-	-	2,335
IRIS Bushchat	1,530	-	-	-	1,530
Projects temporarily suspended	-	-	-	-	-
Total	**3,865**	**-**	**-**	**-**	**3,865**

B: Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan : NIL

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 5 : Investments

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Investments		
Unquoted		
Investment in Equity Instruments	28,020	28,020
Less: Allowance for diminution in the value of Investments	(1,920)	(935)
Total Non-Current Investments	**26,100**	**27,085**

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-Current Investments		
Unquoted		
Investment carried at cost		
Investments in Equity Instruments of Subsidiaries		
- IRIS Business Services, LLC	14,540	14,540
Less: Allowance for diminution in the value of Investments	(395)	(395)
- IRIS Business Services (Asia) Pte. Ltd	11,195	11,195
2,99,000 (2,99,000) equity shares of SGD 10 each, fully paid up		
- Atanou S.r.l.	1,525	1,525
Less: Allowance for diminution in the value of Investments	(1,525)	(540)
- IRIS Logix Solutions Private Limited	760	760
76,000 (76,000) equity shares of ₹ 10 each, fully paid up		
Total Non-Current Investments	**26,100**	**27,085**

5(a) The total liabilities of IRIS Business Services, LLC exceeded its total assets by ₹ 10,480 thousands. The company is committed to provide necessary financial support as and when necessary. Considering the future prospect of these subsidiaries and continued support of the company, the investment in the subsidiaries is measured at cost.

5(b) The Company has not raised any money pursuant to the pledge of securities held in its subsidiaries. There is no restriction towards the title of these investments

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 6 : Other Financial Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non-Current Other Financial Assets (Carried at amortized cost)		
(a) Security Deposits	98	4,270
(b) Bank Deposits with more than 12 months maturity	443	2,437
(c) Rental Deposits	172	-
Total Non-Current Other Financial Assets	**713**	**6,707**
(2) Current Other Financial Assets		
(a) Contract Assets	37,758	19,689
Less: Allowance for Contract Assets	(1,773)	-
(b) Interest Accrued but not due	580	649
(c) Foreign currency forward and options contracts	-	711
(d) Others	153	655
Total Current Other Financial Assets	**36,718**	**21,704**
Contract Assets includes		
Contract Assets - other than related parties	14,906	13,808
Contract Assets - related parties	22,852	5,881

Contract Assets Ageing schedule:

For the period ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Contract Assets - considered good	36,851	1,177	-	-	-	37,758
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**36,851**	**1,177**	**-**	**-**	**-**	**37,758**
Less: Allowance for Contract Assets	(596)	(1,177)	-	-	-	(1,773)
Total	**35,985**	**-**	**-**	**-**		**35,985**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

For the period ended March 31, 2022 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Contract Assets - considered good	19,689	-	-	-	-	19,689
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**19,689**	**-**	**-**	**-**	**-**	**19,689**
Less: Allowance for Contract Assets	-	-	-	-	-	-
Total	**19,689**	**-**	**-**	**-**		**19,689**

Note 7 : Trade Receivables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Current Trade Receivables		
(a) Trade Receivables considered good - Secured	-	-
(b) Trade Receivables considered good - Unsecured	2,38,136	1,50,336
(c) Trade Receivables which have significant increase in Credit Risk	-	-
(d) Trade Receivables - Credit Impaired	-	-
	2,38,136	**1,50,336**
Less: Allowance for Bad and Doubtful Trade Receivables	(2,734)	(1,873)
Total Trade Receivables	**2,35,402**	**1,48,463**
Trade receivables includes		
Trade receivables - other than related parties	2,34,649	1,46,626
Trade receivables - related parties	3,487	3,710

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Trade Receivables Ageing schedule:

For the year ended March 31, 2023 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,49,465	64,038	16,618	6,627	159	1,229	2,38,136
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Sub Total	**1,49,465**	**64,038**	**16,618**	**6,627**	**159**	**1,229**	**2,38,136**
Less: Allowance for Bad and Doubtful Trade Receivables	-	(214)	(866)	(401)	(24)	(1,229)	(2,734)
Total	**1,49,465**	**63,824**	**15,752**	**6,226**	**135**	**-**	**2,35,402**

For the period ended March 31, 2022 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	99,495	44,333	3,368	1,900	14	1,226	1,50,336
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Sub Total	**99,495**	**44,333**	**3,368**	**1,900**	**14**	**1,226**	**1,50,336**
Less: Allowance for Bad and Doubtful Trade Receivables	-	(198)	(200)	(257)	(7)	(1,211)	(1,873)
Total	**99,495**	**44,135**	**3,168**	**1,643**	**7**	**15**	**1,48,463**

(i) Working Capital Borrowings are secured by hypothecation of Book debts of the Company.

(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Refer Note 27 for trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 8 : Cash and Cash Equivalents

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Balances with banks		
a) in current accounts	3,623	2,359
b) in deposit accounts with original maturity of 3 months or less	30,411	25,249
(2) Cash in Hand	20	22
Total Cash and Cash Equivalents	**34,054**	**27,630**

There are no restrictions with regard to cash and cash equivalents as at the end of the current and previous reporting periods.

Note 9 : Bank Balances other than Cash and Cash Equivalents above

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Balances with banks		
a) in deposit accounts due for maturity within 12 months of the reporting date	24,632	26,436
Total Bank Balances other than Cash and Cash Equivalents above	**24,632**	**26,436**

The above cash and cash equivalents are neither earnmarked for any purpose nor held as security against borrowings, guarantee, or other commitment

Note 10 : Loans (Carried at amortized cost)

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Non-Current Loans**	-	-
(2) **Current Loans**		
(a) Other Loans - Loans to Employees		
(i) Loans to Employees considered good - Unsecured	128	287
Less: Allowance for Bad and Doubtful Loans to Employees	-	-
Total Current Loans	**128**	**287**

Note:

(i) No loans and advances are in nature of loan are granted to Promotors/ Directors/ Key Managerial Personnel and related parties.

(ii) There are no loans and advances in the nature of loans given to subsidiaries and hence no disclosure is provided under Regulation 34(3) and 53(f) of SEBI Listing Obligation and Disclosure Requirements 2015 and Section 186 of the Companies Act 2013

Note 11 : Other Current Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Other Non-Current Assets**	-	-
(2) **Other Current Assets**		
(a) Advance other than Capital Advance		
(i) Advance to Employees	106	266
(ii) Advance to Suppliers	1,098	-
(b) Others		
(i) Prepaid Expenses	5,117	3,898
(ii) Contract Assets	1,45,854	1,32,424
Less: Allowance for Contract Assets	(2,049)	(584)
(iii) Withholding Taxes and Others	1,021	1,087
Total Other Current Assets	**1,51,147**	**1,37,091**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Contract Assets Ageing schedule:

For the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment: Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Contract Assets - considered good	45,081	32,466	68,307	-	-	1,45,854
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**45,081**	**32,466**	**68,307**	**-**	**-**	**1,45,854**
Less: Allowance for Contract Assets	-	-	(2,049)	-	-	(2,049)
Total	**45,081**	**32,466**	**66,258**	**-**	**-**	**1,43,805**

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment: Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Contract Assets - considered good	76,788	36,172	19,464	-	-	1,32,424
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**76,788**	**36,172**	**19,464**	**-**	**-**	**1,32,424**
Less: Allowance for Contract Assets	-	-	(584)	-	-	(584)
Total	**76,788**	**36,172**	**18,880**	**-**	**-**	**1,31,840**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 12a : Equity Share Capital

(Amount in Thousands - ₹)

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital				
Equity shares of ₹ 10 par value	25,000	2,50,000	25,000	2,50,000
Total	**25,000**	**2,50,000**	**25,000**	**2,50,000**
Issued, Subscribed and paid-up capital				
Equity shares of ₹ 10 par value fully paid-up	19,361	1,93,612	19,218	1,92,182
Total	**19,361**	**1,93,612**	**19,218**	**1,92,182**

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

(Amount in Thousands - ₹)

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	19,218	1,92,182	18,923	1,89,232
Add: Equity shares issued during the year	143	1,430	295	2,950
Less: Equity shares cancelled during the year	-	-	-	-
Equity Shares outstanding at the end of the year	**19,361**	**1,93,612**	**19,218**	**1,92,182**

Terms / rights attached to class of shares

The Company has only one class of share referred to as Equity Shares having a par value of ₹10 each. The holders of Equity Shares are entitled to one vote per share. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company does not have a Holding Company

As per records of the Company, including its register of shareholder/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

For the period of five years immediately preceding the date at which the Balance Sheet is prepared there are no shares allotted as fully paid up pursuant to contract without payment being received in cash; no shares have been allotted as fully paid up by way of bonus shares; and there are no shares bought back

Details of promotors and shareholders holding more than 5% of the total equity shares of the Company

(Amount in Thousands - ₹)

Promoter name	Shares held by promoters at the end of the year		% change during the year
	No. of shares	% of total shares	
Mr Swaminathan Subramaniam	4,572	23.62%	-0.17%
Mr Balachandran Krishnan	1,104	5.70%	-0.04%
Ms Deepta Rangarajan	1,446	7.47%	-0.06%
Total	**7,122**	**36.79%**	

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 12b : Other Equity

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	41,973	5,144
Securities Premium	1,24,936	1,20,768
General Reserve	475	475
Share based payment Reserve	4,371	1,111
Other Comprehensive Income	(17,941)	(12,488)
Cash Flow Hedge	(2,889)	711
Total other equity	**1,50,925**	**1,15,721**

Nature and purpose of other reserves:

Retained earnings

Retained earnings represent the accumulated earnings/(losses) that the Company has till date

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	5,144	(1,613)
Net Profit / (Loss) for the year	36,773	6,757
Transfer on cancellation of stock options	56	-
Closing balance	**41,973**	**5,144**

Nature and purpose of other reserves:

Represents the portion of the net income / (loss) of the Group.

Securities Premium

Securities premium represents share issued at premium less share issue expenses. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1,20,768	1,12,133
Add: Premium on equity shares issued under ESOP	4,168	8,635
Closing balance	**1,24,936**	**1,20,768**

Nature and purpose of other reserves:

Represents excess of share application money received over par value of shares and includes employee stock compensation costs accrued.

Share options outstanding account

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1,111	3,252
Share-based payments	4,339	4
Employee stock options exercised / cancelled during the year	(1,079)	(2,145)
Closing balance	**4,371**	**1,111**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Nature and purpose of other reserves:

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under various employees stock option schemes of the Company.

Other comprehensive income

This represents items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as "Other comprehensive income". This comprises actuarial gain / loss on remeasurement of defined benefit plans and the income tax effect thereon.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	(11,777)	(4,968)
Remeasurements of defined benefit liability/ (asset)	(6,164)	(7,520)
Cash Flow Hedge	(2,889)	711
Closing balance	**(20,830)**	**(11,777)**

Nature and purpose of other reserves:

Effective portion of cash flow hedge

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

Remeasurements of post-employment benefit obligations

Remeasurements of post-employment benefit obligations comprises of actuarial gains and losses on calculation of defined benefit obligations and differences between the fair value of plan assets, return on plan assets and actual interest income on plan assets. These remeasurements are recognised in other comprehensive income and will not be reclassified to Statement of Profit and Loss.

Note 13 : Borrowings

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Non-Current Borrowings**	-	-
(2) **Current Borrowings**		
(a) Cash Credit from Bank	54,558	64,857
Total Current Borrowings	**54,558**	**64,857**

Cash Credit, Secured

ICICI Bank Limited

1. **Security details**
   a. Exclusive charge by way of equitable mortgage on the property T-231, 3rd Floor, Tower No. 2, International Infotech Park, Vashi, Navi Mumbai - 400 703.
   b. Exclusive charge by way of hypothecation of the company's book debts
   c. Unconditional and irrevocable Personal guarantees of the Promoters
   d. Pledge of shares by Promoters to the extent of 30% of the Equity of the Directors
2. **Interest rate**

   The rate of interest of the Facility shall be the sum of the Repo Rate *+ "Spread" per annum, plus applicable statutory levy, if any ("Interest Rate"). Spread during the year has been in the range of 4.0% to 2.6%.

   *"Repo Rate" or "Policy Repo Rate" means the rate of interest published by the Reserve Bank of India ("RBI") on the RBI website from time to time as Repo Rate or Policy Repo Rate. The Repo Rate component of the Interest Rate resets after every 3 months following the date of limit set-up /renewal (as applicable).

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 14 : Lease Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Non-Current Lease Liabilities**		
(a) Lease Liabilities	1,235	510
Total Non-Current Lease Liabilities	**1,235**	**510**
(2) **Current Lease Liabilities**		
(a) Lease Liabilities	1,300	855
Total Current Lease Liabilities	**1,300**	**855**

Movement in lease liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liability in the beginning of the year	**1,365**	**2,096**
Addition	2,346	-
Disposal	-	-
Interest expense	93	159
Lease payment	(1,269)	(890)
Lease liability at the end of the year	**2,535**	**1,365**

The weighted average incremental borrowing rate applied to lease liabilities as at incremental borrowing rate is between the range of 8% to 9% for a period varying from 2 to 4 years

Maturity analysis of lease liability

Maturity analysis- Contractual undiscounted cash flow

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	1,467	890
One to three years	1,218	592

Note 15 : Provisions

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non-Current Provisions		
(a) Provision for Employee Benefits		
(i) Gratuity (refer note no. 22a)	46,632	40,219
(ii) Leave Encashment (refer note no. 22b)	9,145	7,390
Total Non-Current Provisions	**55,777**	**47,609**
(2) Current Provisions		
(a) Provision for Employee Benefits		
(i) Gratuity (refer note no. 22a)	9,888	6,880
(ii) Leave Encashment (refer note no. 22b)	2,894	2,744
(iii) Incentives	6,958	9,289
(b) Other Provisions		
(i) Provision for Warranty	481	481
Total Current Provisions	**20,221**	**19,394**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Movement of Provision for warranty (Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	481	481
Additions during the year	-	-
Derecognition during the year	-	-
Closing Balance	**481**	**481**

Note 16 : Deferred Tax Liabilities (Net)

(a) Deferred tax (asset) / liability (Amount in Thousands - ₹)

Nature of (asset) / liability	Balance Sheet at		Statement of profit and loss & OCI	
Particulars	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
Tax impact on difference between book depreciation / amortization and depreciation under the Income Tax Act,1961	20,527	22,599	-	-
Tax impact on unutilized carry forward losses	(13,382)	(4,336)	-	-
Tax effect of provision for gratuity & compensated absences	(14,881)	(14,881)	-	-
Tax effect of provision for bad and doubtful debts / advances	(711)	(487)	-	-
Tax impact on remeasurement gains and (losses) on defined benefit obligations (net)	-	-	-	-
Tax impact on all other items	(5,538)	(2,895)	-	-
Deferred tax (asset) / liability (net)	**(13,985)**	**-**		
Deferred tax (income) / expense (net)	**-**	**-**	**-**	**-**
Amount recognised	**-**	**-**		

Note : Pursuant to application of prudence, the deferred tax asset of ₹ 1.39 cr is not recognised. The assets is expected to be recognised when certainty exists for adjustment of the future savings towards current tax liability,

(b) Reconciliation of deferred tax (asset) / liability (including MAT credit) (Amount in Thousands - ₹)

Particulars	Balance Sheet at	
	March 31, 2023	**March 31, 2022**
i) Deferred tax (asset) / liability		
Opening balance	-	-
Deferred tax (income) / expense during the year recognized in Statement of Profit and Loss	-	-
Deferred tax (income) / expense during the year recognized in OCI	-	-
Closing balance	**-**	**-**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(c) Components of tax expenses (Amount in Thousands - ₹)

Particulars	March 31, 2023	March 31, 2022
i) Statement of profit and loss		
Current tax		
Current Income Tax charge (including MAT)	8,822	1,100
Tax Expense for earlier year	-	5,000
Total tax (income) / expenses reported in statement of profit and loss	**8,822**	**6,100**
Deferred tax		
Relating to the origination and reversal of temporary differences	-	-
Total tax (income) / expenses reported in statement of profit and loss	**-**	**-**
ii) Other comprehensive income (OCI)		
Tax impact on remeasurement gains / (losses) on defined benefit obligations (net)	(1,153)	(2,642)
Total tax (income) / expense (net)	**(1,153)**	**(2,642)**
iii) Total tax (income) / expense reported in the total comprehensive income	**7,669**	**3,458**

(d) A reconciliation of the tax provision to the amount computed by applying the statutory Income tax rate to the income before taxes is summarised below: (Amount in Thousands - ₹)

Particulars	March 31, 2023	March 31, 2022
Accounting profit before tax	45,595	12,857
Less: Adjustment from carry forward losses	45,595	12,857
Corporate tax rate %	28	28
Computed tax expense	-	-
Increase / (reduction) in taxes on account of:		
MAT on above mentioned accounting profit before tax	**8,822**	**1,100**
Tax adjustments of earlier years	-	5,000
Non-dedcutible expenses	-	-
Additional allowances / deductions for tax purposes	-	-
Current Tax Recognition	**8,822**	**6,100**
Deferred tax income / (expense) recognition during the year	-	-
Tax (income) / expense reported in the statement of profit and loss	**8,822**	**6,100**
Tax (income) / expense reported in the other comprehensive income	**(1,153)**	**(2,642)**

Note 17 : Trade Payables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non-Current Trade Payables	-	-
(2) Current Trade Payables	-	-
(a) Total outstanding dues of micro and small enterprises	3,293	3,392
(b) Total outstanding dues of creditors other than micro and small enterprises	7,193	12,362
Total Current Trade Payables	**10,486**	**15,754**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

For the period ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,293	-	-	-	-	-	3,293
(ii) Others	5,477	539	1,027	136	-	14	7,193
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**8,770**	**539**	**1,027**	**136**	**-**	**14**	**10,486**

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,318	1	20	53	-	-	3,392
(ii) Others	3,366	8,996	-	-	-	-	12,362
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**6,684**	**8,997**	**20**	**53**	**-**	**-**	**15,754**

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at March 31, 2023 and March 31, 2022. The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the entrepreneur's memorandum number as allocated after filing of the memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on the information received and available with the Company.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 18 : Other Financial Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non Current Other Financial Liabilities	-	-
(2) Current Other Financial Liabilities		
(a) Current Maturities of Long-Term Debt	-	-
(b) Interest Accrued on Borrowings	763	-
(c) Others		
(i) Accrued Compensation to Employees	40,488	16,669
(ii) Accrued Expenses	58,014	37,364
(iii) Foreign Currency Forward and Options Contracts	2,948	-
(iv) Other Payables	372	333
Total Current Other Financial Liabilities	**1,02,585**	**54,366**

Note 19 : Other Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non Current Other Liabilities	-	-
(2) Current Other Liabilities		
(a) Unearned and Deferred Revenue	83,770	70,377
(b) Others Payables		
(i) Statutory Dues Payables	14,148	12,445
(ii) Contribution to PF / ESIC / MLWF / PT Payable	1,342	1,132
(iii) Advance from Customers	93	-
Total Current Other Liabilities	**99,353**	**83,954**

Note 20 : Revenue from Operations

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of Products	3,21,423	2,49,618
Sale of Services	3,54,010	3,11,901
Total Revenue from Operations	**6,75,433**	**5,61,519**
Revenue by Division		
Revenue from Collect Division	2,48,099	2,10,910
Revenue from Create Division	3,92,492	3,19,817
Revenue from Consume Division	34,842	30,792
Total	**6,75,433**	**5,61,519**
Revenue Geography-wise		
Asia Pacific	61,844	19,867
India	2,77,378	2,73,577
Europe & UK	1,48,398	1,19,397
Middle East	78,512	57,633
Africa	96,314	87,287
America	12,987	3,758
Total	**6,75,433**	**5,61,519**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

The Company has presented contract assets as "unbilled revenues" (refer note no. 6 and 11) in other current assets and contract liabilities as "unearned revenues" (refer note no.19) in other current liabilities in the balance sheet. Contract assets that are no longer contingent, except for the passage of time, are shown under financial assets.

(Amount in Thousands - ₹)

Particular	March 31, 2023		March 31, 2022	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening balance	1,52,113	70,377	87,140	59,666
Revenue recognised during the year	1,29,949	1,29,364	1,11,438	1,05,320
Invoices raised during the year	98,450	1,42,757	46,465	1,16,031
Balances at the end of the year	1,83,612	83,770	1,52,113	70,377

Note 21 : Other Income

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Income	3,486	4,539
Exchange Gain	4,704	1,037
Other Non-Operating Income	3,920	1,974
Total Other Income	**12,110**	**7,550**

Note 22 : Employee Benefits Expense

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and Wages	3,61,634	3,11,644
Contribution to Provident and Other Funds	6,776	6,078
Compensated absences (refer note no. 22b)	1,906	195
Gratuity and other retiral benefits (refer note no. 22a)	9,736	8,359
Share Based Payment to Employees (refer note no. 32)	4,339	4
Staff Welfare Expenses	5,466	3,554
Total Employee Benefits Expense	**3,89,857**	**3,29,834**

Note 22a: Defined benefit plan - Gratuity (unfunded)

Gratuity is classified as Defined Benefit plan as Company's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by the Company. Actuarial & Investment risks are borne by the Company.

The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

The defined benefit plan comprises of gratuity which is unfunded. Acturial gains and losses are recognised in the Other Comprehensive Income (OCI).

The following table summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the position of assets and obligations relating to the plan.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15		
Present Value of Defined Benefit Obligation	72,644	60,186
Fair value of Plan Assets	16,124	13,087
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15	**56,520**	**47,099**

(Amount in Thousands - ₹)

Change in Defined Benefit Obligation during the Period	As at March 31, 2023	As at March 31, 2022
Balance Sheet (Asset)/Liability, Beginning of Period	47,099	35,284
Total Charge/(Credit) Recognised in Profit and Loss	9,736	8,359
Total Remeasurements Recognised in OC (Income)/Loss	6,546	10,163
Actual Employer Contributions/Benefit Directly paid by the Company	(6,861)	(6,707)
Defined Benefit Obligation, End of Period	**56,520**	**47,099**

Amounts in Statement of Profit & Loss

(Amount in Thousands - ₹)

Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	As at March 31, 2023	As at March 31, 2022
Service cost	6,416	5,853
Net interest cost	3,320	2,506
Past service cost	-	-
Administration expenses	-	-
(Gain)/loss due to settlements/curtailments/divestitures	-	-
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**9,736**	**8,359**

Amounts in the Balance Sheet

(Amount in Thousands - ₹)

Current/Non Current Bifurcation	As at March 31, 2023	As at March 31, 2022
Current Benefit Obligation	12,709	8,791
Non - Current Benefit Obligation	59,935	51,395
Gross (Asset)/Liability recognised in the Balance sheet	**72,644**	**60,186**
Actual Return on Plan Assets		
Interest income on plan assets	946	567
Remeasurements on plan assets	(627)	-
Actual Return on Plan Assets	**319**	**567**

The Company provides the gratuity benefit through annual contributions to a fund managed by approved trust. Under this plan, the settlement obligation remains with the Company, although the trust administers the plan and determines the contribution required to be paid by the Company. The trust has invested the plan assets in the Insurer managed funds. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. The expected rate of return on plan assets is based on the expectation of the average long-term rate of return expected on investments of the funds during the estimated term of the obligation.

Category of Assets

Insurer Managed Funds & T-Bills

(Amount in Thousands - ₹)

The principal assumptions used in determining the gratuity benefit are shown below:	As at March 31, 2023	As at March 31, 2022
Salary escalation rate	10%	9%
Discount rate	7.30%	7.23%
Expected rate of return on assets	7.30%	7.23%

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Sensitivity Analysis

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

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation - Discount Rate + 100 basis points	(3,646)	(3,077)
Defined Benefit Obligation - Discount Rate - 100 basis points	4,055	3,427
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	2,794	2,542
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(2,775)	(2,488)

Note 22b: Defined benefit plan - Compensated absences

Compensated absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below

The Company provides for expenses towards compensated absences (leave encashment) provided to its employees. The expenses are recognized in the statement of profit and loss account and the liabilities are recognized at the present value of the amount payable determined based on an independent external actuarial valuation made as at each Balance Sheet date, using Projected Unit Credit method.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15		
Defined Benefit Obligation	12,039	10,134
Present Value of Unfunded Defined Benefit Obligation	-	-
Fair value of Plan Assets	-	-
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 15	**12,039**	**10,134**

(Amount in Thousands - ₹)

Change in Defined Benefit Obligation during the Period	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation, Beginning of Period	10,134	9,939
Net Current Service Cost	1,303	1,279
Interest Cost on DBO	681	653
Actuarial (Gains)/Losses	(79)	(1,737)
Defined Benefit Obligation, End of Period	**12,039**	**10,134**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Amounts in Statement of Profit & Loss (Amount in Thousands - ₹)

Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	As at March 31, 2023	As at March 31, 2022
Service cost	1,304	1,279
Net interest cost	681	653
Past service cost	-	-
Remeasurements	(79)	(1,737)
(Gain)/loss due to settlements/curtailments/diversitures		
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**1,906**	**195**
Amounts in the Balance Sheet		
Current/Non Current Bifurcation		
Current Benefit Obligation	2,894	2,744
Non - Current Benefit Obligation	9,145	7,390
Gross (Asset)/Liability recognised in the Balance sheet	**12,039**	**10,134**

The principal assumptions used in determining the leave encashment benefit are shown below:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Salary escalation rate	10%	9%
Discount rate	7.30%	7.23%
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	15.00%	15.00%
Leave Availment Ratio	10.00%	10.00%
Retirement Age	60 years	60 years

Note 23 : Finance Costs

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expense	6,711	6,792
Interest on Right of Use Asset	204	159
Other Borrowing Costs*	2,870	3,529
Total Finance Costs	**9,785**	**10,480**

* Includes bank charges and processing fees towards borrowing facility

Note 24 : Depreciation and Amortisation Expense

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of Property, Plant and Equipment	4,796	2,548
Amortisation of Intangible Assets	38,791	46,825
Depreciation of Right of Use Asset	3,205	2,739
Total Depreciation and Amortisation Expense	**46,792**	**52,112**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 25 : Other Expenses

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertisement & Business Promotion	2,635	379
Data Sourcing Expenses	408	271
Internet Co-Location Charges	4,543	6,283
Legal, Professional And Consultancy Fees	37,431	29,102
Miscellaneous Expenses	728	248
Payment to Auditors*	1,851	1,596
Postage, Telephone & Communication Charges	849	806
Printing & Stationery	342	123
Rates & Taxes	761	1,742
Travelling And Conveyance	21,303	9,956
Director Sitting Fees	1,250	1,405
Payment to Subsidiaries	-	1,642
Marketing And Sales Expenses	5,254	7,959
Other Expenses IPO, Listing Fees etc.	1,868	2,310
Rent	89	157
Power	3,067	2,563
Insurance	2,054	1,732
Office Maintenance	3,038	2,952
Repairs & Maintainance	1,040	464
Partner Fees	44,106	49,118
Software Maintenance Expenses	11,224	5,884
Software License & Hardware Fees	37,430	26,674
NSTP- Annual Service Charges	250	250
Sales Commission	4,454	5,124
Business Promotion Expenses	397	260
Membership Fees	497	301
Conference Expenses	948	-
Donation	361	-
Staff Recruitment Charges	1,269	-
Bad Debts Written-Off	894	254
Allowance for Doutful Debts	4,100	1,559
Sundry Balance Written-Off	89	2,672
Allowance for diminution in the value of Investments	984	-
Total Other Expenses	**1,95,514**	**1,63,786**
*Detail of payment to statutory auditor (exclusive of GST)		
As Auditor		
Statutory Audit Fees	1,100	1,100
Other Matters	720	460
Reimbursement of out-of-pocket expenses	31	36
Total	**1,851**	**1,596**

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 26: Segment Reporting

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1. Segment Revenue		
(net sale/income from each segment should be disclosed under this head)		
(a) Segment – Collect	2,48,099	2,10,910
(b) Segment – Create	3,92,492	3,19,817
(c) Segment – Consume	34,842	30,792
(d) Unallocated	-	-
Less: Inter Segment Revenue	-	-
Net Sales/Income From Operations	**6,75,433**	**5,61,519**
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)		
(a) Segment – Collect	21,395	14,802
(b) Segment – Create	60,214	50,411
(c) Segment – Consume	8,453	2,686
(d) Unallocated	12,110	7,550
Total	**1,02,172**	**75,449**
Less: i) Interest	9,785	10,480
ii) Depreciation & Amortisation	46,792	52,112
Total Profit Before Tax	**45,595**	**12,857**

Note:

Assets and liabilities used in the Company's business are not identifiable to any of the reportable segment, as these are used interchangeably between segments.

The management believes that it not practicable to provide segment disclosures relating to total assets and liabilities.

Note 27: Transactions with Related Party

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

a. Subsidiary Companies

1. IRIS Business Services, LLC
2. IRIS Business Services (Asia) Pte. Ltd.
3. Atanou S.r.l.
4. IRIS Logix Solutions Private Limited

b. Key Managerial Personnel (KMP)

1. S. Swaminathan, Whole Time Director and Chief Executive Officer
2. Deepta Rangarajan, Whole Time Director
3. K. Balachandran, Whole Time Director and Chief Financial Officer

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

4. P.K.X Thomas, Whole Time Director

c. Relatives of Key Managerial Personnel (KMP)

1. Deepta Rangarajan, Spouse of Mr S. Swaminathan
2. S. Chandrasekhar, Brother of Mr S. Swaminathan
3. S. Swaminathan, Spouse of Ms Deepta Rangarajan
4. Rajlaxmi Nambiar, Spouse of Mr K. Balachandran
5. Sharanya Balachandran, Daughter of Mr K. Balachandran
6. Shyama Balachandran, Daughter of Mr K. Balachandran
7. Vijayalakshmi Nambiar, Mother of Mr K. Balachandran
8. Minimol Thomas, Spouse of Mr P.K.X Thomas
9. Tinu Teresa Thomas, Daughter of Mr P.K.X Thomas
10. Anu Ann Thomas, Daughter of Mr P.K.X Thomas

d. Enterprises over which the above persons exercise significant influence/ control and with which the Company has transactions during the Year

1. FinX Solutions (UAE)
2. IRIS Knowledge Foundation

e. Independent Directors

1. Bhaswar Mukherjee, Non-Executive Independent Director
2. Vinod Balmukand Agarwala, Non-Executive Independent Director
3. Ashok Venkatramani, Non-Executive Independent Director
4. Haseeb A Drabu, Non-Executive Independent Director

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Note 27: Transactions with Related Party

f. Transactions with Related parties

(Amount in Thousands - ₹)

Particulars	Relationship with Related Party	Nature of Transactions	Transactions during the year ended March 31, 2023	Transactions during the year ended March 31, 2022	Outstanding balances As at March 31, 2023	Outstanding balances As at March 31, 2022
Services rendered						
IRIS Business Services (Asia) Pte. Ltd.	Subsidiary	Sales of Services	7,269	653	7,269	1,656
IRIS Business Services, LLC	Subsidiary	Sales of Services	12,583	3,422	12,583	3,422
FinX Solutions (UAE)	An entity in which one of the Promoter Director is the managing partner	Sales of Services	1,203	2,248	2,389	1,708
IRIS Logix Solutions Private Limited	Subsidiary	Sales of Services	4,947	2,101	2,887	1,471
IRIS Knowledge Foundation	Promoter Directors are common Directors	Sales of Services	-	-	1,211	1,211
Services availed						
IRIS Business Services, LLC	Subsidiary	Services Rendered	-	-	-	-
IRIS Business Services (Asia) Pte. Ltd.	Subsidiary	Services Rendered	-	1,642	1,103	990
Investments						
Atanou S.r.l.	Subsidiary	Investment	-	-	1,525	1,525
IRIS Business Services, LLC	Subsidiary	Investment	-	-	14,540	14,540
IRIS Business Services (Asia) Pte. Ltd.	Subsidiary	Investment	-	-	11,195	11,195
IRIS Logix Solutions Private Limited	Subsidiary	Investment	-	-	760	760

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in Thousands - ₹)

Compensation to KMPs of the Company	Transactions during the year ended		Outstanding balances	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Short-term employee benefits*	22,647	12,831	15,996	19,755
Post-employment benefits #	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	835	-	-	-
Total	**23,482**	**12,831**	**15,996**	**19,755**

* includes sitting fees and reimbursement of expenses

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Company as a whole

(Amount in Thousands - ₹)

Compensation to Relative/s of KMP/s of the Company	Transactions during the year ended		Outstanding balances	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Short-term employee benefits*	770	219	66	-
Post-employment benefits #	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	-	-	-	-
Total	**770**	**219**	**66**	**-**

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 28: Financial Instruments - Disclosure, Accounting classifications amd fair value measurements:

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash & cash equivalents, trade and other short term receivables, trade payables, borrowings and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.

A. Classification of Financial Instruments by category

As at March 31, 2023

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	128	-	-	128	128
2	Investments (in Subsidiaries)	26,100	-	-	26,100	26,100
3	Trade Receivables	2,35,402	-	-	2,35,402	2,35,402
4	Cash and Cash equivalent	34,054	-	-	34,054	34,054
5	Other Financial assets	62,063	-	-	62,063	62,063
	Financial liabilities					
6	Borrowings	54,558	-	-	54,558	54,558
7	Lease liabilities	2,535	-	-	2,535	2,535
8	Trade Payables	10,486	-	-	10,486	10,486
9	Other financial liabilities	99,637	-	2,948	1,02,585	1,02,585

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

As at March 31, 2022

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	287	-	-	287	287
2	Investments (in Subsidiaries)	27,085	-	-	27,085	27,085
3	Trade Receivables	1,48,463	-	-	1,48,463	1,48,463
4	Cash and Cash equivalent	27,630	-	-	27,630	27,630
5	Other Financial assets	54,136	-	711	54,847	54,847
	Financial liabilities					
6	Borrowings	64,857	-	-	64,857	64,857
7	Lease liabilities	1,365	-	-	1,365	1,365
8	Trade Payables	15,754	-	-	15,754	15,754
9	Other financial liabilities	54,366	-	-	54,366	54,366

Fair Value Hierarchy:

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments based on the input that is significant to the fair value measurement as a whole:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all Equity Shares which are traded on the stock exchanges, is valued using the closing price at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example - traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. Investments in Debentures or Bonds are valued on the basis of dealer's quotation based on fixed income and money market association (FIMMDA). If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2023 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	-	-	-	-
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost	-	-	-	-
- Borrowings	-	-	54,558	54,558
Measured through FVTOCI				
- Derivative Liabilities	2,948	-	-	2,948

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2022 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI				
-Derivative Asset	711			711
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	64,857	64,857
Measured through FVTOCI				
- Derivative Liabilities	-	-	-	-

The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

During the reporting year ending March 31, 2023 and March 31, 2022, there was no transfer between level 1 and level 2 fair value measurement

Key Inputs for Level 1& 2 Fair valuation Technique:

1. Derivative Liabilities and Asset (Level 2):

The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies

Description of Significant Unobservable Inputs used for Financial Instruments (Level 3)

The following table shows the valuation techniques used for financial instruments:

Other Financial Liabilities (Non-current)	Discounted cash flow method using risk adjusted discount rate

Note 29: Financial risk management objectives

The Company's principal financial liabilities, other than derivatives, comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, investments and cash and cash equivalents that arise directly from its operations. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and thus established a risk management policy to identify and analyse the risks faced by the Company. The risk management systems are reviewed periodically. The Audit Committee of the Board, oversees the compliance with the policy. The Internal Auditreviews the risk management controls and procedures and reports to the Audit Committee.

The Company's activities expose it to market risk, liquidity risk and credit risk.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments, including investments and deposits, foreign currency receivables, payables and borrowings.

The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

The sources of risks which the Company is exposed to and their management are given below:

Risks Market Risk:	Exposure arising from	Measurement	Management
- Foreign Exchange Risk	Committed commercial transactions, Financial Assets and Liabilities not denominated in ₹	Cash Flow Forecasting, Sensitivity Analysis	Forward foreign exchange contracts & currency swaps
- Interest Rate Risk	Long-Term Borrowings at variable rates	Sensitivity Analysis, Interest rate Movements	
- Credit Risk	Trade Receivable, Derivative Financial Instruments	Ageing analysis, Credit Rating,	Credit limit and credit worthiness monitoring
- Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts, Long range business forecast	Adequate unused credit lines and borrowing facilities, sufficient cash and marketable securities

Details relating to the risks are provided here below:

A. Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's transactions denominated in a foreign currency including trade receivables and unbilled revenues, loans given to overseas subsidiaries, trade payables and bank balances. The Company's exposure to foreign currency risk with respect to material currencies as detailed below:

The Company regularly evaluates exchange rate exposure arising from foreign currency transactions. The Company follows the established risk management policies and standard operating procedures. When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the foreign currency exposure.

As at 31.03.2023 (Amount in Thousands - ₹)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	28	91	-	-	-	119
EUR	740	79	-	-	(9)	810
GBP	42	8	-	-	-	50
JOD	-	23	-	-	-	23
MYR	425	565	-	-	-	990
OMR	8	87	-	-	-	95
SGD	-	118	-	-	(18)	100
USD	168	412	-	-	(6)	574
ZAR	6,889	-	-	-	-	6,889
QAR	-	-	-	-	-	-
SAR	916	-	-	-	-	916

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

As at 31.03.2022 (Amount in Thousands - ₹)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	55	28	-	-	-	83
EUR	372	22	-	-	(15)	379
GBP	18	48	-	-	-	66
JOD	-	77	-	-	-	77
MYR	154	281	-	-	(16)	419
OMR	-	106	-	-	-	106
SGD	18	12	-	-	-	30
USD	308	58	-	-	(118)	248
ZAR	1,624	300	-	-	(2)	1,922
QAR	-	-	-	-	-	-
SAR	496	-	-	-	-	496

(i) Foreign Currency Sensitivity:

The sensitivities are based on financial assets and liabilities held at March 31, 2023 that are not denominated in Indian Rupees. The sensitivities do not take into account the Company's sales and costs and the results of the sensitivities could change due to other factors such as changes in the value of financial assets and liabilities as a result of non-foreign exchange influenced factors.

Sensitivity analysis between Indian Rupee and the foreign currencies specified above for an increase of / decrease by ₹.1.

(Amount in Thousands - ₹)

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
AED	119	(119)	83	(83)
EUR	810	(810)	379	(379)
GBP	50	(50)	66	(66)
JOD	23	(23)	77	(77)
MYR	990	(990)	419	(419)
OMR	95	(95)	106	(106)
SGD	100	(100)	30	(30)
USD	574	(574)	248	(248)
ZAR	6,889	(6,889)	1,922	(1,922)
QAR	-	-	-	-
SAR	916	(916)	496	(496)

B. Interest rate risk:

The Company has borrowed debt at variable rates to finance its operations, which exposes it to interest rate risk. The Company's interest rate risk management planning includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt, either directly or through the use of derivative financial instruments affecting a shift in interest rate exposures between fixed and floating.

Interest rate risk exposure on the average borrowing for the year: (Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowing	-	-
Variable rate borrowing	54,558	64,857

1% change in interest rate on variable rate borrowing would impact the interest cost for FY 2022-23 by ₹. 546 thousands (FY 2021-22 by ₹. 649 thousands).

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

C. Credit risk

Credit risk arises when a customer or counterparty does not meet its contractual obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financiang/investing activities, including treasury operations. Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables and unbilled revenues are regularly monitored and the Company creates a provision based on expected credit loss model.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

i) Trade Receivables: Ageing & Movement

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk

(Amount in Thousands - ₹)

ii) Movement of Doubtful debts	As at March 31, 2023	As at March 31, 2022
Opening provision	1,873	898
Add: Provided during the year	1,417	1,619
Less: Utilised during the year	-	-
Less: Written back during the year	(555)	(644)
Closing Provision	**2,735**	**1,873**

The details in respect of percentage of revenues generated from the top customer and the top 10 customers are as follows:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from top customer	42,722	57,733
Revenue from top 10 customers	2,53,713	2,44,020

iii) Derivative Instruments, Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies. Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

D. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for managing liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts and long range business forecasts on the basis of expected cash flows.

The table below provides details of financial liabilities at the reporting date based on contractual undiscounted payments. The Company has access to the following undrawn borrowing facilities:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Expiring in one year	Expiring beyond one year	Expiring in one year	Expiring beyond one year
Undrawn Borrowing facility	68,942	-	66,893	-
Lease Liabilities	1,300	1,235	855	510
Trade Payables	10,486	-	15,754	-
Derivatives	2,948	-	-	-

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

E. Capital Management

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. For the purpose of the Company's capital management, capital means the Total Equity as per the Balance Sheet.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by the total equity.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	54,558	64,857
Less: Cash and cash equivalents	34,054	27,630
Net Debt (A)	20,504	37,227
Equity Share Capital	1,93,612	1,92,182
Other Equity	1,50,925	1,15,721
Total Equity (B)	3,44,537	3,07,903
Debt / Equity (A / B)	6%	12%

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, Outside liabilities to Net Worth etc. which is maintained by the Company

Note 30: Financial performance indicators - Analytical Ratios

In accordance with Notification dated March 24, 2021, the Central Government in it's Amendment to Schedule III to Companies Act 2013 stated that the Company shall disclose the following ratios which shall indicate the financial performance of the Company. Company is required to give details of significant changes (change of 25% or more as compared to the previous financial year) in sector-specific key financial ratios, as well as any changes in return on net worth.

(Amount in Thousands - ₹)

Sr. No.	Particulars	Numerator	Denominator	Unit	As at March 31, 2023	As at March 31, 2022
1	Current Ratio	Current Assets	Current Liabilities	In times	1.77	1.62
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	In times	0.16	0.21
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	In times	14.78	10.85
4	Trade Receivables Turnover Ratio	Revenue	Average Trade Receivable	In times	3.52	4.01
5	Trade Payables Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	In times	14.90	11.74
6	Net Capital Turnover Ratio	Revenue	Current Assets - Current Liabilities	In times	3.02	3.81
7	Net profit ratio	Net Profit	Revenue	In percentage	5.44%	1.20%
8	Return on Capital Employed	Earning before interest and taxes	Net worth + deferred tax liabilities + Lease Liabilities	In percentage	13.88%	6.26%
9	Return on Equity	Net Profits after taxes	Net worth	In percentage	10.67%	2.19%

Note:
a) Disclosure of Inventory Turnover Ratio is not applicable as the Company does not hold any Inventory.
b) Disclosure of Return on Investment is not applicable as the Investments reported under note 5 pertains to Investment made in subsidiaries only.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

Detailed explanation for significant changes in sector-specific key financial ratios and changes in Return on Net Worth:

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Debt-Equity Ratio	54,558	3,44,537	0.16	0.21	-25%	Due to decrease in debt and increase in equity
Debt Service Coverage Ratio	1,02,172	6,915	14.78	10.85	36%	Due to increase in Earning before interest, Depreciation and tax
Trade Payables Turnover Ratio	1,95,514	13,120	14.90	11.74	27%	Due to increase in Other expenses
Net Capital Turnover Ratio	6,75,433	2,23,447	3.02	3.81	-21%	Due to increase in Net working Capital
Net profit ratio	36,773	6,75,433	5.44%	1.20%	352%	Due to increase in Net profit after Tax
Return on Capital Employed	55,380	3,99,095	13.88%	6.26%	122%	Due to increase in Earning before interest and tax
Return on Equity	36,773	3,44,537	10.67%	2.19%	386%	Due to increase in Net profit after Tax

Note 31: Hedge Accounting

As part of its risk management strategy, the company endeavors to hedge its net foreign currency exposure of highly forecasted sale transactions for the next 10 to 12 months in advance. The company uses forward contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges. The forward contracts are generally denominated in the same currency in which the sales realization is likely to take place.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

The Company applies cash flow hedge accounting to hedge the variability in the future cash flows attributable to to foreign exchange risk. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship. On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge. Hedge effectiveness is assessed through the application of critical terms match method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

Type of risk / hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Forward contract	Foreign currency risk of highly probable forecast transactions using forward contracts	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Company enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts. These are customized contracts transacted in the over–the–counter market.	Cash flow hedge

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31st March, 2023

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments - Liability	Maturity	Average booking price/rate
Foreign exchange forward contracts	4,70,113 EURO 3,55,259 USD 1,25,325 GBP	-	2,948 (₹ in Thousands)	FY 23-24	1 EURO = 86.92 1 USD = 81.26 1 GBP = 96.56

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting :

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of year	711	-
Gain/(loss) recognised in Other Comprehensive Income during the year	(300)	2,532
Amount reclassified to profit/loss during the year	(3,300)	1,821
Tax imapct on the above		-
Balance at the end of year	**(2,889)**	**711**

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Derivative Financial asset	Derivative Financial liability	Derivative Financial asset	Derivative Financial liability
Net amount presented in Balance Sheet	-	2,948	711	-

Note .32: Employee Stock Option Scheme

The Company provides share-based payment schemes to its employees. The relevant details of the scheme are as follows:

On September 11, 2017, the Board of Directors approved the “IRIS Business Services Limited – Employee Stock Option Scheme 2017”

(“Scheme”) in order to reward the employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Company with an intent to attract and retain talent in the organisation. The aforesaid Scheme was duly approved by shareholders in its Extra-Ordinary General Meeting held on September 13, 2017. The Nomination and Remuneration committee of the Board has granted options under the said Scheme to certain category of employees as per criteria laid down by Nomination and Remuneration committee of the Board. The shareholders of the Company approved the ratification of the Scheme and extension of the benefits of the Scheme to the employees of Subsidiary Company(ies) by Special Resolutions through Postal Ballot on March 29, 2019.

Key terms of the scheme:	
Date of Shareholder’s Approval	September 13, 2017
Total Number of Options approved	7,00,000
Vesting Schedule	Option shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 4 (Four) years from the date of grant
Maximum term of Options granted	9 Years
Method of Settlement	Shares
Source of shares	Primary-Fresh equity allotment by the company

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

A summary of the activity in the Company’s ESOP Scheme ("IRIS Business Services Limited – Employee Stock Option Scheme 2017") is as follows:

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Shares arising from options	Weighted Average Exercise price	Shares arising from options	Weighted Average Exercise price
Outstanding at the beginning of the year	1,55,000	32.00	4,50,000	32.00
Options Granted during the year*	2,10,000	42.37		
Options Exercised duruing the year	1,43,000		2,95,000	
Options Forfeited during the year	8,000			
No. of Options Outstanding at the end of the year	2,14,000		1,55,000	
Vested Options	4,000		1,55,000	
Unvested Options	2,10,000			
No. of Options exercisable at the end of the year	4,000		1,55,000	

*During the year ended March 31, 2023, the Company has granted 2,10,000 options. Out of this, 1,60,000 options have been granted at an exercise price of ₹ 32 and 50,000 options have been granted at an exercise price of ₹ 75.55 under the Scheme 2017. The weighted average share price for the year over which options was exercised was ₹ 42.37.

Fair value determination method

The Black-Scholes model requires consideration of certain variables such as implied volatility, risk free rate of interest, expected dividend yield, expected life of option, market price of the underlying stock and exercise price for the calculation of Fair Value of the option. Variability of these parameters could significantly affect the estimated Fair value of the option.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Grant Date	November 11,2022	October 11, 2017
Risk Free interest rate	6.61% to 7.24%	6.61% to 7.00%
Expected Life (in Years)	3.5 Years to 6.5 Years	3.5 Years to 6.5 years
Expected Volatility	74.81%	11.73%
Dividend Yield	0%	0%
Stock price* (amount in ₹)	75.55	32
Exercise price (amount in ₹)	32 & 75.55	32
Weighted Average remaining Contractual life	3.43	1.06
Fair Value as on Grant date	57.09 & 43.55 & 7.92	7.07 & 9.53 & 7.92

* The stock price of the Company is the listing market price of the Company’s equity share on Stock Exchanges on the date of grant.

To understand the effect of share based payment transactions on the entity's profit and loss for the year refer Note no.22

Note 33: Contingent Liabilities and Commitments:

a) Contingent Libailities, Commitments (Amount in Thousands - ₹)

Sr. No.	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1	Claims against the company not acknowledged as debts	-	-
	Disputed EPFO Demand Relating to May-2005 to May-2007 and pending before Honorable High Court of Bombay	174	174
2	BSE Late filing penalty	12	-
3	Commitments	-	-

The above amount of contingencies does not include applicable interest, if any. Cash outflows for the above are determinable only on receipt of judgements pending at various forums / authorities.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

b) Foreseeable Losses: The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required under any law / applicable accounting standards for material foreseeable losses on such long term contracts and financials assets has been made in the books of account.

c) Pending Litigations: The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements.

Note 34: Earnings Per Share

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net Profit for the Year attributable to equity Shareholders	36,773	6,757
Weighted Average No. of Shares - Basic	19,218	19,147
Weighted Average No. of Shares - Diluted	19,319	19,257
EPS - Basic	1.91	0.35
EPS - Diluted	1.90	0.35
Nominal value of each Equity Share	10.00	10.00

Reconciliation of weighted average of number shares

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Basic weighted average number of shares	19,218	19,147
Add: adjustment on account of ESOP	101	110
Diluted weighted average number of shares	19,319	19,257

Note 35: Additional Regulatory Information

Pursuant to the requirement stipulated under para (6)(L) to the General Instructions for Preparation of Balance Sheet under schedule III of Companies Act, 2013, the required additional regulatory information are disclosed as under:

i) The company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company.

ii) The Company does not have any investment property.

iii) The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) during the current year or the preceeding year.

iv) The company has not revalued its intangible assets during the current year or the preceeding year.

v) There are no loans or advances in the nature of loans that are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

vi) There is no Capital Work in progress.

vii) For disclosure pertaining to Intangible assets under development - Refer Note No.4b

viii) No proceedings have been initiated on or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

ix) The borrowings from banks or financial institutions reported under Refer Note No.13, are made on the basis of security of assests other than current asset and on the unconditional and irrevocable Personal guarantees of Whole Time Directors of the Company.

x) The Company has not been declared a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or any other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

xi) The Company did not have any transactions with companies struck off under Companies Act, 2013.

xii) There are no charges or satisfaction thereof yet to be registered with ROC beyond the statutory period - Refer note No.3b and Refer Note No. 13 for the details of charge created.

xiii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, with respect to the extent of holding of the company in downstream companies - Refer Note No. 5.

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

xv) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xvi) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xvii) There is no income surrendered or disclosed as Income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

xviii) The Company has not traded or invested in Crypto currency or Virtual currency during the current or the previous financial year.

Note 36: The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund, Gratuity and bonus. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

Note 37: Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

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

Note 38: Previous year figures have been regrouped / rearranged, wherever necessary.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Soorej Kombaht
Partner
ICAI Membership No: 164366

Place: Navi Mumbai
Date: May 26, 2023

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of
IRIS Business Services Limited

Report on the audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of IRIS Business Services Limited ('the Holding Company' or 'the Parent' or 'the Company') and its subsidiaries (the parent and its subsidiaries together referred to as 'the Group'), which comprise the consolidated balance sheet as at 31 March 2023 and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information ('the Consolidated Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2023, and its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act, and the rules 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 along with the consideration of audit reports of the other auditors referred to in the 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

Emphasis of Matter

4. Attention is drawn to Note No. 35(b) of the Consolidated Financial Statements where it is mentioned that the financial information of a subsidiary i.e. IRIS Business Services LLC is prepared on going concern basis despite the liabilities of the subsidiary thereof exceeding its total assets, having regards to business plans of that subsidiary and continued financial support from the Holding Company.

   Our opinion on the Consolidated financial results is not modified in respect of the above matter.

Key Audit Matters

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

Key Audit Matter	How the matter was addressed in our audit
Revenue from Long Term Contracts: Long Term Contracts with Customers include contracts with services components which include software development, maintenance, implementation, and licensing of software products. Certain contracts include rights to access to platforms offered by the group companies and support services. The recognition and measurement of revenue from such contracts is complex and involves application of several key judgments and estimates such as identification of multiple performance obligations embedded in the contracts, determination and allocation of transaction price to each component of services or performance obligation and determination of expected cost of completion these contracts at each reporting date. Also, such contracts require assessment of foreseeable losses and assessment of contract being onerous in nature.	Our audit procedures include as under: • Obtained an understanding of the systems, processes and controls implemented by the group companies for recording and computing revenue and the associated contract assets, unearned and deferred revenue balances • Examination of Selective Contracts and performing our analysis of identification of performance obligation, criteria of satisfaction of performance obligation and determination the expected revenue to be recognized and reconciling with amount recognized in the books of accounts. • Assessment of expected cost of completion considered by the companies vide inquires to management of the group and examination of service details considered as component of expected cost. Analysis of assumption used and inquiring of expected variation or possible changes to expected cost of completion. • Examination of underlying details/records of cost incurred which includes tracing of determination of cost incurred at each project-wise. • Performing analytical procedure to identify any unusual deviation and inquiring rationale for such deviation.
Impairment of Intangibles As on 31 March 2023, Intangibles Assets is measured at ₹ 38,396 thousands which includes Cost of internally developed software/ application. The group companies are required to review these for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable, and at least annually, review whether there is any change in their expected useful lives. Based on the recoverable amount determined of the underlying assets, supported by value-in-use calculations which are based on future discounted cash flows, management of the group concluded that the intangible assets including goodwill were not impaired. The assessments made by management of the group involves significant estimates and judgments, including sales growth rates, gross profit margin, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. These estimates and judgments may be affected by unexpected changes in future market or economic conditions, or discount rates applied. Considering the use of such signification estimates and judgements, Impairment of Intangible is identified as Key Audit Matter.	Our audit tests include as under: • We obtained future cash flow forecasts and assessed the methodology of determination of future cash flow to obtain understanding of the impairment model. • Tested the mathematical accuracy of the underlying value-in-use calculations • Assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed them with management of the group to understand and evaluate management's basis for determining the assumptions • Evaluated Group's management assessment on whether any events or change in circumstances indicate there may be a change in the expected useful lives of intangible assets. • Performing sensitivity analysis on revenue growth assumptions to assess the impact on forecasted cashflows • Obtained suitable representations from management pertaining to key estimates

Other Information

6. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

7. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

8. In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the report of the other auditor, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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

9. The Holding Company's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Statements, that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

10. In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Consolidated Financial Statements

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

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

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

    13.2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements and the operating effectiveness of such controls.

    13.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the respective management of the group.

    13.4. Conclude on the appropriateness of group's management use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

13.5. Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

13.6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

14. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

15. 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.

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

Other Matters

17. We did not audit the financial statements of one foreign Subsidiary, whose financial statements reflect total assets of ₹ 165.18 Lakhs as at 31 March 2023, total revenue of ₹ 280.02 Lakhs and net cash flows amounting to ₹ 102.73 Lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

    The subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its host country and which have been audited by other auditor under generally accepted auditing standards applicable in that country. The Holding Company's management has converted the financial statements of the Subsidiary located outside India from accounting principles generally accepted in its host country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

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

Report on Other Legal and Regulatory Requirements

19. As required by section 143(3) of the Act, based on our audit and on the consideration of audit reports of the other auditors on separate financial statements of such subsidiary as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

19.1. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

19.2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

19.3. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

19.4. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.

19.5. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2023, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

19.6. With respect to the adequacy of internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'.

19.7. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company, its subsidiary company incorporated in India to its directors is in accordance with the provisions of Section 197 read with Schedule V of the Act. The remuneration paid to any director by the Holding Company, its subsidiary company, incorporated in India is not in excess of the limit laid down under Section 197 read with Schedule V of the Act.

20. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of audit reports of the other auditors on separate financial statements of such subsidiary as noted in the 'Other Matters' paragraph:

20.1. The Consolidated Financial Statements disclose the impact of pending litigations as at 31 March 2023 on the consolidated financial position of the Group,– Refer Note 32 (c) to the consolidated financial statements.

20.2. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32(b) to the Consolidated Financial Statements in respect of such items as it relates to the Group.

20.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and/or its subsidiary company incorporated in India during the year ended 31 March 2023.

20.4. The respective managements of the Holding Company, its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.5. The respective managements of the Holding Company, its subsidiary incorporated in India whose financial statements have been audited under the Act have represented to us to best of their knowledge and belief, that no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

20.6. Based on such audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us nothing has come to our or other auditor's notice that has caused us or other auditors to believe that the representation under sub-clause (i) and (ii) of Rule 11(e), as mentioned under paragraph 20.4 and 20.5 contain any material misstatement.

20.7. The Group has not declared and paid any dividend in the current year and has not proposed dividend for the current year, and hence reporting as per the provisions of Section 123 of the Act is not applicable to the Group.

20.8. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Holding Company and its Subsidiary Company incorporated in India with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

21. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by Central Government in terms of Section 143(11) of the Act, to be included in Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by us for the Holding Company and based on our consideration of CARO report of Subsidiary incorporated in India included in consolidated financial statements, we report that there are no qualifications or adverse remarks in the CARO report.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Soorej Kombaht
Partner
ICAI Membership No.: 164366
UDIN: 23164366BGYKTX8010

Place: Navi Mumbai
Date: 26 May 2023

Annexure 'A' to the Independent Auditors' report on the Consolidated Financial Statements of IRIS Business Services Limited for the year ended 31 March 2023

(Referred to in paragraph 19.6 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of IRIS Business Services Limited as of and for the year ended 31 March 2023, we have audited the internal financial controls with reference to the Consolidated Financial Statements of IRIS Business Services Limited ('the Holding Company' and its subsidiary company, incorporated in India, as of that date.

2. In our opinion, the Holding Company, and its subsidiary company, incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal controls over financial reporting criteria established by the respective companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

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

Auditor's responsibility

4. Our responsibility is to express an opinion on the Holding Company, its subsidiary company, which is incorporated in India, internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA'), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Consolidated Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements were established and maintained and if such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to the Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial controls with reference to the Consolidated Financial Statements

7. A company's internal financial controls with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to the consolidated Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Soorej Kombaht
Partner
ICAI Membership No.: 164366
UDIN: 23164366BGYKTX8010

Place: Navi Mumbai
Date: 26 May 2023

Consolidated Balance Sheet as at March 31, 2023

(Amount in Thousands - ₹)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
(I) ASSETS			
(1) NON-CURRENT ASSETS			
(a) Property, Plant and Equipment	3a	11,667	7,965
(b) Right-of-Use-Assets	3b	89,128	89,977
(c) Other Intangible Assets	4a	38,395	73,837
(d) Intangible Assets under Development	4b	16,104	3,865
(e) Financial Assets			
(i) Investments		-	-
(ii) Loans	9	-	-
(iii) Other Financial Assets	5	992	6,810
(f) Deferred Tax Assets (Net)		-	-
(g) Other Non Current Assets		-	-
Total Non-Current Assets		**1,56,286**	**1,82,454**
(2) CURRENT ASSETS			
(a) Financial Assets			
(i) Trade Receivables	6	2,48,361	1,56,473
(ii) Cash and Cash Equivalents	7	67,970	46,947
(iii) Bank Balances other than Cash and Cash Equivalents above	8	24,632	27,436
(iv) Loans	9	128	287
(v) Other Financial Assets	5	19,293	23,409
(b) Current Tax Assets (Net)		29,809	24,936
(c) Other Assets	10	1,54,498	1,41,312
Total Current Assets		**5,44,691**	**4,20,800**
TOTAL ASSETS		**7,00,977**	**6,03,254**
(II) EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	11a	1,93,612	1,92,182
(b) Other Equity	11b	1,21,802	80,437
Equity attributable to equity holders of the parent		**3,15,414**	**2,72,619**
(a) Non-controlling interests		913	278
		3,16,327	**2,72,897**
LIABILITIES			
(1) NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	12	-	-
(ii) Lease Liabilities	13	1,235	510
(ii) Other Financial Liabilities		-	-
(b) Provisions	14	55,777	47,609
(c) Deferred Tax Liabilities (Net)	15	227	61
(d) Other Non Current Liabilities	18	-	-
Total Non-Current Liabilities		**57,239**	**48,180**
(2) CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	12	54,558	64,857
(ii) Lease Liabilities	13	1,300	855
(iii) Trade Payables	16		
(a) Total outstanding dues of micro and small enterprises		3,260	3,733
(b) Total outstanding dues of creditors other than micro and small enterprises		8,141	16,387
(iv) Other Financial Liabilities	17	1,20,680	77,273
(b) Other Current Liabilities	18	1,19,251	99,677
(c) Provisions	14	20,221	19,395
(d) Current Tax Liabilities (Net)		-	-
Total Current Liabilities		**3,27,411**	**2,82,177**
TOTAL EQUITY AND LIABILITIES		**7,00,977**	**6,03,254**

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date attached

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Soorej Kombaht
Partner
ICAI Membership No: 164366
Place: Navi Mumbai
Date: May 26, 2023

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)
Place: Navi Mumbai
Date: May 26, 2023

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
(I) INCOME			
(a) Revenue from Operations	19	7,35,712	6,12,723
(b) Other Income	20	13,322	7,445
Total Income		**7,49,034**	**6,20,168**
(II) EXPENSES			
(a) Employee Benefits Expense	21	4,07,966	3,47,691
(b) Finance Costs	22	10,196	10,676
(c) Depreciation and Amortisation Expense	23	47,080	52,315
(d) Other Expenses	24	2,31,774	1,93,224
Total Expenses		**6,97,016**	**6,03,906**
(III) Profit / (Loss) before Tax (I-II)		**52,018**	**16,262**
(IV) Tax Expense			
- Current Tax		9,004	1,150
- Tax Expense for earlier year		(3)	5,000
- Deferred Tax		166	61
(V) Profit / (Loss) for the year from Continuing Operations (III-IV)		**42,851**	**10,051**
(VI) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to Profit or Loss (net of taxes)			
(a) Remeasurements gain / (loss) on defined benefit obligations		(5,453)	(7,520)
(b) Equity Instruments at fair value through other comprehensive income		-	-
(B) (i) Items that will be reclassified to Profit and Loss (net of taxes)			
(a) Fair Value Changes on Derivatives Designated as cash flow hedge		(300)	2,532
(b) Exchange differences on translation of financial statements of foreign operations		226	(250)
(VII) Total Comprehensive Income/ (Loss) for the year (V+VI)		**37,324**	**4,813**
Profit for the year attributable to:			
Equity holders of the parent		42,720	9,980
Non-controlling interests		131	71
		42,851	**10,051**
Other comprehensive income for the year attributable to:			
Equity holders of the parent		(5,541)	(5,240)
Non-controlling interests		14	2
		(5,527)	**(5,238)**
Total comprehensive income for the year attributable to:			
Equity holders of the parent		37,179	4,740
Non-controlling interests		145	73
		37,324	**4,813**
Earnings per equity share of face value of ₹ 10 each			
Basic (₹)	33	2.22	0.52
Diluted (₹)	33	2.21	0.52

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date attached

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Soorej Kombaht
Partner
ICAI Membership No: 164366

Place: Navi Mumbai
Date: May 26, 2023

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Place: Navi Mumbai
Date: May 26, 2023

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Consolidated Statement of cash flows for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash Flows from Operating Activities		
Profit/(loss) for the year	42,851	10,051
Adjustments for:		
Depreciation and amortisation expense	47,080	52,315
Income Tax Expense	9,166	6,211
Loss / (profit) on sale / disposal of property, plant and equipment	(280)	(9)
Expense on Employee Stock Option Scheme	4,339	4
Bad debts written off	894	254
Allowance for doubtful trade receivables	4,100	2,656
Sundry Balance Written-Off	89	2,672
Doubtful Debts Provision Reverse	-	(1,002)
Finance costs	10,196	10,676
Interest income (refer note no. 20)	(2,385)	(2,841)
Effect of change in foreign currency translation reserve	226	(250)
Operating profit / (loss) before working capital changes	**1,16,276**	**80,737**
Changes in operating assets and liabilities		
(Increase) / decrease in trade receivables	(96,881)	(26,117)
(Increase) / decrease in loans	158	(212)
Increase / (decrease) in trade payables	(8,335)	(2,377)
(Increase) / decrease in other financial assets	6,335	(10,832)
(Increase) / decrease in other assets	(13,110)	(55,896)
Increase / (decrease) in provisions	3,542	(38,157)
Increase / (decrease) in other financial liabilities	43,408	12,552
Increase / (decrease) in other liabilities	19,572	27,334
Cash inflow / (outflow) from operating activity	**70,965**	**(12,968)**
Taxes paid (net)	(13,874)	8,845
Net cash inflow / (outflow) from operating activities - Total (A)	**57,091**	**(4,123)**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment, intangibles and capital work in progress	(24,722)	(11,547)
Sale of property, plant and equipment and capital work in progress	280	37
Bank deposits with original maturity of more than 3 months	2,804	8,259
Interest received	2,463	2,807
Net cash inflow / (outflow) from investing activities - Total (B)	**(19,175)**	**(444)**

Consolidated Statement of cash flows for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital under ESOP Scheme	1,430	2,950
Proceeds from issuance of equity share capital to Minority Shareholders	490	
Securities premium received on issue of shares	3,146	6,490
Repayment of Lease Liabilities	(703)	(731)
(Repayment) / proceeds from short term borrowings (net)	(10,299)	4,646
Interest paid on bank loans and others	(10,957)	(10,676)
Net cash inflow / (outflow) from financing activities - Total (C)	**(16,894)**	**2,679**
Net increase / (decrease) in cash and cash equivalents (A)+(B)+(C)	**21,023**	**(1,888)**
D. Cash and cash equivalents at the beginning of the year	**46,947**	**48,835**
E. Cash and cash equivalents at the end of the year (Refer note 7)	**67,970**	**46,947**

The accompanying significant accounting policies and notes form an integral part of the consolidated financial statements

As per our report of even date attached

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Reconciliation of Cash and cash equivalents at the end of the year		
Cash and cash equivalents as per balance sheet	67,970	46,947
Cash and cash equivalents as per cash flow statement	67,970	46,947

Note:

i) Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 “Statement of Cash Flows” prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 of the Companies Act, 2013.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

Soorej Kombaht
Partner
ICAI Membership No: 164366

Place: Navi Mumbai
Date: May 26, 2023

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

A. Equity Share Capital (Refer Note 11a)

(Amount in Thousands - ₹)

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at April 01, 2022	**1,92,182**	**1,89,232**
Changes in equity share capital due to prior period errors		
Restated balance at the beginning of the reporting period		
Changes in equity share capital during the current year	1,430	2,950
Balance as at March 31, 2023	**1,93,612**	**1,92,182**

B. Other Equity (Refer Note 11b)

(1) Current Reporting Period for the year ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity			Total Other Equity Attributable to Parent	Non Controlling Interest	Total Other Equity
					Cash Flow Hedge	Others #	Foreign Currency Translation Reserve			
Balance as at April 01, 2022	**1,20,768**	**1,111**	**475**	**(28,256)**	**711**	**(12,488)**	**(1,884)**	**80,437**	**278**	**80,715**
Profit / (Loss) for the year				42,720				42,720	131	42,851
Other Comprehensive Income / (Loss) (net of tax)					(300)	(5,453)	214	(5,539)	14	(5,525)
Changes in NCI Ownership									490	490
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**42,720**	**(300)**	**(5,453)**	**214**	**37,181**	**635**	**37,816**
Share-based payments		4,339						4,339		4,339
Add : Securities premium credited on share issue	4,168	-						4,168		4,168
Less: Transfer on exercise/Cancellation of stock options		(1,079)		56				(1,023)		(1,023)
Less: Derecognition of financials assets					(3,300)			(3,300)		(3,300)
Balance as at March 31, 2023	**1,24,936**	**4,371**	**475**	**14,520**	**(2,889)**	**(17,941)**	**(1,670)**	**1,21,802**	**913**	**1,22,715**

Others represent the measurement of defined benefit plan

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

Previous Reporting Period for the year ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Securities Premium	Share based payment Reserve	General Reserve	Retained Earnings	Other Components of Equity			Total Other Equity Attributable to Parent	Non Controlling Interest	Total Other Equity
					Cash Flow Hedge	Others #	Foreign Currency Translation Reserve			
Balance as at April 01, 2021	**1,12,133**	**3,252**	**475**	**(38,236)**	**-**	**(4,968)**	**(1,633)**	**71,023**	**205**	**71,228**
Profit / (Loss) for the year	-	-	-	9,980	-	-	-	9,980	71	10,051
Other Comprehensive Income / (Loss) (net of tax)	-	-	-	-	2,532	(7,520)	(251)	(5,239)	2	(5,237)
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**9,980**	**2,532**	**(7,520)**	**(251)**	**4,741**	**73**	**4,814**
Share-based payments	-	4	-	-	-	-	-	4	-	4
Add : Securities premium credited on share issue	8,635	-	-	-	-	-	-	8,635	-	8,635
Less: Transfer on exercise/Cancellation of stock options	-	(2,145)	-	-	-	-	-	(2,145)		(2,145)
Less: Derecognition of financials assets	-	-	-	-	(1,821)	-	-	(1,821)	-	(1,821)
Balance as at March 31, 2022	**1,20,768**	**1,111**	**475**	**(28,256)**	**711**	**(12,488)**	**(1,884)**	**80,437**	**278**	**80,715**

Others represent the measurement of defined benefit plan

The accompanying significant accounting policies and notes form an integral part of the Consolidated financial statements

As per our report of even date attached

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Soorej Kombaht
Partner
ICAI Membership No: 164366

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Place: Navi Mumbai
Date: May 26, 2023

Place: Navi Mumbai
Date: May 26, 2023

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

1. Corporate Information:

IRIS Business Services Limited ("the Parent Company" or "the Company" or "IRIS") is a public limited company domiciled and incorporated in India under the provisions of erstwhile Companies Act, 1956 with its registered office at 3rd Floor, Infotech Park, Tower 2, Vashi, Navi Mumbai, Maharashtra. The Equity shares of the Parent Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The consolidated financial statements comprise financial statements of IRIS Business Services Limited, India and its subsidiaries (collectively, "the Group") as given below for the year ended March 31, 2023

Name of Subsidiary	Country	% of holding
IRIS Business Services LLC	USA	100.00
IRIS Business Services (Asia) Pte Ltd	Singapore	98.36
Atanou Srl	Italy	100.00
IRIS Logix Solutions Private Limited	India	51.00

The Group primarily offers Regtech solutions to regulators and enterprises. Regulators include Central Banks, Business Registries, Capital Market Regulators and Stock Exchanges while regulated entities include Corporates, Banks, and Mutual Funds. The Company is one of the pioneers in providing an entire range of XBRL products and solutions to organizations across the globe. In addition, the Company also offers an array of tax technology solutions in the Indian market, addressing GST compliance requirements. The Company's XBRL based software and adjacent solutions for enterprise CFO office include SaaS based software products for authoring and assisted services related to converting structured and unstructured data into XBRL. The Company offers workflow based e-filing software solutions for Regulators, especially those in Capital Markets and Banking, including consulting and training services and taxonomy development.

2. Significant Accounting Policies:

2.1 Statement of Compliance and Basis of preparation and presentation of Consolidated financial statements

The Consolidated financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 ("the Act"), as amended, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and as per the requirements of Schedule III (Division II) of the Companies Act, 2013 ("the Act'') and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

These financial statements have been prepared and presented on the going concern basis and on the historical cost basis, except for following:

- Derivative Financial Instruments which is measured at fair value
- Certain financial assets and liabilities at fair value
- Employee's Defined Benefit Plan as per actuarial valuation prescribed under Ind AS 19 'Employee Benefits'.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The Consolidated Balance Sheet and the Consolidated Statement of Profit and Loss, Consolidated Statement of Other Comprehensive Income, Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Act. The Consolidated Statement of Cash Flows has been prepared and presented as per Ind AS 7 "Statement of Cash Flows".

The Consolidated Financial Statements of the Group for the year ended March 31, 2023 were approved and adopted by Board of Directors for issue in its meeting held on May 26, 2023.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Basis of Consolidation

IRIS consolidates entities which it owns or controls. The Consolidated Financial statements comprise the financial statements of the Company, its and subsidiaries. As per Ind AS 110, control exists when the

- parent has power over the entity,
- is exposed or has rights to variable returns from its involvement with the entity and
- has the ability to affect those returns by using its power over the entity.

Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences till the date control ceases.

The Consolidated Financial Statements has been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent's separate financial statements.

The financial statements of the Group Companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group.

Non-controlling interest in the net assets of consolidated subsidiaries consists of: a) the amount of equity attributable to the non-controlling interest at the dates on which investment in a subsidiary is made; and b) the share of movements in equity of Non-controlling interest since the date the parent subsidiary relationship came into existence.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31, 2023.

Translation to foreign currency

The functional currency of the Parent Company is Indian Rupee.

The functional currencies of the subsidiaries are their respective local currencies. Their accounts are converted from their local currency to Indian Rupees in the following manner:

All income and expense items are translated at the annual average rate of exchange applicable for the year. All monetary assets and liabilities are translated at the closing rate of exchanges on the Balance Sheet date. For all non-monetary assets and liabilities opening balances are brought forward from the last year Indian rupee value and addition, deletions and adjustments thereto during the financial year have been made using the average annual rate of exchange applicable for the year. The equity share capital is stated at the exchange rate at the date of investment. The exchange difference arising out of the year end translation is debited or credited to Foreign Currency Translation Reserve account and is being classified under Other Equity.

2.2 Use of estimates and judgment:

The preparation of the Consolidated financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key sources of estimation of uncertainty at the date of the Consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

2.3 Functional and Presentation Currency:

The financial statements are presented in Indian Rupees which is the functional currency of the company, and all values are rounded to the nearest thousands except otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

2.4 Classification of Assets and Liabilities into Current/Non-Current:

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013.

Operating cycle

Based on the nature of products and the time lag between the development of the products, providing of services, and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months as its normal operating cycle for the purpose of classification of its Assets and Liabilities into Current and Non-Current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle; or
- it is held primarily for the purpose of being traded; or
- it expects to realise the asset within twelve months after the reporting period; or• unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. Deferred tax assets are classified as non-current asset. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the company's normal operating cycle; or
- it is held primarily for the purpose of being traded; or
- the liability is due to be settled within twelve months after the reporting period; or
- the company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities. Deferred tax liabilities are classified as non-current liabilities. All other liabilities are classified as non-current.

2.5 Revenue Recognition:

The Group derives revenues from Software Products, Solutions & Services.

i. Revenues from software products, in the form of:

   a) Software licensing

   b) Subscription of software as a service

   c) Application maintenance service

ii. Revenue from Software services are mainly in the form of Implementation services/Professional services

   Revenue is recognized in the Consolidated statement of profit and loss upon transfer of control of promised products or services to customers at transaction price i.e. an amount that reflects the consideration which the Group expects to receive in exchange for those services or products and excluding taxes or duties. To recognize revenues, the Group applies the following five step approach:

   (1) identify contract(s) with a customer,

   (2) identify performance obligations in the contract,

   (3) determine the transaction price,

   (4) allocate the transaction price to the performance obligations in the contract, and

   (5) recognize revenues when a performance obligation is satisfied.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

At contract inception, the Group assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Group applies judgment to determine whether each product or service promised to a customer is capable of being distinct, and are distinct in the context of the contract, if not, the promised products or services are combined and accounted as a single performance obligation. The Group allocates the contract value to separately identifiable performance obligations based on their relative stand-alone selling price (mostly as reflected in the contracts) or residual method. Standalone selling prices are determined based on sale prices for the components when it is regularly sold separately. In cases where the Group is unable to determine the stand-alone selling price, the Group uses expected cost plus margin approach in estimating the stand-alone selling price. For performance obligations where control is transferred over time, revenues are recognized by measuring progress towards completion of the performance obligation. The selection of the method to measure progress towards completion requires judgment and is based on the nature of the promised products or services to be provided. The method for recognizing revenues depends on the nature of the products sold / services rendered.

A) Revenue from Software Products:

i. Software Licensing:

Software licensing revenues represent all fees earned from granting customers licenses to use the Group's software, through initial licensing and or through the purchase of additional modules. For software license arrangements that do not require significant modification or customization of the underlying software, revenue is recognized on delivery of the software and when the customer obtains a right to use such licenses.

ii. Subscription for Software as a Service:

Subscription fees for offering the hosted software as a service are recognized as revenue ratably on straight line basis, over the term of the subscription arrangement.

iii. Application Maintenance Services:

Fees for the application maintenance services, covering inter alia the support of the customized software, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

B) Revenue from Software Services:

i. Product Support Services:

Fees for product support services, covering inter alia improvement and upgradation of the basic Software, whether sold separately (e.g., renewal period AMC, GST and subscription services) or as an element of a multiple-element arrangement, are recognized as revenue ratably on straight line basis, over the term of the support arrangement.

ii. Implementation / Professional Services:

Software Implementation / Professional Services contracts are either fixed price or time and material based. Revenues from fixed price contracts, where the performance obligations are satisfied over time, are recognized using the "percentage of completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. The performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progresses. Where the Software is required to be substantially customized as part of the implementation service, the entire fee for licensing and implementation services is considered to be a single performance obligation and the revenue is recognized using the percentage of completion method as the implementation services are performed. Revenues from implementation services in respect of hosting contracts are to be recognized as revenue ratably over the longer of the contract term or the estimated expected life of the customer relationship.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates as a contract provision. In the case of time and material contracts, revenue is recognized based on billable time spent in the project, priced at the contractual rate. Any change in scope or price is considered as a contract modification. The Group accounts for modifications to existing contracts by assessing whether the services added 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

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

those that are distinct are accounted for prospectively as a separate contract if the additional services are priced at the standalone selling price.

Non-refundable one-time upfront fees for enablement / application installation, consisting of standardization set-up, initiation or activation or user login creation services in the case of hosting contracts, are recognized once the customer obtains a right to access and use the Software.

C) Contract assets, liabilities and financing arrangements:

A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets primarily relate to unbilled amounts on implementation / professional services contracts and are classified as non-financial asset as the contractual right to consideration is dependent on completion of contractual milestones (which we refer to as unbilled services revenue). Unbilled revenues on software licensing are classified as a financial asset where the right to consideration is unconditional upon passage of time (which we refer to as unbilled licenses revenue). The unbilled royalty revenue is also grouped here.

A contract liability is an entity's obligation to transfer software products or software services to a customer for which the entity has received consideration (or the amount is due) from the customer (which we refer to as unearned revenue). The Group assesses the timing of the transfer of software products or software services to the customer as compared to the timing of payments to determine whether a significant financing component exists. As a practical expedient, the Group does not assess the existence of a significant financing component when the difference between payment and transfer of deliverables is a year or less. If the difference in timing arises for reasons other than the provision of finance to either the customer or us, no financing component is deemed to exist.

2.6 Other Income:

i. Dividend income is recognized in the Statement of Profit and Loss on the date on which the Group's right to receive payment is established.

ii. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable

2.7 Employee Benefit expenses

a) Short term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and they are recognized as an expense at the undiscounted amount in the Consolidated Statement of Profit and Loss in the period in which the employee renders the related service on accrual basis.

b) Post-employment benefits

1. Defined Contribution Plan – Provident Fund

The defined contribution plan is post - employment benefit plan under which the Group contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Employee State Insurance Scheme, and Labour Welfare Fund. The Group's contribution to defined contribution plans are recognized in the Consolidated Statement of Profit and Loss in the period in which employee renders the related service.

2. Defined Benefit Plan – Gratuity

The obligation in respect of defined benefit plans, which covers Gratuity Plan, is provided for on the basis of an actuarial valuation at the end of each financial year. The employees are covered under the Company Gratuity Scheme of the Life Insurance Corporation of India.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Consolidated Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Consolidated Statement of profit and loss.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Defined benefit costs include service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements), net interest expense or income; and re-measurement. The service cost and net interest expense or income are presented in the Consolidated statement of profit and loss.

The liability for Gratuity is ascertained as at the end of the financial year, based on the actuarial valuation by an independent external actuary as at the reporting date using the "projected unit credit method"

The discounted rates used for determining the present value are based on the market yields on Government bonds as at the reporting date. Actuarial gains and losses are recognized in other comprehensive income, net of taxes, for the period in which they occur. Past service cost both vested and unvested is recognised as an expense at the earlier of (a) when the plan amendment or curtailment occurs; and (b) when the entity recognises related restructuring cost or termination benefits. The Group recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

3. Other Long Term Employee Benefit Obligations:

The employees are eligible for leave as per leave policy of the Group. The un-utilised leave can be carried forward and utilised during the course of employment. No encashment is allowed of unutilised leave. The obligation for the leave encashment is recognised based on an independent actuarial valuation at the reporting date. The expense is recognised in the Consolidated statement of profit and loss at the present value of the amount payable determined based on actuarial valuation using "projected unit credit method".

The obligation is measured at the present value of estimated future cash flows.

The rate used to discount defined benefit obligation is determined by reference to market yields at the reporting date on Indian Government Bonds for the estimated term of obligations.

2.8 Share based payment arrangements:

Stock options granted to employees of the Company and its subsidiaries under the stock option schemes approved by the shareholders of the Company on September 13, 2017 are accounted as per the treatment prescribed by the relevant Ind AS and as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments.

The fair value determined at the grant date of the equity-settled share-based payments, is charged to Consolidated Statement of Profit and Loss on the straight-line basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The employee stock option outstanding account is shown net of unamortised deferred employee compensation expenses.

The fair value of the option being stock option granted for purchase could be exchanged between knowledgeable, willing parties in an arm's length transaction is recognised as deferred employee compensation with a credit to share options outstanding account.

The fair value has been calculated using the Black Scholes Option Pricing model.

2.9 Property plant and Equipment

The expenditure incurred for acquisition or development of Property, Plant & Equipment is recognised as asset if, and only if when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property, Plant & Equipment are stated at cost less accumulated depreciation and accumulated impairment losses/allowances, if any.

The initial cost of Property, Plant & Equipment comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the Property, Plant & Equipment's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of item can be

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

measured reliably. The carrying amount of any component accounted for as separate asset is recognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

The carrying amount of an item of Property, Plant & Equipment is derecognised upon disposal or when no future economic benefit is expected to arise from its continued use. Any gain or loss arising on the de-recognition of an item of Property, Plant & Equipment is determined as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in Statement of Profit and Loss.

If significant parts of an item of Property, Plant & Equipment have different useful lives, then they are accounted for as separate items of Property, Plant & Equipment.

An item of Property, Plant & Equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of Property, Plant & Equipment, is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Consolidated Statement of Profit and Loss.

Depreciation method, Estimated useful lives and residual value

Depreciation on Property, Plant & Equipment is the systematic allocation of the depreciable amount over its estimated useful lives and is provided on a straight-line basis from the date the same are available for use. Useful life of Property, Plant & Equipment is in accordance with the useful lives prescribed in Schedule II of the Companies Act, 2013 (as amended).

Pursuant to the adoption of Ind AS, the Group has not revised its estimate useful life of property, plant & equipment and they continue to remain the same basis the table given below:

Asset Class	Useful Life (in years)
Laptops and Desktops	3
Servers and network	6
Office equipment	5
Furniture	10

The accounting policy followed by IRIS Business Services (Asia) Pte. Ltd. regarding depreciation rates in respect following fixed assets is in accordance with the Singapore Companies Act, 1967 / in accordance with the applicable laws of the host country.

Asset Class	Rate followed by Subsidiary	Rate followed by the holding Company
Furniture and Fixtures	33 % p.a.	10% p.a.
Office Equipment	33 % p.a.	20% p.a.

Considering the value of fixed assets held by IRIS Business Services (Asia) Pte. Ltd. and the depreciation thereon, the Group is of the view that there are no material differences to the overall consolidated financial statement due to this different depreciation policy followed by the subsidiary.

Depreciation on Property, Plant & Equipment acquired/ disposed-off during the year is provided on pro-rata basis with reference to the date of acquisition/disposal

Items of Property, Plant & Equipment having cost of ₹ 5,000 or less are depreciated fully in the year of purchase/capitalisation.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any change in estimate is accounted for on a prospective basis.

Intangible Assets

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to that asset will flow to the Group and the cost of the item can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Directly attributable costs, that are capitalised as part of the software development include employee costs and an appropriate portion of relevant overheads or expenses.

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Consolidated Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Intangible Assets under Development

Intangible assets under development are stated at cost less accumulated impairment losses, if any.

Expenses incurred on in-house development of courseware and products are shown as Intangible asset under development till the asset is ready to use. Their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Ind AS 38, “Intangible Assets”.

Amortisation

Amortization is recognised over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use, as under:

Asset Class	Useful Life
Software	5

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any change in estimate being accounted for on a prospective basis.

Software development costs

Research costs are expensed as incurred. Software development expenditures on product / platform are recognised as intangible assets when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses, if any. Amortization of these assets begins from the year, following the year in which such development costs are incurred. Amortization expense is recognised in the Consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset. Costs incurred in the development of the product, together with repository of new business components, upon completion of the development phase, have been classified and grouped as “Product software” under intangible assets. The costs which can be capitalized include direct labour, license costs and overhead costs that are directly attributable for the development of the intangible asset for its intended use.

Non-current Assets Classified as Held for Disposal

Assets which are available for immediate sale and its sale must be highly probable are classified as “Assets held for Disposal”. Such assets or group of assets are presented separately in the Balance Sheet, in the line “Assets held for Disposal”. Once classified as held for disposal, such assets are no longer amortized or depreciated. Such assets are stated at the lower of carrying amount and fair value less costs to sell

2.10 Leases

Company as a lessee

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

As a Lessee

The Group’s leased assets consist of leases for buildings and computers. At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(i) the contract involves the use of an identified asset

(ii) the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

(iii) the Group has the right to direct the use of the asset.

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

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

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

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

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Group has elected not to recognise right-to-use assets and lease liabilities for short-term lease that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an operating expense as per the terms of the lease.

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

2.11 Borrowing Costs:

Borrowing cost includes interest expense, amortisation of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, development or production of a qualifying asset are capitalised as part of cost of that asset, till such time the asset is ready for the intended use. All other borrowing costs are recognized as an expense in the period which are incurred and are charged to the Statement of Profit & Loss.

The exchange differences arising from the foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, are regrouped from foreign exchange differences to finance costs.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

2.12 Derivate Contracts and Accounting:

The Group enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. The Company does not hold financial instruments for speculative purpose.

Hedge Accounting –

- The Group designates certain hedging instruments in respect of foreign currency risk as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk
- The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognized immediately in the statement of profit and loss.
- Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a nonfinancial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.
- Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognized immediately in the statement of profit and loss.

2.13 Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprises of cash at banks and on hand and short term deposits with an original maturity of three months or less, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.14 Statement of Cash flow

Cash flows are presented using indirect method, whereby profit or loss after 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 and items of income or expenses associated with investing or financing cash flows. For the purpose of the Consolidated statement of cash flows, cash and cash equivalents consist of cash on Hand, cash at bank, and other short-term deposits net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management. The cash flows from operating, investing and financing activities of the Group are segregated.

2.15 Income Tax

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

i. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date in each of the applicable jurisdictions. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

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

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax liabilities are generally recognised for all taxable temporary differences. The Group recognises deferred tax assets only when it is probable that taxable profits will be available against which the deductible temporary differences can be utilised.

iii. Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Consolidated Statement of Profit and Loss and is considered as (MAT Credit Entitlement). The Group reviews the same at each reporting date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence, it is presented as Deferred Tax Asset.

2.16 GST Input Tax Credit

Goods and Service tax Input tax credit is accounted in the books in the period in which supply of goods or service received is accounted and when there is no uncertainty in availing/utilizing the credits. The Input tax Credit was claimed in respect of eligible expenses and shall be adjusted against the GST payable as per the provisions of the applicable GST Act. The unutilised input credit under the GST provisions as on the reporting date was disclosed as other current asset in the Balance Sheet.

2.17 Foreign Currency Transactions:

- Transactions denominated in foreign currencies are recognised at the exchange rates prevailing on the date of the transactions. As at reporting date, monetary assets and liabilities designated in foreign currency are translated at the closing exchange rate. Foreign currency non-monetary items measured at fair value on initial recognition are translated at the prevailing exchange rate as at the date of initial transactions Foreign currency nonmonetary items measured in terms of historical cost are not translated at the reporting date .
- Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets (tangible/intangible) under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and exchange differences on transactions entered into in order to hedge certain foreign currency risks. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.
- Foreign currency gain/loss are reported on a net basis

2.18 Provisions, Contingent Liabilities, Contingent Assets:

i. Provisions

A provision is recognized when the Group has a present obligation (Legal or Constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date, unless the effect of time value of money is material. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

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 disclosed as a contingent liability. Contingent liabilities are also 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 Group.

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realized. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Further, long term provisions are determined by discounting the expected future cash flow specific to the liability. The unwinding of the discount is recognised as a finance cost.

ii. Onerous Contracts:

A contract is considered as onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

iii. Contingent Liabilities and Assets:

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 disclosed as a contingent liability. The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are also 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 Group.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

A contingent asset is disclosed, where an inflow of economic benefits is probable. Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised

2.19 Earnings Per Share:

The Basic earnings per share is computed by dividing the net profit or loss (before other comprehensive income) for the year attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the year/ reporting period. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, amalgamations, bonus element in a rights issue, buyback, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the net profit attributable to the equity shareholders for the year, as adjusted for the effects of potential dilution of equity shares, by the weighted average number of equity shares and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

2.20 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

i. Initial Recognition

Financial assets and financial liabilities are initially measured at fair value except for trade results which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are adjusted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

ii. Classification and Subsequent Measurement :

- Financial Assets -

  The Group classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial assets

a. Amortised Cost

A financial asset shall be classified and measured at amortised cost (based on Effective Interest Rate method), if both of the following conditions are met:

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

Cash and bank balances, trade receivables, loans and other financial assets of the Group are covered under this category

b. Fair Value through Other Comprehensive Income

A financial asset shall be classified and measured at Fair Value Through Other Comprehensive Income, if both of the following conditions are met:

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

c. Fair Value through Profit or Loss

A financial asset shall be classified and measured at Fair Value Through Profit or Loss unless it is measured at amortised cost or at Fair Value Through Other Comprehensive Income.

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.

Equity Instruments:

Equity investments in Subsidiaries, Associates and Joint ventures are out of scope of Ind AS 109, "Financial Instruments" and hence, the Group has accounted for its investment in Subsidiaries, Associates and Joint Ventures at cost.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Impairment of non-financial assets (Property, Plant & Equipment/ Intangible assets)

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets to determine whether there is any indication that any assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Consolidated Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Consolidated Statement of Profit and Loss.

Impairment of financial assets

Financial assets, other than those at Fair Value Through Profit or Loss, are assessed for indicators of impairment at the end of each reporting period.

The Group assesses on a forward-looking basis the expected credit losses associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies 'simplified approach' as specified under Ind AS 109, "Financial Instruments", which requires expected lifetime losses to be recognized from initial recognition of the receivables. The application of simplified approach does not require the Group to track changes in credit risk. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience and is adjusted for forward looking estimates.

Derecognition of financial assets:

The Group 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 Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset (other than specific equity instrument classified as Fair Value Through Other Comprehensive Income) 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 Consolidated statement of profit or loss if such gain or loss would have otherwise been recognised in Consolidated statement of profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in Consolidated statement of profit or loss if such gain or loss would have otherwise been recognised in Consolidated statement of profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

- Financial Liabilities and Equity Instruments:

Classification as Debt or Equity:

Debt and equity instruments, issued by the Group, are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument prescribed under Indian Accounting Standards.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial liabilities are classified, at initial recognition as fair value through profit or loss:

- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, are recognised net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments

Subsequent Measurement:

The measurement of financial liabilities depends on their classification, as described below

Financial Liabilities at Fair Value Through Profit or Loss:

Financial liabilities at Fair Value Through Profit or Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at Fair Value Through Profit or Loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 "Financial Instruments". Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Consolidated Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at Fair Value Through Profit or Loss, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 "Financial Instruments" are satisfied.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Consolidated Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

Derecognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the Derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Consolidated Statement of Profit and Loss.

Offsetting

Financial assets and financial liabilities are offset and presented on net basis in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously and are not prohibited under any Ind AS or applicable law.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

2.21 Segment Reporting:

Based on Management approach, as defined in Ind AS 108 "Operating Segments", the "Chief Operating Decision Maker' (CODM) evaluates the operating segments. Operating segments are reported in a manner consistent with the internal reporting provided to CODM. Operating Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system. Geographical segment is identified based on geography in which major products of the Group are sold or services are provided.

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Revenue and expenses have been identified to the segments based on their relationship to the operating activities of the segment. Unallocated Corporate Items include general corporate income and expenses which are not attributable to segments

2.22 Cash Dividend to Equity Holders of the Company :

The Group recognizes a liability to make cash distributions to equity holders of the Group when the distribution is authorized and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.23 Critical Accounting Judgements and Key Sources of Estimation Uncertainty:

The preparation of the Consolidated financial statements requires the management to make judgements, estimates and assumptions in the application of accounting policies and that have the most significant effect on reported amounts of assets, liabilities, incomes and expenses, and accompanying disclosures, and the disclosure of contingent liabilities. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Key estimates, assumptions and judgements

The key assumptions concerning the future and other major sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Useful Life & Residual of Property, Plant and Equipment (PPE) and Intangible Assets

Property, Plant and Equipment/ Other Intangible Assets are depreciated/amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Group's historical experience with similar assets and taking into account anticipated technological changes or commercial obsolescence. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation/amortisation to be recorded during any reporting period. Depreciation/amortisation for future periods is revised, if there are significant changes from previous estimates and accordingly, the unamortised/depreciable amount is charged over the remaining useful life of the assets

Recognition & Measurement of Current taxes and Deferred Taxes

i. Measurement of income taxes for the current period are done based on applicable tax laws and management's judgment by evaluating positions taken in tax returns, interpretations of relevant provisions of law, and based on the admissibility of various expense while determining the provisions for income tax.

ii. Significant management judgment is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained / recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Recognition and Measurement of Contingent liabilities

Management judgment is exercised for estimating the possible outflow of resources, if any, in respect of contingencies / claims / litigations against the Group as it is not possible to predict the outcome of pending matters with accuracy.

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances to reflect the current tax estimate.

Impairment of financial assets

The impairment of financial assets including allowance for expected credit loss is done based on assumptions about risk of default and expected cash loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgment considering the past history, market conditions and forward-looking estimates at the end of each reporting date.

Impairment of Investments in Subsidiaries / Associate

The Group assesses investments in subsidiaries for impairment whenever events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the Group estimates the recoverable amount of the investment in subsidiary. If the recoverable amount of the investment is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Consolidated statement of profit and loss.The recoverable amount is based on management judgement considering realizable value, future cashflows, discount rates and the risks specific to the asset.

Measurement of Defined Employee Benefit plans and other long term benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rate are reasonable. Due to the complexities involved in the valuation and considering it's long term nature, this obligation is highly sensitive to changes in these assumptions.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is exercised in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Share based payments

The Group initially measures the equity settled transactions with employees using fair value model. This requires determination of most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including volatility and dividend yield and making assumptions about them.

Revenue recognition

The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group applies the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts, which are performed over a period of time. The Group exercises judgment to estimate the future cost-to-completion of the contracts which is used to determine the degree of completion of the performance obligation. The Company's contracts with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgment to determine the deliverables and the ability of the customer to benefit independently from such deliverables. Judgment is also required to determine the transaction price for the contract. The Group uses judgment to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Provision for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 "Leases". Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Group determines the lease term as the noncancellable term of a lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customization to the leased asset). The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment or which requires estimation when no observable rates are available. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 3a : Property, Plant and Equipment

(Amount in Thousands - ₹)

Particulars	Owned Assets			
	Plant and Equipment (Computer Equipments)	Furniture and Fixtures	Office Equipment	Total
Gross Carrying Value				
As at April 1, 2022	66,493	3,750	5,084	75,327
Additions	7,669	-	1,296	8,965
Disposals / Adjustments	(32,516)	(389)	(704)	(33,609)
As at March 31, 2023	**41,646**	**3,361**	**5,676**	**50,683**
Accumulated Depreciation				
As at April 1, 2022	58,672	3,611	5,079	67,362
Depreciation for the year	4,734	139	31	4,904
Disposals	(32,516)	(389)	(345)	(33,250)
As at March 31, 2023	**30,890**	**3,361**	**4,765**	**39,016**
Net Carrying Value As at March 31, 2023	**10,756**	**-**	**911**	**11,667**
Gross Carrying Value				
As at April 01, 2021	58,869	3,931	5,084	67,884
Additions	7,682	-	-	7,682
Disposals / Adjustments	(58)	(181)	-	(239)
As at March 31, 2022	**66,493**	**3,750**	**5,084**	**75,327**
Accumulated Depreciation				
As at April 01, 2021	56,222	3,658	5,077	64,957
Depreciation for the year	2,480	134	2	2,616
Disposals / Adjustments	(30)	(181)	-	(211)
As at March 31, 2022	**58,672**	**3,611**	**5,079**	**67,362**
Net Carrying Value As at March 31, 2022	**7,821**	**139**	**5**	**7,965**

(i) There are no restriction on the use of the above mentioned assets and none of these assets are pledged as security

Note 3b : Right-of-Use-Assets

(Amount in Thousands - ₹)

Particulars	Building #	Laptops	Office	Total
Gross Carrying Value				
As at April 1, 2022	1,07,094	2,377	-	1,09,471
Additions	-	-	2,346	2,346
Disposals / Adjustments	-	-	-	-
As at March 31, 2023	**1,07,094**	**2,377**	**2,346**	**1,11,817**
Accumulated Depreciation				
As at April 1, 2022	18,436	1,058	-	19,494
Additions	1,947	792	456	3,195
Disposals	-	-	-	-
As at March 31, 2023	**20,383**	**1,850**	**456**	**22,689**
Net Carrying Value As at March 31, 2023	**86,711**	**527**	**1,890**	**89,128**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 3b : Right-of-Use-Assets

(Amount in Thousands - ₹)

Particulars	Building #	Laptops	Office	Total
Gross Carrying Value				
As at April 1, 2022	1,07,094	2,377	-	1,09,471
Additions	-	-	-	-
Disposals / Adjustments	-	-	-	-
As at March 31, 2022	**1,07,094**	**2,377**	-	**1,09,471**
Accumulated Depreciation				
As at April 1, 2022	16,489	265	-	16,754
Additions	1,947	793	-	2,740
Disposals	-	-	-	-
As at March 31, 2022	**18,436**	**1,058**	-	**19,494**
Net Carrying Value As at March 31, 2022	**88,658**	**1,319**	-	**89,977**

Net block for building amounting to ₹ 86,711 Thousand (Previous Year : ₹ 88,658 Thousand) are pledged as security against the secured borrowing

Note 4a : Other Intangible Assets

(Amount in Thousands - ₹)

Particulars	Database	URL's	Computer Software	In-House Software	Total
Gross Carrying Value					
As at April 01, 2022	600	500	15,288	4,69,157	4,85,545
Additions	-	-	-	3,517	3,517
Disposals	-	-	-	-	-
As at March 31, 2023	**600**	**500**	**15,288**	**4,72,674**	**4,89,062**
Accumulated Amortisation					
As at April 01, 2022	600	500	15,135	3,95,473	4,11,708
Amortisation for the year	-	-	92	38,867	38,959
Disposals					-
As at March 31, 2023	**600**	**500**	**15,227**	**4,34,340**	**4,50,667**
Net Carrying Value As at March 31, 2023	**-**	**-**	**61**	**38,334**	**38,395**
Gross Carrying Value					
As at April 01, 2021	600	500	15,288	4,69,157	4,85,545
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,288**	**4,69,157**	**4,85,545**
Accumulated Amortisation					
As at April 01, 2021	600	500	14,889	3,48,760	3,64,749
Amortisation for the year	-	-	246	46,713	46,959
Disposals	-	-	-	-	-
As at March 31, 2022	**600**	**500**	**15,135**	**3,95,473**	**4,11,708**
Net Carrying Value As at March 31, 2022	**-**	**-**	**153**	**73,684**	**73,837**

Note: There are no restrictions on the use of above mentioned assets

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 4b : Intangible Assets under Development

(Amount in Thousands - ₹)

Particulars	In-House Software	Total
As at April 01, 2022	3,865	3,865
Additions	12,239	12,239
Disposals	-	-
Net Carrying Value As at March 31, 2023	**16,104**	**16,104**
As at April 01, 2021	-	-
Additions	3,865	3,865
Disposals	-	-
Net Carrying Value As at March 31, 2022	**3,865**	**3,865**

Intangible assets under development ageing schedule:

A: For intangible assets which are under development

Intangible assets under development as on March 31, 2023

(Amount in Thousands - ₹)

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products					
IRIS Noah	4,179	2,335	-	-	6,514
IRIS Bushchat	2,454	1,530	-	-	3,984
IRIS GSTN IRP	5,606	-	-	-	5,606
Projects temporarily suspended	-	-	-	-	-
Total	**12,239**	**3,865**	**-**	**-**	**16,104**

Intangible assets under development as on March 31, 2022

(Amount in Thousands - ₹)

Particulars	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress - Software Products					
IRIS Noah	2,335	-	-	-	2,335
IRIS Bushchat	1,530	-	-	-	1,530
Projects temporarily suspended	-	-	-	-	-
Total	**3,865**	**-**	**-**	**-**	**3,865**

B: Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan : NIL

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 5 : Other Financial Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non-Current Other Financial Assets (Carried at amortized cost)		
(a) Security Deposits	377	4,373
(b) Bank Deposits with more than 12 months maturity	443	2,437
(c) Rental Deposits	172	-
Total Non-Current Other Financial Assets	**992**	**6,810**
(2) Current Other Financial Assets		
(a) Rental Deposits	451	160
(b) Contract Assets	19,706	17,644
Less: Allowance for Contract Assets	(1,773)	-
(c) Deferred Expenses	-	3,424
(d) Interest Accrued but not due	583	661
(e) Foreign currency forward and options contracts	-	711
(f) Others	326	809
Total Current Other Financial Assets	**19,293**	**23,409**
Contract Assets includes		
Contract Assets - other than related parties	17,933	17,075
Contract Assets - related parties	1,773	569

Contract Assets Ageing schedule:

For the period ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Contract Assets - considered good	18,529	1,177	-	-	-	19,706
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**18,529**	**1,177**	**-**	**-**	**-**	**19,706**
Less: Allowance for Contract Assets	(596)	(1,177)	-	-	-	(1,773)
Total	**17,933**	**-**	**-**	**-**	**-**	**17,933**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

For the period ended March 31, 2022 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Contract Assets - considered good	17,477	-	167	-	-	17,644
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**17,477**	**-**	**167**	**-**	**-**	**17,644**
Less: Allowance for Contract Assets	-	-	-	-	-	-
Total	**17,477**	**-**	**167**	**-**	**-**	**17,644**

Note 6 : Trade Receivables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Current Trade Receivables		
(a) Trade Receivables considered good - Secured;	-	-
(b) Trade Receivables considered good - Unsecured;	2,51,095	1,58,346
(c) Trade Receivables which have significant increase in Credit Risk; and	-	-
(d) Trade Receivables - Credit Impaired	-	-
	2,51,095	1,58,346
Less: Allowance for Bad and Doubtful Trade Receivables	(2,734)	(1,873)
Total Trade Receivables	**2,48,361**	**1,56,473**
Trade receivables includes		
Trade receivables - other than related parties	2,49,268	1,55,996
Trade receivables - related parties	1,827	2,350

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Trade Receivables Ageing schedule:

For the year ended March 31, 2023 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,50,984	68,083	24,013	6,627	159	1,229	2,51,095
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Sub Total	**1,50,984**	**68,083**	**24,013**	**6,627**	**159**	**1,229**	**2,51,095**
Less: Allowance for Bad and Doubtful Trade Receivables	-	(214)	(866)	(401)	(24)	(1,229)	(2,734)
Total	**1,50,984**	**67,869**	**23,147**	**6,226**	**135**	**-**	**2,48,361**

For the year ended March 31, 2022 (Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,00,762	51,076	3,368	1,900	14	1,226	1,58,346
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Sub Total	**1,00,762**	**51,076**	**3,368**	**1,900**	**14**	**1,226**	**1,58,346**
Less: Allowance for Bad and Doubtful Trade Receivables	-	(198)	(200)	(257)	(7)	(1,211)	(1,873)
Total	**1,00,762**	**50,878**	**3,168**	**1,643**	**7**	**15**	**1,56,473**

(i) Working Capital Borrowings are secured by hypothecation of Book debts of the Company.

(ii) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Refer Note 26 for trade or other receivable due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 7 : Cash and Cash Equivalents

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Balances with banks		
a) in current accounts	36,490	21,675
b) in deposit accounts with original maturity of 3 months or less	31,458	25,249
(2) Cash in Hand	22	23
Total Cash and Cash Equivalents	**67,970**	**46,947**

There are no restrictions with regard to cash and cash equivalents as at the end of the current and previous reporting periods.

Note 8 : Bank Balances other than Cash and Cash Equivalents above

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Balances with banks		
a) in deposit accounts due for maturity within 12 months of the reporting date	24,632	27,436
Total Bank Balances other than Cash and Cash Equivalents above	**24,632**	**27,436**

The above cash and cash equivalents are neither earnmarked for any purpose nor held as security against borrowings, guarantee, or other commitment.

Note 9 : Loans (Carried at amortized cost)

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Non-Current Loans**	-	-
(2) **Current Loans**		
(a) Other Loans - Loans to Employees		
(i) Loans to Employees considered good - Unsecured;	128	287
Less: Allowance for Bad and Doubtful Loans to Employees	-	-
Total Current Loans	**128**	**287**

Note:

(i) No loans and advances are in nature of loan are granted to Promotors/ Directors/ Key Managerial Personnel and related parties.

(ii) There are no loans and advances in the nature of loans given to subsidiaries and hence no disclosure is provided under Regulation 34(3) and 53(f) of SEBI Listing Obligation and Disclosure Requirements 2015 and Section 186 of the Companies Act 2013

Note 10 : Other Assets

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Other Non-Current Assets**	-	-
(2) **Other Current Assets**		
(a) Advance other than Capital Advance		
(i) Advance to Employees	735	2,353
(ii) Advance to Supplier	1,753	-
(b) Others		
(i) Prepaid Expenses	5,706	5,292
(ii) Contract Asset	1,45,854	1,32,424
Less: Allowance for Contract Assets	(2,049)	(584)
(iii) Withholding Taxes and Others	2,499	1,827
Total Other Current Assets	**1,54,498**	**1,41,312**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Contract Assets Ageing schedule:

For the period ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Contract Assets - considered good	45,081	32,466	68,307	-	-	1,45,854
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**45,081**	**32,466**	**68,307**	**-**	**-**	**1,45,854**
Less: Allowance for Contract Assets	-	-	(2,049)	-	-	(2,049)
Total	**45,081**	**32,466**	**66,258**	**-**	**-**	**1,43,805**

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Contract Assets - considered good	76,788	36,172	19,464	-	-	1,32,424
(ii) Undisputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Contract Assets - credit impaired	-	-	-	-	-	-
(iv) Disputed Contract Assets - considered good	-	-	-	-	-	-
(v) Disputed Contract Assets - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Contract Assets - credit impaired	-	-	-	-	-	-
Sub Total	**76,788**	**36,172**	**19,464**	**-**	**-**	**1,32,424**
Less: Allowance for Contract Assets	-	-	(584)	-		(584)
Total	**76,788**	**36,172**	**18,880**	**-**	**-**	**1,31,840**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 11a : Equity Share Capital

(Amount in Thousands - ₹)

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Authorised Share Capital				
Equity shares of ₹ 10 par value	25,000	2,50,000	25,000	2,50,000
Total	**25,000**	**2,50,000**	**25,000**	**2,50,000**
Issued, Subscribed and paid-up capital				
Equity shares of ₹ 10 par value fully paid-up	19,361	1,93,612	19,218	1,92,182
Total	**19,361**	**1,93,612**	**19,218**	**1,92,182**

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

(Amount in Thousands - ₹)

Particulars	March 31, 2023		March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year	19,218	1,92,182	18,923	1,89,232
Add: Equity shares issued during the year	143	1,430	295	2,950
Less: Equity shares cancelled during the year	-	-	-	-
Equity Shares outstanding at the end of the year	**19,361**	**1,93,612**	**19,218**	**1,92,182**

Terms / rights attached to class of shares

The Group has only one class of share referred to as Equity Shares having a par value of ₹10 each. The holders of Equity Shares are entitled to one vote per share. In the event of liquidation of the company, the equity shareholders will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The company does not have a Holding Company

As per records of the Company, including its register of shareholder/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares

For the period of five years immediately preceding the date at which the Balance Sheet is prepared there are no shares allotted as fully paid up pursuant to contract without payment being received in cash; no shares have been allotted as fully paid up by way of bonus shares; and there are no shares bought back

Details of promotors and shareholders holding more than 5% of the total equity shares of the Company

(Amount in Thousands - ₹)

Promoter name	Shares held by promoters at the end of the year		% change during the year
	No. of shares	% of total shares	
Mr Swaminathan Subramaniam	4,572	23.62%	-0.17%
Mr Balachandran Krishnan	1,104	5.70%	-0.04%
Ms Deepta Rangarajan	1,446	7.47%	-0.06%
Total	**7,122**	**36.79%**	

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 11b : Other Equity

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Retained Earnings	14,520	(28,256)
Securities Premium	1,24,936	1,20,768
General Reserve	475	475
Share based payment Reserve	4,371	1,111
Other Comprehensive Income	(17,941)	(12,488)
Cash Flow Hedge	(2,889)	711
Foreign Curreny Translation Reserve - FCTR	(1,670)	(1,884)
Total other equity	**1,21,802**	**80,437**

Nature and purpose of other reserves:

Retained earnings

Retained earnings represent the accumulated earnings/(losses) that the Group has till date

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	(28,256)	(38,236)
Net Profit / (Loss) for the year	42,720	9,980
Transfer from Cancellation of Stock option	56	-
Closing balance	**14,520**	**(28,256)**

Nature and purpose of other reserves:

Represents the portion of the net income / (loss) of the Group.

Securities Premium

Securities premium represents share issued at premium less share issue expenses. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1,20,768	1,12,133
Add: Premium on equity shares issued under ESOP	4,168	8,635
Closing balance	**1,24,936**	**1,20,768**

Nature and purpose of other reserves:

Represents excess of share application money received over par value of shares and includes employee stock compensation costs accrued.

Share options outstanding account

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	1,111	3,252
Share-based payments	4,339	4
Employee stock options exercised / Cancelled during the year	(1,079)	(2,145)
Closing balance	**4,371**	**1,111**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Nature and purpose of other reserves:

The share options outstanding account is used to recognize the grant date fair value of options issued to employees under various employees stock option schemes of the Company.

Other comprehensive income

This represents items of income and expense that are not recognised in profit and loss but are shown in the statement of profit and loss as "Other comprehensive income". This comprises actuarial gain / loss on remeasurement of defined benefit plans and the income tax effect thereon.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	(13,661)	(6,601)
Remeasurements of defined benefit liability/ (asset)	(5,453)	(7,520)
Cash Flow Hedge	(3,600)	711
FCTR	214	(251)
Closing balance	**(22,500)**	**(13,661)**

Nature and purpose of other reserves:

Effective portion of cash flow hedge

The cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to Statement of Profit and Loss in the period in which the hedged transaction occurs.

Remeasurements of post-employment benefit obligations

Remeasurements of post-employment benefit obligations comprises of actuarial gains and losses on calculation of defined benefit obligations and differences between the fair value of plan assets, return on plan assets and actual interest income on plan assets. These remeasurements are recognised in other comprehensive income and will not be reclassified to Statement of Profit and Loss.

Note 12 : Borrowings

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) **Non-Current Borrowings**	-	-
(2) **Current Borrowings**		
(a) Cash Credit from Bank	54,558	64,857
Total Current Borrowings	**54,558**	**64,857**

Cash Credit, Secured

ICICI Bank Limited

1. Security details

a. Exclusive charge by way of equitable mortgage on the property T-231, 3rd Floor, Tower No. 2, International Infotech Park, Vashi, Navi Mumbai - 400 703.

b. Exclusive charge by way of hypothecation of the company's book debts

c. Unconditional and irrevocable Personal guarantees of the Promoters

d. Pledge of shares by Promoters to the extent of 30% of the Equity of the Directors

2. Interest rate

The rate of interest of the Facility shall be the sum of the Repo Rate *+ "Spread" per annum, plus applicable statutory levy, if any ("Interest Rate"). Spread during the year has been in the range of 4.0% to 2.6%.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

*"Repo Rate" or "Policy Repo Rate" means the rate of interest published by the Reserve Bank of India ("RBI") on the RBI website from time to time as Repo Rate or Policy Repo Rate. The Repo Rate component of the Interest Rate resets after every 3 months following the date of limit set-up /renewal (as applicable).

Note 13 : Lease Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non-Current Lease Liabilities	-	-
(a) Lease Liabilities	1,235	510
Total Current Lease Liabilities	**1,235**	**510**
(2) Current Lease Liabilities		
(a) Lease Liabilities	1,300	855
Total Current Lease Liabilities	**1,300**	**855**

Movement in lease liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Lease liability in the beginning of the year	**1,365**	**2,096**
Addition	2,346	-
Disposal	-	-
Interest expense	93	159
Lease payment	(1,269)	(890)
Lease liability at the end of the year	**2,535**	**1,365**

The weighted average incremental borrowing rate applied to lease liabilities as at incremental borrowing rate is between the range of 8% to 9% for a period varying from 2 to 4 years

Maturity analysis of lease liability

Maturity analysis- Contractual undiscounted cash flow

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	1,467	890
One to three years	1,218	592

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 14 : Provisions

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non-Current Provisions		
(a) Provision for Employee Benefits		
(i) Gratuity (refer note no. 21 a)	46,632	40,219
(ii) Leave Encashment (refer note no. 21 b)	9,145	7,390
(iii) Incentives	-	-
Total Non-Current Provisions	**55,777**	**47,609**
(2) Current Provisions		
(a) Provision for Employee Benefits		
(i) Gratuity (refer note no. 21 a)	9,888	6,880
(ii) Leave Encashment (refer note no. 21 b)	2,894	2,744
(iii) Incentives	6,958	9,290
(b) Other Provisions		
(i) Provision for Warranty	481	481
(ii) Other Provisions	-	-
Total Current Provisions	**20,221**	**19,395**

Movement of Provision for warranty

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Opening Balance	481	481
Additions during the year	-	-
Derecognition during the year	-	-
Closing Balance	481	481

Note 15 : Deferred Tax Liabilities (Net)

(a) Deferred tax (asset) / liability

(Amount in Thousands - ₹)

Nature of (asset) / liability	Balance Sheet at		Statement of profit and loss & OCI	
Particulars	**March 31, 2023**	**March 31, 2022**	**March 31, 2023**	**March 31, 2022**
Tax impact on difference between book depreciation / amortization and depreciation under the Income Tax Act,1961	20,754	22,660	166	61
Tax impact on unutilized carry forward losses	(13,382)	(4,336)	-	-
Tax effect of provision for gratuity & compensated absences	(14,881)	(14,881)	-	-
Tax effect of provision for bad and doubtful debts / advances	(711)	(487)	-	-
Tax impact on remeasurement gains and (losses) on defined benefit obligations (net)		-	-	-
Tax impact on all other items	(5,538)	(2,895)	-	-
Deferred tax (asset) / liability (net)	**(13,758)**	**61**		
Deferred tax (income) / expense (net)			**166**	**61**
Amount recognised	**227**			

Note : Deferred Tax Asset as on March 31, 2023 for parent entity is ₹ 1.39 Cr . The Impact of same is not taken in the books on conservative basis. Deferred Tax Liabilty for Logix as on March 31, 2023 is ₹ 2.27 Lakhs . Impact of Same is taken in the books.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(b) Reconciliation of deferred tax (asset) / liability (including MAT credit)

(Amount in Thousands - ₹)

Particulars	March 31, 2023	March 31, 2022
i) Deferred tax (asset) / liability		
Opening balance	61	-
Deferred tax (income) / expense during the year recognized in Statement of Profit and Loss	166	61
Deferred tax (income) / expense during the year recognized in OCI		
Closing balance	**227**	**61**

(c) Components of tax expenses

(Amount in Thousands - ₹)

Particulars	March 31, 2023	March 31, 2022
i) Statement of profit and loss		
Current tax		
Current Income Tax charge (including MAT)	9,004	1,150
Tax Expense for earlier year	(3)	5,000
Total Tax (income) / expenses reported in statement of profit and loss	**9,001**	**6,150**
Deferred tax		
Relating to the origination and reversal of temporary differences	166	61
Total Tax (income) / expenses reported in statement of profit and loss	**166**	**61**
ii) Other comprehensive income (OCI)		
Tax impact on remeasurement gains / (losses) on defined benefit obligations (net)	(1153)	(2462)
Total tax (income) / expense (net)	**(1153)**	**(2462)**
iii) Total tax (income) / expense reported in the total comprehensive income	**8,013**	**3,569**

(d) A reconciliation of the tax provision to the amount computed by applying the statutory Income tax rate to the income before taxes is summarised below:

(Amount in Thousands - ₹)

Particulars	March 31, 2023	March 31, 2022
Accounting profit before tax	52,018	16,262
Less: Adjustment from carry forward losses	45,595	12,857
Corporate tax rate %	28	28
Computed tax expense	1,787	947
Increase / (reduction) in taxes on account of:		
MAT on above mentioned accounting profit before tax	9,004	1,150
Tax adjustments of earlier years	(3)	5,000
Non-dedcutible expenses	(1,787)	(947)
Additional allowances / deductions for tax purposes		
Current tax recognition	**9,001**	**6,150**
Deferred tax income / (expense) recognition during the year	166	61
Tax (income) / expense reported in the statement of profit and loss	**9,166**	**6,211**
Tax (income) / expense reported in the other comprehensive income	**(1,153)**	**(2,462)**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 16 : Trade Payables

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non-Current Trade Payables		
(2) Current Trade Payables		
(a) Total outstanding dues of micro and small enterprises	3,260	3,733
(b) Total outstanding dues of creditors other than micro and small enterprises	8,141	16,387
Trade payables - related parties		-
Trade payables - others		
Total Current Trade Payables	**11,401**	**20,120**

For the period ended March 31, 2023

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,260	-	-	-	-	-	3,260
(ii) Others	7,005	539	-	511	-	86	8,141
(iii) Disputed dues - MSME							-
(iv) Disputed dues - Others							-
Total	**10,265**	**539**	**-**	**511**	**-**	**86**	**11,401**

For the period ended March 31, 2022

(Amount in Thousands - ₹)

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	3,318	342	20	53			3,733
(ii) Others	4,724	11,477		48	58	80	16,387
(iii) Disputed dues - MSME							
(iv) Disputed dues - Others							
Total	**8,042**	**11,819**	**20**	**101**	**58**	**80**	**20,120**

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Group has amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act) as at March 31, 2023 and March 31, 2022. The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the micro and small enterprises should mention in their correspondence with its customers the entrepreneur's memorandum number as allocated after filing of the memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at March 31, 2023 has been made in the financial statements based on the information received and available with the Group.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 17 : Other Financial Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non Current Other Financial Liabilities	-	-
(2) Current Other Financial Liabilities		
(a) Current Maturities of Long-Term Debt	-	-
(b) Interest Accrued on Term Loan	763	-
(c) Others		
(i) Accrued Compensation to Employees	55,450	39,237
(ii) Accrued Expenses	61,147	37,372
(iii) Foreign Currency Forward and Options Contracts	2,948	-
(iv) Other Payables	372	664
Total Current Other Financial Liabilities	**1,20,680**	**77,273**

Note 18 : Liabilities

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
(1) Non Current Other Liabilities		
(2) Current Other Liabilities		
(a) Unearned and Deferred Revenue	1,02,847	85,867
(b) Others Payables		
(i) Statutory Dues Payables	14,969	12,678
(ii) Contribution to PF / ESIC / MLWF / PT Payable	1,342	1,132
(iii) Advance from Customers	93	-
Total Current Other Liabilities	**1,19,251**	**99,677**

Note 19 : Revenue from Operations

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of Products	3,16,476	2,50,964
Sale of Services	4,19,236	3,61,759
Total Revenue from Operations	**7,35,712**	**6,12,723**
Revenue by Division		
Revenue from Collect Division	2,68,833	2,31,092
Revenue from Create Division	4,32,037	3,50,840
Revenue from Consume Division	34,842	30,791
Total	**7,35,712**	**6,12,723**
Revenue Geography-wise		
Asia Pacific	82,578	40,048
India	2,77,602	2,74,923
Europe & UK	1,48,398	1,19,397
Middle East	78,512	57,633
Africa	96,314	87,287
America	52,308	33,435
Total	**7,35,712**	**6,12,723**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

The Company has presented contract assets as "unbilled revenues" in other current assets and contract liabilities as "unearned revenues" in other current liabilities in the balance sheet. Contract assets that are no longer contingent, except for the passage of time, are shown under financial assets.

(Amount in Thousands - ₹)

Particular	March 31, 2023		March 31, 2022	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Opening balance	1,50,069	85,867	88,968	61,834
Revenue recognised during the year	1,56,463	1,82,063	1,32,175	1,31,864
Invoices raised during the year	1,40,972	1,99,043	71,074	1,55,897
Balances at the end of the year	1,65,560	1,02,847	1,50,069	85,867

Note 20 : Other Income

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Income	3,525	4,552
Exchange Gain	8,005	2,735
Other Non-Operating Income	1,792	158
Total Other Income	**13,322**	**7,445**

Note 21 : Employee Benefits Expense

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and Wages	3,79,734	3,29,452
Contribution to Provident and Other Funds	6,776	6,078
Compensated absences (refer note no. 21b)	1,906	195
Gratuity and other retiral benefits (refer note no. 21a)	9,736	8,359
Share Based Payment to Employees (refer note no. 31)	4,339	4
Staff Welfare Expenses	5,475	3,603
Total Employee Benefits Expense	**4,07,966**	**3,47,691**

Note 21a: Defined benefit plan - Gratuity (unfunded)

Gratuity is classified as Defined Benefit plan as Group's obligation is to provide agreed benefits, subject to minimum benefits as subscribed by the Payment of Gratuity Act, to plan members. Actuarial & Investment risks are borne by the Group. Actuarial & Investment risks are borne by the Group.

The gratuity plan entitles an employee, who has rendered at least five years of continuous services, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

The defined benefit plan comprises of gratuity which is unfunded. Acturial gains and losses are recognised in the Other Comprehensive Income (OCI).

The following table summarises the components of net benefit expense recognised in the Statement of Profit and Loss and the position of assets and obligations relating to the plan.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14		
Present Value of Defined Benefit Obligation	72,644	60,186
Fair value of Plan Assets	16,124	13,087
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14	**56,520**	**47,099**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(Amount in Thousands - ₹)

Change in Defined Benefit Obligation during the Period	As at March 31, 2023	As at March 31, 2022
Balance Sheet (Asset)/Liability, Beginning of Period	47,099	35,284
Total Charge/(Credit) Recognised in Profit and Loss	9,736	8,359
Total Remeasurements Recognised in OC (Income)/Loss	6,546	10,163
Actual Employer Contributions/Benefit Directly paid by the Company	(6,861)	(6,707)
Defined Benefit Obligation, End of Period	**56,520**	**47,099**

Amounts in Statement of Profit & Loss

(Amount in Thousands - ₹)

Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	As at March 31, 2023	As at March 31, 2022
Service cost	6,416	5,853
Net interest cost	3,320	2,506
Past service cost	-	-
Administration expenses	-	-
(Gain)/loss due to settlements/curtailments/divestitures	-	-
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**9,736**	**8,360**

Amounts in the Balance Sheet

(Amount in Thousands - ₹)

Current/Non Current Bifurcation	As at March 31, 2023	As at March 31, 2022
Current Benefit Obligation	12,709	8,791
Non - Current Benefit Obligation	59,935	51,395
Gross (Asset)/Liability recognised in the Balance sheet	**72,644**	**60,186**
Actual Return on Plan Assets		
Interest income on plan assets	946	567
Remeasurements on plan assets	(627)	-
Actual Return on Plan Assets	**319**	**567**

The Group provides the gratuity benefit through annual contributions to a fund managed by approved trust. Under this plan, the settlement obligation remains with the Group, although the trust administers the plan and determines the contribution required to be paid by the Group. The trust has invested the plan assets in the Insurer managed funds. The Trust has taken a Policy from the Life Insurance Corporation of India (LIC) and the management of the fund is undertaken by the LIC. The expected rate of return on plan assets is based on the expectation of the average long-term rate of return expected on investments of the funds during the estimated term of the obligation.

Category of Assets

Insurer Managed Funds & T-Bills

(Amount in Thousands - ₹)

The principal assumptions used in determining the gratuity benefit are shown below:	As at March 31, 2023	As at March 31, 2022
Salary escalation rate	10%	9%
Discount rate	7.30%	7.23%
Expected rate of return on assets	7.30%	7.23%

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Sensitivity Analysis

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

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation - Discount Rate + 100 basis points	(3,646)	(3,077)
Defined Benefit Obligation - Discount Rate - 100 basis points	4,055	3,427
Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	2,794	2,542
Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(2,775)	(2,488)

Note 21b: Defined benefit plan - Compensated absences

Compensated absences as at the Balance Sheet date, determined on the basis of actuarial valuation based on the "projected unit credit method" is as below

The Group provides for expenses towards compensated absences (leave encashment) provided to its employees. The expenses are recognized in the statement of profit and loss account and the liabilities are recognized at the present value of the amount payable determined based on an independent external actuarial valuation made as at each Balance Sheet date, using Projected Unit Credit method.

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14		
Defined Benefit Obligation	12,039	10,134
Present Value of Unfunded Defined Benefit Obligation	-	-
Fair value of Plan Assets	-	-
Net Defined Benefit (Asset)/Liability recognised in the Balance Sheet under Note 14	**12,039**	**10,134**

(Amount in Thousands - ₹)

Change in Defined Benefit Obligation during the Period	As at March 31, 2023	As at March 31, 2022
Defined Benefit Obligation, Beginning of Period	10,134	9,939
Net Current Service Cost	1,303	1,279
Interest Cost on DBO	681	653
Actuarial (Gains)/Losses	(79)	(1,737)
Defined Benefit Obligation, End of Period	**12,039**	**10,134**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Amounts in Statement of Profit & Loss (Amount in Thousands - ₹)

Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	As at March 31, 2023	As at March 31, 2022
Service cost	1,304	1,279
Net interest cost	681	653
Past service cost	-	-
Remeasurements	(79)	(1,737)
(Gain)/loss due to settlements/curtailments/diversitures		
Total Defined Benefit Cost/(Income) included in Statement of Profit & Loss	**1,906**	**195**
Amounts in the Balance Sheet		
Current/Non Current Bifurcation		
Current Benefit Obligation	2,894	2,744
Non - Current Benefit Obligation	9,145	7,390
Gross (Asset)/Liability recognised in the Balance sheet	**12,039**	**10,134**

The principal assumptions used in determining the leave encashment benefit are shown below:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023	As at March 31, 2022
Salary escalation rate	10%	9%
Discount rate	7.30%	7.23%
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover/ Withdrawal Rate	15.00%	15.00%
Leave Availment Ratio	10.00%	10.00%
Retirement Age	60 years	60 years

Note 22 : Finance Costs

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest Expense	6,711	6,792
Interest on Right of Use Asset	204	159
Other Borrowing Costs *	3,281	3,725
Total Finance Costs	**10,196**	**10,676**

* Includes bank charges and processing fees towards borrowing facility

Note 23 : Depreciation and Amortisation Expense

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of Property, Plant and Equipment	4,916	2,616
Amortisation of Intangible Assets	38,959	46,959
Depreciation of Right of Use Asset	3,205	2,740
Total Depreciation and Amortisation Expense	**47,080**	**52,315**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 24 : Other Expenses

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Advertisement & Business Promotion	2,828	379
Data Sourcing Expenses	408	271
Internet Co-Location Charges	4,543	6,283
Legal, Professional And Consultancy Fees	48,490	40,498
Miscellaneous Expenses	1,401	2,306
Payment to Auditors*	1,926	1,671
Postage, Telephone & Communication Charges	5,785	5,339
Printing & Stationery	444	258
Rates & Taxes	813	1,801
Travelling And Conveyance	25,172	11,987
Director Sitting Fees	1,235	1,405
Marketing And Sales Expenses	12,237	10,450
Other Expenses IPO, Listing Fees etc.	1,868	2,310
Rent	1,383	1,368
Power	3,067	2,563
Insurance	2,322	1,955
Office Maintenance	3,762	3,183
Repairs & Maintainance	1,217	1,188
Partner Fees	49,865	55,103
Software maintenance expenses	8,515	3,782
Software License & Hardware Fees	38,983	27,565
NSTP- Annual Service Charges	250	250
Sales Commission	4,454	5,124
Business Promotion Expenses	397	260
Membership Fees	1,559	1,120
Conference Expenses	2,137	318
Donation	361	-
Staff Recruitment Charges	1,269	-
Bad Debts Written-Off	894	254
Allowance for Doubtful Debts	4,100	1,560
Sundry Balance Written-Off	89	2,673
Total Other Expenses	**2,31,774**	**1,93,224**
***Detail of payment to statutory auditor (exclusive of GST)**		
AS AUDITOR		
Statutory Audit Fees	1,175	1,175
Other Matters	720	460
Reimbursement of out-of-pocket expenses	31	36
Total	**1,926**	**1,671**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 25: Segment Reporting

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
1. Segment Revenue		
(net sale/income from each segment should be disclosed under this head)		
(a) Segment – Collect	2,68,833	2,31,092
(b) Segment – Create	4,32,037	3,50,840
(c) Segment – Consume	34,842	30,791
(d) Unallocated	-	-
Less: Inter Segment Revenue		
Net Sales/Income From Operations	**7,35,712**	**6,12,723**
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)		
(a) Segment – Collect	22,657	16,464
(b) Segment – Create	64,179	52,249
(c) Segment – Consume	8,437	2,696
(d) Unallocated	13,322	7,445
Total	**1,08,595**	**78,854**
Less: i) Interest	9,785	10,480
ii) Depreciation & Amortisation	46,792	52,112
Total Profit Before Tax	**52,018**	**16,262**

Note:

Assets and liabilities used in The Group's business are not identifiable to any of the reportable segment, as these are used interchangeably between segments.

The management believes that it not practicable to provide segment disclosures relating to total assets and liabilities.

Note 26: Transactions with Related Party

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

a. Key Managerial Personnel (KMP)

1. S. Swaminathan, Whole Time Director and Chief Executive Officer
2. Deepta Rangarajan, Whole Time Director
3. K. Balachandran, Whole Time Director and Chief Financial Officer
4. P.K.X Thomas, Whole Time Director

b. Relatives of Key Managerial Personnel (KMP)

1. Deepta Rangarajan, Spouse of Mr S. Swaminathan
2. S. Chandrasekhar, Brother of Mr S. Swaminathan
3. S. Swaminathan, Spouse of Ms Deepta Rangarajan
4. Rajlaxmi Nambiar, Spouse of Mr K. Balachandran
5. Sharanya Balachandran, Daughter of Mr K. Balachandran
6. Shyama Balachandran, Daughter of Mr K. Balachandran
7. Vijayalakshmi Nambiar, Mother of Mr K. Balachandran
8. Minimol Thomas, Spouse of Mr P.K.X Thomas
9. Tinu Teresa Thomas, Daughter of Mr P.K.X Thomas
10. Anu Ann Thomas, Daughter of Mr P.K.X Thomas

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

c. Enterprises over which the above persons exercise significant influence/ control and with which the Company has transactions during the Year

1. FinX Solutions (UAE)
2. IRIS Knowledge Foundation

d. Independent Directors

1. Bhaswar Mukherjee, Non-Executive Independent Director
2. Vinod Balmukand Agarwala, Non-Executive Independent Director
3. Ashok Venkatramani, Non-Executive Independent Director
4. Haseeb A Drabu, Non-Executive Independent Director

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 26: Transactions with Related Party

e. Transactions with Related parties **(Amount in Thousands - ₹)**

Particulars	Relationship with Related Party	Nature of Transactions	Transactions during the year ended		Outstanding balances	
			March 31, 2023	March 31, 2022	As at March 31, 2023	As at March 31, 2022
Services rendered						
FinX Solutions (UAE)	An entity in which one of the Promoter Director is the managing partner	Sales of Services	1,203	2,248	2,389	1,708
IRIS Knowledge Foundation	Promoter Directors are common Directors	Sales of Services	-	-	1,211	1,211

Compensation to KMPs of the Company	Transactions during the year ended		Outstanding balances	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Short-term employee benefits*	22,647	12,831	15,996	19,755
Post-employment benefits #	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	835	-	-	-
Total	**23,482**	**12,831**	**15,996**	**19,755**

* includes sitting fees and reimbursement of expenses

The aforesaid amounts exclude gratuity provision as it is determined on actuarial basis for the Company as a whole

Compensation to Relative/s of KMP/s of the Company	Transactions during the year ended		Outstanding balances	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Short-term employee benefits*	770	219	66	-
Post-employment benefits #	-	-	-	-
Other long-term benefits	-	-	-	-
Termination benefits	-	-	-	-
Share-based payment	-	-	-	-
Total	**770**	**219**	**66**	**-**

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 27 : Disclosure of fair value measurements:

The fair values of financial assets and liabilities are determined at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Fair value of cash & cash equivalents, trade and other short term receivables, trade payables, borrowings and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments

Classification of Financial instruments by category

As at March 31, 2023

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	128	-	-	128	128
2	Investments	-	-	-	-	-
3	Trade Receivables	2,48,361	-	-	2,48,361	2,48,361
4	Cash and Cash equivalent	67,970	-	-	67,970	67,970
5	Other Financial assets	44,917	-	-	44,917	44,917
	Financial liabilities					
6	Borrowings	54,558	-	-	54,558	54,558
7	Lease liabilities	2,535	-	-	2,535	2,535
8	Trade Payables	11,401	-	-	11,401	11,401
9	Other financial liabilities	1,17,732	-	2,948	1,20,680	1,20,680

As at March 31, 2022

(Amount in Thousands - ₹)

Sr. No	Particulars	Amortised Cost	FVTPL	FVTOCI	Carrying amount	Fair value
	Financial Assets					
1	Loans	287	-	-	287	287
2	Investments	-	-	-	-	-
3	Trade Receivables	1,56,473	-	-	1,56,473	1,56,473
4	Cash and Cash equivalent	46,947	-	-	46,947	46,947
5	Other Financial assets	56,944	-	711	57,655	57,655
	Financial liabilities					
6	Borrowings	64,857	-	-	64,857	64,857
7	Lease liabilities	1,365	-	-	1,365	1,365
8	Trade Payables	20,120	-	-	20,120	20,120
9	Other financial liabilities	77,273	-	-	77,273	77,273

Fair Value Hierarchy:

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments based on the input that is significant to the fair value measurement as a whole:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all Equity Shares which are traded on the stock exchanges, is valued using the closing price at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example - traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. Investments in Debentures or Bonds are

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

valued on the basis of dealer's quotation based on fixed income and money market association (FIMMDA). If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2023 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI	-	-	-	-
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	54,558	54,558
Measured through FVTOCI				
- Derivative Liabilities	2,948	-	-	2,948

The details of financial instruments that are measured at fair value on recurring basis as at March 31, 2022 are given below:

(Amount in Thousands - ₹)

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Measured through FVTOCI				
-Derivative Asset	711	-	-	711
Measured through FVTPL	-	-	-	-
Financial Liabilities				
Measured at Amortised Cost				
- Borrowings	-	-	64,857	64,857
Measured through FVTOCI				
- Derivative Liabilities	-	-	-	-

The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

During the reporting year ending March 31, 2023 and March 31, 2022, there was no transfer between level 1 and level 2 fair value measurement

Key Inputs for Level 1& 2 Fair valuation Technique:

1. Derivative Liabilities and Asset (Level 2):

- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies

Description of Significant Unobservable Inputs used for Financial Instruments (Level 3)

The following table shows the valuation techniques used for financial instruments:

Other Financial Liabilities (Non-current)	Discounted cash flow method using risk adjusted discount rate

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note No 28: Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance The Group's operations. The Group's principal financial assets, other than derivatives, include trade and other receivables, investments and cash and cash equivalents that arise directly from its operations. The Board of Directors has overall responsibility for the establishment and oversight of The Group's risk management framework and thus established a risk management policy to identify and analyse the risks faced by The Group. The risk management systems are reviewed periodically. The Audit Committee of the Board, oversees the compliance with the policy. The Internal Auditreviews the risk management controls and procedures and reports to the Audit Committee.

The Group's activities expose it to market risk, liquidity risk and credit risk.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments, including investments and deposits, foreign currency receivables, payables and borrowings.

The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of The Group. The Group uses derivative financial instruments, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which The Group is exposed to and their management are given below:

Risks Market Risk:	Exposure arising from	Measurement	Management
- Foreign Exchange Risk	Committed commercial transactions, Financial Assets and Liabilities not denominated in ₹	Cash Flow Forecasting, Sensitivity Analysis	Forward foreign exchange contracts & currency swaps
- Interest Rate Risk	Long-Term Borrowings at variable rates	Sensitivity Analysis, Interest rate Movements	
- Credit Risk	Trade Receivable, Derivative Financial Instruments	Ageing analysis, Credit Rating,	Credit limit and credit worthiness monitoring
- Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts, Long range business forecast	Adequate unused credit lines and borrowing facilities, sufficient cash and marketable securities

Details relating to the risks are provided here below:

A. Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's transactions denominated in a foreign currency including trade receivables and unbilled revenues, loans given to overseas subsidiaries, trade payables and bank balances. The Group's exposure to foreign currency risk with respect to material currencies as detailed below:

The Group regularly evaluates exchange rate exposure arising from foreign currency transactions. The Group follows the established risk management policies and standard operating procedures. When a derivative is entered into for the purpose of hedge, the Group negotiates the terms of those derivatives to match the terms of the foreign currency exposure.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

As at 31.03.2023 (Amount in Thousands - ₹)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	28	91	-	-	-	119
EUR	740	79	-	-	(9)	810
GBP	42	8	-	-	-	50
JOD	-	23	-	-	-	23
MYR	425	565	-	-	-	990
OMR	8	87	-	-	-	95
SGD	-	33	191	-	(22)	202
USD	345	270	222	-	(7)	830
ZAR	6,889	-	-	-	-	6,889
QAR	-	-	-	-	-	-
SAR	916	-	-	-	-	916

As at 31.03.2022 (Amount in Thousands - ₹)

Foreign Currency	Trade Receivable	Contract Assets	Bank	Loans given	Trade payables	Total
AED	55	28	-	-	-	83
EUR	371	22	-	-	(15)	378
GBP	18	48	-	-	-	66
JOD	-	77	-	-	-	77
MYR	154	281	-	-	(16)	419
OMR	-	106	-	-	-	106
SGD	-	41	28	-	17	86
USD	431	122	197	-	(238)	512
ZAR	1,624	300	-	-	(24)	1,900
QAR	-	-	-	-	-	-
SAR	496	-	-	-	-	496

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(i) Foreign Currency Sensitivity:

The sensitivities are based on financial assets and liabilities held at 31st March 2023 that are not denominated in Indian Rupees. The sensitivities do not take into account The Group's sales and costs and the results of the sensitivities could change due to other factors such as changes in the value of financial assets and liabilities as a result of non-foreign exchange influenced factors.

Sensitivity analysis between Indian Rupee and the foreign currencies specified above for an increase of / decrease by ₹ 1.

(Amount in Thousands - ₹)

Foreign currency	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
AED	119	(119)	83	(83)
EUR	810	(810)	378	(378)
GBP	50	(50)	66	(66)
JOD	23	(23)	77	(77)
MYR	990	(990)	419	(419)
OMR	95	(95)	106	(106)
SGD	202	(202)	86	(86)
USD	830	(830)	512	(512)
ZAR	6,889	(6,889)	1,900	(1,900)
QAR	-	-	-	-
SAR	916	(916)	496	(496)

B. Interest rate risk:

The Group has borrowed debt at variable rates to finance its operations, which exposes it to interest rate risk. The Group's interest rate risk management planning includes achieving the lowest possible cost of debt financing, while managing volatility of interest rates, applying a prudent mix of fixed and floating debt, either directly or through the use of derivative financial instruments affecting a shift in interest rate exposures between fixed and floating.

Interest rate risk exposure on the average borrowing for the year:

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate borrowing	-	-
Variable rate borrowing	54,558	64,857

1% change in interest rate on variable rate borrowing would impact the interest cost for FY 2022-23 by ₹ 546 thousands (FY 2021-22 by ₹ 649 thousands).

C. Credit risk

Credit risk arises when a customer or counterparty does not meet its contractual obligations under a customer contract or financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables and from its financiang/investing activities, including treasury operations. Customer credit risk is managed by Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables and unbilled revenues are regularly monitored and The Group creates a provision based on expected credit loss model. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

i) Trade Receivables: Ageing & Movement

As per simplified approach, The Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk

(Amount in Thousands - ₹)

ii) Movement of Doubtful debts	As at March 31, 2023	As at March 31, 2022
Opening provision	1,873	898
Add: Provided during the year	1,417	1,619
Less: Utilised during the year	-	-
Less: Written back during the year	(555)	(644)
Closing Provision	**2,735**	**1,873**

The details in respect of percentage of revenues generated from the top customer and the top 10 customers are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue from top customer	42,722	57,733
Revenue from top 10 customers	2,56,115	2,55,160

iii) Derivative Instruments, Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies. Credit Risk on Derivative Instruments is generally low as The Group enters into the Derivative Contracts with the reputed Banks.

D. Liquidity Risk

Liquidity risk is defined as the risk that The Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for managing liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors The Group's liquidity position through rolling forecasts and long range business forecasts on the basis of expected cash flows.

The table below provides details of financial liabilities at the reporting date based on contractual undiscounted payments. The Group has access to the following undrawn borrowing facilities:

(Amount in Thousands - ₹)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Expiring in one year	Expiring beyond one year	Expiring in one year	Expiring beyond one year
Undrawn Borrowing Facility	68,942	-	66,893	-
Lease Liabilities	1,300	1,235	855	510
Trade Payables	11,401	-	20,120	-
Derivatives	2,948	-	-	-

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

E. Capital Management

The Group's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purpose of The Group's capital management, capital means the Total Equity as per the Balance Sheet.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by the total equity.

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings	54,558	64,857
Less: Cash and cash equivalents	67,970	46,947
Net Debt (A)	(13,412)	17,910
Equity Share Capital	1,93,612	1,92,182
Other Equity	1,21,802	80,437
Total Equity (B)	3,15,414	2,72,619
Debt / Equity (A / B)	-4%	7%

In addition, The Group has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, Outside liabilities to Net Worth etc. which is maintained by The Group

Note 29: Financial performance indicators - Analytical Ratios

In accordance with Notification dated March 24, 2021, the Central Government in it's Amendment to Schedule III to Companies Act 2013 stated that the Company shall disclose the following ratios which shall indicate the financial performance of the Company. Company is required to give details of significant changes (change of 25% or more as compared to the previous financial year) in sector-specific key financial ratios, as well as any changes in return on net worth.

(Amount in Thousands - ₹)

Sr. No.	Particulars	Numerator	Denominator	Unit	March 31, 2023	March 31, 2022
1	Current Ratio	Current Assets	Current Liabilities	In times	1.66	1.49
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	In times	0.17	0.24
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	In times	15.81	11.40
4	Trade Receivables Turnover Ratio	Revenue	Average Trade Receivable	In times	3.63	4.24
5	Trade Payables Turnover Ratio	Purchases of services and other expenses	Average Trade Payables	In times	14.71	9.02
6	Net Capital Turnover Ratio	Revenue	Current Assets - Current Liabilities	In times	3.39	4.42
7	Net profit ratio	Net Profit	Revenue	In percentage	5.82%	1.64%
8	Return on Capital Employed	Earning before interest and taxes	Net worth + deferred tax liabilities + Lease Liabilities+Total Debt	In percentage	16.66%	6.99%
9	Return on Equity	Net Profits after taxes	Net worth	In percentage	13.55%	3.68%

Note: a) Disclosure of Inventory Turnover Ratio is not applicable as The Group does not hold any Inventory.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Detailed explanation for significant changes in sector-specific key financial ratios and changes in Return on Net Worth:

(Amount in Thousands - ₹)

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Debt-Equity Ratio	54,558	3,16,327	0.17	0.24	-27%	Due to decrease in debt and increase in equity
Debt Service Coverage Ratio	1,09,294	6,915	15.81	11.40	39%	Due to increase in Earning before interest, Depreciation and tax
Trade Payables Turnover Ratio	2,31,774	15,760	14.71	9.02	63%	Due to increase in Other expenses
Net Capital Turnover Ratio	7,35,712	2,17,280	3.39	4.42	-23%	Due to increase in Net working Capital
Net profit ratio	42,851	7,35,712	5.82%	1.64%	255%	Due to increase in Net profit after Tax
Return on Capital Employed	62,214	3,73,420	16.66%	6.99%	138%	Due to increase in Earning before interest and tax
Return on Equity	42,851	3,16,327	13.55%	3.68%	268%	Due to increase in Net profit after Tax

Note 30: Hedge Accounting

As part of its risk management strategy, the company endeavors to hedge its net foreign currency exposure of highly forecasted sale transactions for the next 10 to 12 months in advance. The company uses forward contracts to hedge its currency exposure. Such contracts are designated as cash flow hedges. The forward contracts are generally denominated in the same currency in which the sales realization is likely to take place.

For derivative contracts designated as hedge, the Company documents, at inception, the economic relationship between the hedging instrument and the hedged item, the hedge ratio, the risk management objective for undertaking the hedge and the methods used to assess the hedge effectiveness. Financial contracts designated as hedges are accounted for in accordance with the requirements of Ind AS 109 depending upon the type of hedge.

The Company applies cash flow hedge accounting to hedge the variability in the future cash flows attributable to to foreign exchange risk. Hedge effectiveness is ascertained at the time of inception of the hedge and periodically thereafter. The Company assesses hedge effectiveness both on prospective and retrospective basis. The prospective hedge effectiveness test is a forward looking evaluation of whether or not the changes in the fair value or cash flows of the hedging position are expected to be highly effective on offsetting the changes in the fair value or cash flows of the hedged position over the term of the relationship. On the other hand, the retrospective hedge effectiveness test is a backward-looking evaluation of whether the changes in the fair value or cash flows of the hedging position have been highly effective in offsetting changes in the fair value or cash flows of the hedged position since the date of designation of the hedge. Hedge effectiveness is assessed through the application of critical terms match method. Any ineffectiveness in a hedging relationship is accounted for in the statement of profit and loss.

Type of risk / hedge position	Hedged item	Description of hedging strategy	Hedging instrument	Description of hedging instrument	Type of hedging relationship
Forward contract	Foreign currency risk of highly probable forecast transactions using forward contracts	Mitigate the impact of fluctuations in foreign exchange rates	Currency forward	Company enters into a forward derivative contract to hedge the foreign currency risk of highly probable forecast transactions using forward contracts. These are customized contracts transacted in the over–the–counter market.	Cash flow hedge

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

The tables below provide details of the derivatives that have been designated as cash flow hedges for the periods presented:

As at 31st March, 2023

Particulars	Notional principal amounts	Derivative Financial Instruments - Assets	Derivative Financial Instruments - Liability	Maturity	Average booking price/rate
Foreign exchange forward contracts	4,70,113 EURO 3,55,259 USD 1,25,325 GBP	-	2948 (₹ in Thousands)	FY 23-24	1 EURO = 86.92 1 USD = 81.26 1 GBP = 96.56

The following table provides a reconciliation by risk category of the components of equity and analysis of OCI items resulting from hedge accounting :

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of year	711	-
Gain/(loss) recognised in Other Comprehensive Income during the year	(360)	2,532
Amount reclassified to profit/loss during the year	(3,300)	1,821
Tax imapct on the above	60	-
Balance at the end of year	**(2,889)**	**711**

The Company offsets a financial asset and a financial liability when it currently has a legally enforceable right to set off the recognized amounts and the Company intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The quantitative information about offsetting of derivative financial assets and derivative financial liabilities is as follows

Particulars	As at March 31, 2023		As at March 31, 2022	
	Derivative Financial asset	Derivative Financial liability	Derivative Financial asset	Derivative Financial liability
Net amount presented in Balance Sheet	-	2,948	711	-

Note 31: Employee Stock Option Scheme

The Company provides share-based payment schemes to its employees. The relevant details of the scheme are as follows:

On September 11, 2017, the Board of Directors approved the "IRIS Business Services Limited – Employee Stock Option Scheme 2017"

("Scheme") in order to reward the employees for their past association and performance as well as to motivate them to contribute to the growth and profitability of the Company with an intent to attract and retain talent in the organisation. The aforesaid Scheme was duly approved by shareholders in its Extra-Ordinary General Meeting held on September 13, 2017. The Nomination and Remuneration committee of the Board has granted options under the said Scheme to certain category of employees as per criteria laid down by Nomination and Remuneration committee of the Board. The shareholders of the Company approved the ratification of the Scheme and extension of the benefits of the Scheme to the employees of Subsidiary Company(ies) by Special Resolutions through Postal Ballot on March 29, 2019.

Key terms of the scheme:	
Date of Shareholder's Approval	September 13, 2017
Total Number of Options approved	7,00,000
Vesting Schedule	Option shall vest not earlier than 1 (One) year and not later than maximum Vesting Period of 4 (Four) years from the date of grant
Maximum term of Options granted	9 Years
Method of Settlement	Shares
Source of shares	Primary-Fresh equity allotment by the company

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

A summary of the activity in the Company's ESOP Scheme ("IRIS Business Services Limited – Employee Stock Option Scheme 2017") is as follows:

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Shares arising from options	Weighted Average Exercise price	Shares arising from options	Weighted Average Exercise price
Outstanding at the beginning of the year	1,55,000	32.00	4,50,000	32.00
Options Granted during the year*	2,10,000	42.37		
Options Exercised during the year	1,43,000		2,95,000	
Options Forfeited during the year	8,000			
No. of Options Outstanding at the end of the year	2,14,000		1,55,000	
Vested Options	4,000		1,55,000	
Unvested Options	2,10,000			
No. of Options exercisable at the end of the year	4,000		1,55,000	

*During the year ended March 31, 2023, the Company has granted 2,10,000 options. Out of this, 160,000 options have been granted at an exercise price of ₹ 32 and 50,000 options have been granted at an exercise price of ₹ 75.55 under the Scheme 2017. The weighted average share price for the year over which options was exercised was ₹ 42.37.

Fair value determination method

The Black-Scholes model requires consideration of certain variables such as implied volatility, risk free rate of interest, expected dividend yield, expected life of option, market price of the underlying stock and exercise price for the calculation of Fair Value of the option. Variability of these parameters could significantly affect the estimated Fair value of the option.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Grant Date	November 11,2022	October 11, 2017
Risk Free interest rate	6.61% to 7.24%	6.61% to 7.00%
Expected Life (in Years)	3.5 Years to 6.5 Years	3.5 Years to 6.5 years
Expected Volatility	74.81%	11.73%
Dividend Yield	0%	0%
Stock price* (amount in ₹)	75.55	32
Exercise price (amount in ₹)	32 & 75.55	32
Weighted Average remaining Contractual life	3.43	1.06
Fair Value as on Grant date	57.09 & 43.55 & 7.92	7.07 & 9.53 & 7.92

* The stock price of the Company is the listing market price of the Company's equity share on Stock Exchanges on the date of grant.
To understand the effect of share based payment transactions on the entity's profit and loss for the year refer Note no.21.

Note 32: Contingent Liabilities and Commitments:

a) **Contingent Libailities, Commitments** (Amount in Thousands - ₹)

Sr. No.	Particulars	As at March 31, 2023	As at March 31, 2022
1	Claims agaisnt the company not acknowledged as debts		
	Disputed EPFO Demand Relating to May-2005 to May-2007 and pending before Honorable High Court of Bombay	174	174
2	BSE Late Filing penalty	12	-
3	Commitments	-	-

The above amount of contingencies does not include applicable interest, if any. Cash outflows for the above are determinable only on receipt of judgements pending at various forums / authorities.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

(b) Foreseeable Losses: The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the company has reviewed and ensured that adequate provision as required under any law / applicable accounting standards for material foreseeable losses on such long term contracts and financial assets has been made in the books of account.

(c) Pending Litigations: The Company has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements.

Note 33: Earnings Per Share

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net Profit for the Year attributable to equity Shareholders	42,720	9,980
Weighted Average No. of Shares - Basic	19,218	19,147
Weighted Average No. of Shares - Diluted	19,319	19,257
EPS - Basic	2.22	0.52
EPS - Diluted	2.21	0.52
Nominal value of each Equity Share	10.00	10.00

Reconciliation of weighted average of number shares

(Amount in Thousands - ₹)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Basic weighted average number of shares	19,218	19,147
Add: adjustment on account of ESOP	101	110
Diluted weighted average number of shares	19,319	19,257

Note No 34 : Disclousure of Interest held in Subsidiary

(Amount in Thousands - ₹)

Sr. No.	Name of the entity	Place of incorporation	Principal business activities	Ownership Interest held by group	Ownership Interest held by NCI
1	IRIS Business Services, LLC	USA	USA	100%	
2	IRIS Business Services (Asia) Pte. Ltd	Singapore	Singapore	98.36%	1.64%
3	Atanou S.R.L.	Italy	Italy	100%	
4	IRIS Logix Solutions Private Limited	India	India	51%	49%

Summarised Financial Information - (Consolidated)

Balance Sheet

(Amount in Thousands - ₹)

Particulars	IRIS Business Services, LLC	IRIS Business Services (Asia) Pte. Ltd	Atanou S.R.L.	IRIS Logix Solutions Private Limited
Non Current Assets	106	285		3,971
Current Assets	35,995	16,233	720	3,710
Total	**36,101**	**16,518**	**720**	**7,681**
Non Current Liabilities				227
Current Liabilities	46,580	10,154	617	5,474
Total	**46,580**	**10,154**	**617**	**5,701**

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Profit / Loss

(Amount in Thousands - ₹)

Particulars	IRIS Business Services, LLC	IRIS Business Services (Asia) Pte. Ltd	Atanou S.R.L.	IRIS Logix Solutions Private Limited
Total Revenue	51,905	28,002	1,172	5,210
Profit/Loss	2,656	1,175	612	626
Other Comprehensive Income	(689)	905	10	
Total	**1,967**	**2,080**	**622**	**626**

Summarised Cash flow

(Amount in Thousands - ₹)

Particulars	IRIS Business Services, LLC	IRIS Business Services (Asia) Pte. Ltd	Atanou S.R.L.	IRIS Logix Solutions Private Limited
Cash flows from operating activities	3,556	10,273	(82)	3,224
Cash flows from financing activities	(306)	-	-	490
Cash flows from investing activities	-	-	-	(3,556)
Net Increase/(Decrease) in cash & cash equivalents	**3,250**	**10,273**	**(82)**	**158**

Note No 35a : Statutory Group Information

(Amount in Thousands - ₹)

Name of the entity	Net assets less net liabilities		Share in profit/loss		Share in other comprehensive income		Share in Total comprehensive income	
Parent	**As a % of of Consolidated**	**Amount in ₹**	**As a % of of Consolidated**	**Amount in ₹**	**As a % of of Consolidated**	**Amount in ₹**	**As a % of of Consolidated**	**Amount in ₹**
IRIS Business Services Ltd.	109.23%	3,44,537	86.08%	36,773	103.83%	(5,753)	83.43%	31,020
Subsidiaries								
IRIS Business Services, LLC	-3.32%	(10,480)	6.22%	2,656	12.43%	(689)	5.29%	1,967
IRIS Business Services (Asia) Pte. Ltd	2.02%	6,363	2.75%	1,175	-16.33%	905	5.59%	2,080
Atanou S.R.L.	0.03%	103	1.43%	612	-0.18%	10	1.67%	622
IRIS Logix Solutions Private Limited	0.63%	1,980	1.46%	626	0.00%	-	1.68%	626
Minority interest in subsidiaries	-0.29%	(913)	- 0.31%	(131)	0.25%	(14)	-0.39%	(145)
Less: Effect of intercompany adjustments / eliminations	-8.30%	(26,176)	2.36%	1,009	0%	-	2.71%	1,009
Total	**100.00%**	**3,15,414**	**100%**	**42,720**	**100%**	**(5,541)**	**100%**	**37,179**

Note 35 b: Activities of Subsidiary

With regards to our investment in subsidiaries in USA "IRIS Business Services LLC" , as at March 31, 2023, the total liabilities exceeded its total assets by ₹ 10480 Thousand. The parent company is committed to provide necessary financial support as and when necessary. Considering the future prospect of these subsidiaries and continued support of Parent, the investment in the subsidiaries is measured at cost itself.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 36: Additional Regulatory Information

Pursuant to the requirement stipulated under para (6)(L) to the General Instructions for Preparation of Balance Sheet under schedule III of Companies Act, 2013, the required additional regulatory information are disclosed as under:

i) The Group does not have any immovable properties (other than properties where The Group is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of The Group.

ii) The Group does not have any investment property.

iii) The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) during the current year or the preceeding year.

iv) The Group has not revalued its intangible assets during the current year or the preceeding year.

v) There are no loans or advances in the nature of loans that are granted to promoters, Directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person

vi) There is no Capital Work in progress

vii) For disclosure pertaining to Intangible assets under development - Refer Note No. 4b

viii) No proceedings have been initiated on or are pending against The Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ix) The borrowings from banks or financial institutions reported under Refer Note No. 12, are made on the basis of security of assests other than current asset and on the unconditional and irrevocable Personal guarantees of Whole Time Directors of The Group.

x) The Group has not been declared a wilful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or any other lender, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

xi) The Group did not have any transactions with companies struck off under Companies Act, 2013.

xii) There are no charges or satisfaction thereof yet to be registered with ROC beyond the statutory period - Refer Note No. 3b and Refer Note No. 12 for the details of charge created.

xiii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017, with respect to the extent of holding of The Group in downstream companies.

xiv) The Group has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

xv) During the year, The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of The Group (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xvi) During the year, The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that The Group shall: (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

xvii) There is no income surrendered or disclosed as Income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

xviii) The Group has not traded or invested in Crypto currency or Virtual currency during the current or the previous financial year.

Notes forming part of the Consolidated Financial Statements for the year ended March 31, 2023

Note 37: The new Code on Social Security, 2020 has been enacted, which could impact the contributions by The Group towards Provident Fund, Gratuity and bonus. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Group will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

Note 38: Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

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

Note 39: Previous year figures have been regrouped / rearranged, wherever necessary.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W / W100621

For and on behalf of the Board of Directors of IRIS Business Services Limited
(CIN:L72900MH2000PLC128943)

Swaminathan Subramaniam
Whole Time Director & CEO
(DIN: 01185930)

Deepta Rangarajan
Whole Time Director
(DIN: 00404072)

Soorej Kombaht
Partner
ICAI Membership No: 164366

Place: Navi Mumbai
Date: May 26, 2023

Balachandran Krishnan
Whole Time Director & CFO
(DIN: 00080055)

Place: Navi Mumbai
Date: May 26, 2023

Santoshkumar Sharma
Company Secretary
(Membership No: ACS 35139)

Notes

Corporate Information

BOARD OF DIRECTORS

Vinod Agarwala
Independent Director (Chairman)

Bhaswar Mukherjee
Independent Director

Ashok Venkatramani
Independent Director

Haseeb Ahmad Drabu
Independent Director

Swaminathan Subramaniam
Whole Time Director & CEO

Deepta Rangarajan
Whole Time Director

Balachandran Krishnan
Whole Time Director & CFO

Puthenpurackal Kuncheria Xavier Thomas
Whole Time Director & CTO

COMPANY SECRETARY & COMPLIANCE OFFICER

Santoshkumar Sharma

CORPORATE IDENTITY NUMBER (CIN)

L72900MH2000PLC128943

REGISTERED OFFICE

IRIS Business Services Limited
T-231, Tower 2, 3rd Floor, International Infotech Park, Vashi Station,
Vashi - 400 703, Maharashtra, India
Tel. : +91 22 6723 1000
Fax: +91 22 2781 4434
E-mail: cs@irisbusiness.com
Website: www.irisbusiness.com

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Pvt. Ltd.
CIN: U67190MH1999PTC118368
C-101, 247 Park, L.B.S. Marg, Vikhroli (West),
Mumbai – 400 083
Tel: +91 22 49186000
Fax: +91 22 4918 6060
Email: mumbai@linkintime.co.in Website: www.linkintime.co.in

STATUTORY AUDITORS

M/s. KKC & Associates LLP,
Chartered Accountants,
(Formerly Khimji Kunverji & Co LLP),
ICAI Firm Registration No. 105146W/W100621

SECRETARIAL AUDITOR

M/s. Priti J. Sheth,
Practicing Company Secretary

INTERNAL AUDITOR

M/s. M.P. Chitale & Co.,
Chartered Accountants

LEGAL ADVISORS

Chitale Legal, Mumbai
VBA Legal, Mumbai
Valsangkar & Associates, Patent Attorney, Pune

BANKERS

ICICI Bank Limited
HDFC Bank Limited

Building Transparency. Driving Growth.

IRIS Business Services Limited

Tower 2, 3rd Floor
International Infotech Park
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Maharashtra, India

#07-08, Jit Poh Building
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