Mindteck

ANNUAL REPORT

2022-23

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Consolidated Financial Highlights

(Rs. in million)

	2022–23	2021–22	2020–21	2019–20	2018–19
Revenue from Operations	3,367	2,988	2,867	2,761	2,994
EBITDA	315	258	242	62	73
Profit Before Tax and Exceptional Items	260	199	161	(31)	44
Profit After Tax (PAT)	208	333	109	(648)	27
Earnings Per Share (Basic EPS)	8.26	13.19	4.31	(25.71)	1.09

Letter to Shareholders

Dear Shareholders,

We are pleased to present the financial statements for the fiscal year ended March 31, 2023.

Consolidated Revenue for the year ended March 31, 2023 stood at Rs. 336.73 crore, as against Rs. 298.78 crore for the previous year ended March 31, 2022. The company reported a consolidated net profit of Rs. 20.77 crore for the year ended March 31, 2023 as compared to a consolidated net profit of Rs. 33.31 crore for the previous year ended March 31, 2022 (previous year included a one-time exceptional item of Rs. 18.18 crore).

The Company's Standalone Revenue for the year ended March 31, 2023 was Rs. 129.51 crore, as against Rs. 114.25 crore for the previous year ended March 31, 2022. Standalone Net profit for the year ended March 31, 2023 stood at Rs. 14.87 crore as compared to a profit of Rs. 10.98 crore for the previous year ended March 31, 2022.

Heartened by Your Enduring Support

We recognized the significance of the escalating inflation and increasing interest rates in 2022-23 in potentially impacting investment and economic growth. Consequently, we emphasized the importance of vigilance and adaptability to the evolving economic landscape. By remaining agile and responsive, we navigated these challenges to ensure sustained progress. We were steadfast in our commitment to facilitate digital transformation, optimizing operations, enhancing efficiency to attain our strategic objectives.

To our esteemed clients, we extend our deepest gratitude for their unwavering trust and steadfast partnership. We are acutely aware that it is through their continued patronage and support that we can thrive in a rapidly evolving marketplace. As we move forward, we are resolute in our dedication to upholding the highest standards of excellence, reliability, and customer satisfaction.

We extend our heartfelt gratitude to our valued shareholders for your investment. Your trust has emboldened us to push boundaries, innovate relentlessly, and consistently deliver outstanding results. Moreover, we recognize and appreciate the opportunities your support has provided for us to expand our operations, explore new markets, and seize promising avenues for growth. We will strive to uphold the highest standards of transparency, governance, and accountability, while actively seeking avenues to enhance shareholder value.

We have had the privilege of witnessing the remarkable resilience and unwavering dedication of our employees. Each one of them has demonstrated an unparalleled level of commitment and adaptability during times of adversity. From being readily available to our clients, ensuring uninterrupted business operations, to swiftly adjusting project timelines, tirelessly exploring alternative delivery models, and ensuring the availability of resources to fulfill our projects, they have exhibited a collective and cohesive effort to propel us forward. We express our deepest gratitude to our exceptional employees for their hard work, passion, and unwavering commitment.

Together, as shareholders, employees, and clients, we have created a strong and vibrant community. Your support has fueled our growth and encouraged us to reach new heights. We remain committed to delivering value and driving innovation, guided by your confidence in our abilities.

Ready to Catapult Forward

The technology industry has not only endured the disruptions caused by the pandemic in recent years but has thrived amidst them. The crisis served as a catalyst, propelling numerous organizations into the future by accelerating digital transformation and reshaping work models. However, as we venture into 2023-24, it is evident that the tech industry will still face significant challenges related to supply chains, workforce dynamics, and innovation. These challenges have been further amplified by macroeconomic and global uncertainties.

We faced a renewed sense of uncertainty in 2022-23, as financial sector turmoil, high inflation, geopolitical tensions resulting from Russia's invasion of Ukraine, and the persistent effects of the COVID-19 pandemic created a challenging landscape. To navigate this, we recognize the need for adaptability, proactive risk management, and strategic collaborations. Our primary strategic objective is to establish a sustainable and resilient organization that remains pertinent to our clients' needs. Simultaneously, we aim to foster growth opportunities for our employees, generate profitable returns for our investors, and contribute to the communities in which we operate.

We have capitalized on technological advancements to drive progress amidst uncertainty, playing a role in economic recovery and shaping a brighter future. These turbulent times have compelled us to step up and reaffirm our commitment to our mission, vision, and values. We have proactively transformed ourselves by reimagining our capabilities and embracing innovative leadership approaches. Going the extra mile, we have recalibrated our investment approach, embarked on a sustainable journey, and identified new opportunities that will enable us to deliver even greater value to our clients.

Despite the significant impact of global travel restrictions, which severely limited our ability to forge new client relationships, our company found a silver lining in leveraging our existing client partnerships to ensure cost-effective project delivery. Over the years, we have honed our remote delivery model, allowing us to seamlessly decentralize contract fulfillment and empower our remote employees without compromising delivery schedules. As a result, we have successfully delivered projects on time and within budget, opening new avenues for growth and cultivating stronger, long-lasting relationships with our valued existing and new clients.

At the core of our sustained success lies the critical endeavor of nurturing talent for the future. Recognizing this, we have developed well-established pathways for upskilling and reskilling our employees, and the rewards have been mutually beneficial. Our commitment to providing ample learning and growth opportunities for our people, while fostering safe and inclusive work environments free from bias and discrimination, is a priority. Additionally, our large, diverse, and multicultural workforce further enhances employee well-being and facilitates rich interactions, granting us significant advantages in today's dynamic landscape.

We are relentlessly dedicated to continuously sharpening our competitive edge by leveraging and further fortifying our robust research and development initiatives. Our unwavering commitment to innovation compels us to invest substantially in cutting-edge emerging technologies, ensuring that we remain at the forefront of industry advancements. Additionally, we proactively seek to forge strong strategic alliances, collaborating with key partners who share our vision, in order to comprehensively address and exceed the evolving needs of our esteemed clients. Through these multifaceted endeavors, we are empowered to provide unparalleled solutions and services, cementing our position as a trusted industry leader. We diligently concentrated on implementing proactive measures pertaining to:

Driving Performance

- We have fortified and widely embraced a performance-driven culture within our organization, empowering our teams to strive for excellence. To enhance the competencies of our workforce, we have conducted a comprehensive series of leadership and technical training programs across various teams. These initiatives have equipped our employees with the necessary skills and knowledge to excel in their roles, fostering a culture of continuous learning and growth.
- We have nurtured competencies in new technologies and expanded our service offerings to fuel growth:
  - The team has acquired expertise in AI/ML technologies, including Python-based Deep Learning Models using Convolutional Neural Networks (CNN), to meet customer demands in the field of Predictive Analytics.
  - We have expanded our knowledge in Data Engineering, Business Intelligence, Data Visualization & Reporting, and Data Analytics, offering support to customers utilizing cutting-edge technologies such as Apache Nifi, Kafka, Spark, Python, Scala, DataBricks, SnowFlake, Data Lake, and Power BI.
  - In healthcare, our focus spans futuristic connected care platforms, remote patient monitoring, heart health monitoring, digital care solutions, value-based healthcare models, cybersecurity, and medical software utilization.
  - We have established a specialized team solely dedicated to IT infrastructure services, focused on delivering a wide range of solutions including Remote Infrastructure Support encompassing Data Centre, Network, Information Security, Desktop, and ITIL compliance management.
- We have intensified our efforts in both sales and marketing, strategically investing in lead qualification, closures, sales coverage, and targeted marketing initiatives.

Delivery excellence

- Strengthened our unwavering commitment to client satisfaction by intensifying client-centric initiatives, promptly resolving issues, and delivering timely solutions. This has been achieved through increased client interactions, structured reviews, and a notable improvement in Customer Satisfaction (CSAT) scores.
- Maintained a relentless focus on meeting project objectives by prioritizing adherence to Schedule, Cost, and Quality parameters. Our emphasis on clients' Critical to Quality requirements has ensured successful project outcomes.
- Significantly enhanced project management capabilities by implementing robust processes and best practices, including agile methodologies, resulting in seamless project execution and exceptional client experiences.
- Continuously upheld stringent business continuity measures, receiving accolades for our outstanding performance during challenging times, further cementing our reputation as a reliable partner.
- Demonstrated our commitment to continuous growth and development by investing in comprehensive Learning and Development sessions. These initiatives have equipped our teams with advanced business and technical acumen, enabling them to anticipate clients' evolving needs and provide innovative solutions.
- Streamlined and elevated our hiring processes by strengthening our recruitment teams at both leadership and operational levels. This strategic investment has led to attracting top talent, ensuring a highly skilled workforce.
- Implemented effective measures to foster a collaborative work environment, facilitating enhanced synergy and cooperation among teams. This approach has resulted in increased cross-functional collaboration, driving efficiency and successful project outcomes.

Quality Assurance

The quality team continued to enrich the Quality Management System to keep it current by introducing Cloud Based Application Development guidelines, process to improve application/product security during application development lifecycle etc. Quality continues to focus on improving process capabilities through continual improvements and enabling project teams to deliver seamlessly and meet customer expectations. In addition, a large initiative to migrate the Quality Management System to latest industry standard framework such as CMMI version 2.0. has been taken up and major gaps have been closed. Meanwhile, the organisation continues to be compliant to international standards such as ISO 9001:2015 and ISO 13485:2016.

The quality journey continues unabated to continually improve process capabilities and to meet changing customer expectations.

Yusuf Lanewala
Chairman

Anand Balakrishnan
CEO and Managing Director

Board of Directors

As under Mindteck's code of corporate governance, the Board of Directors guides the Company toward attainment of the highest levels of transparency, accountability, accessibility, and equity in all facets of its operations, and in all transactions with its stakeholders, including employees, clients, shareholders, suppliers, partners and alliances, supporting agencies, Government, and society at large.

Yusuf Lanewala
Chairman

Anand Balakrishnan
Managing Director and Chief Executive Officer

Meenaz Dhanani
Non-Executive Director

Keyuri Singh
Non-Executive Director

Jagdish Malkani
Independent Director

Guhan Subramaniam
Independent Director

Satish Menon
Independent Director

Subhash Bhushan Dhar
Independent Director

Legal and Company Secretary

Shivarama Adiga S.
Vice President

Registered Office

Mindteck (India) Limited
AMR Tech Park, Block-1, 3rd Floor
#664, 23/24
Hosur Main Road, Bommanahalli
Bengaluru - 560068
Tel: 91 80 4154 8000
Fax: 91 80 4112 5813

Bankers

Axis Bank Limited

HDFC Bank Limited

YES Bank Limited

ICICI Bank Limited

Citibank, N.A.

Standard Chartered Bank Limited

Registrar and Share Transfer Agent

Universal Capital Securities Private Limited
C 101, 247 Park
LBS Road, Vikhroli West
Mumbai – 400083, India
Tel: 022-49186178-79
Fax: 022-49186060

Auditors

Suresh Surana & Associates LLP
Statutory Auditor

S. Kannan and Associates
Secretarial Auditor

Vasan & Sampath LLP
Internal Auditor

Leadership Team

Anand Balakrishnan
Managing Director and
Chief Executive Officer

Jacob Pillay
Senior Vice President
Sales (US)

Harish Nair
Senior Vice President
Sales (APAC, IMEA and Europe)

Meenaz Dhanani
President - Mindteck, Inc.

Pradeep K
Vice President
Human Resources

Ramachandra Magadi
Chief Financial Officer

Practice Team

Satish Kumar
Medical Devices and Analytical
Instruments

Saibal Dey
Semiconductor

Sudhir Kumar Singh
Storage, Cloud and Testing

Manju Reddy
Electronic Design,
IoT and Automotive

Board's Report

To the Members,

The Directors hereby present the Thirty-Second Annual Report of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2023. The Consolidated performance of the Company and its Subsidiaries has been referred to wherever required.

1. FINANCIAL RESULTS

(in Rs. Million, unless otherwise stated)

	Standalone		Consolidated	
Particulars	**Year ended March 31, 2023**	**Year ended March 31, 2022**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Revenue from operations	1,295.1	1,142.5	3,367.3	2,987.8
Other income	32.9	35.5	44.3	50.7
Employee benefits expense	919.6	784.8	2,112.9	1,889.0
Cost of technical sub-contractors	38.9	34.0	729.5	636.8
Other expenses	125.3	152.2	254.0	254.3
Profit before finance cost, depreciation, taxes, amortisation	**244.2**	**207.0**	**315.2**	**258.4**
Finance cost	6.0	5.0	10.1	9.2
Depreciation and Amortisation expense	42.7	46.5	45.3	50.2
Exceptional Item (income)/expense	-	6.2	-	(181.8)
Profit Before Tax	**195.5**	**149.3**	**259.8**	**380.8**
Tax expense	46.8	39.5	52.1	47.7
Profit After Tax	**148.7**	**109.8**	**207.7**	**333.1**
Paid-up Equity Share Capital	252.7	257.1	248.6	253.0
Basic Earnings Per Share (EPS) (in Rs.)	5.82	4.28	8.26	13.19

2. COMPANY AFFAIRS

Standalone

On a Standalone basis, your Company recorded revenue of Rs. 1,295.1 million, as against Rs. 1,142.5 million in the previous financial year. Mindteck's profit after tax stood at Rs. 148.7 million, as against Rs. 109.8 million in the previous financial year. At an operating margin level, Mindteck recorded EBITDA (including other income and excluding exceptional items) of Rs. 244.2 million (18.9%) during this financial year as against Rs. 207 million (18.1%) last year.

Consolidated

During the financial year under review, your Company recorded Consolidated revenue of Rs. 3,367.3 million as against Rs. 2,987.8 million in the previous financial year. Of the Consolidated revenue that was recorded, 47.45% is attributed to the US and the balance pertains to the rest of the world.

Mindteck's Consolidated profit after tax for the financial year stood at a profit of Rs. 207.7 million, as against Rs. 333.1 million (includes a one-time exceptional item of Rs. 181.8 million) in the corresponding previous financial year. At an operating margin level, Mindteck recorded EBITDA (including other income and excluding exceptional items) of Rs. 315.2 million (9.4%) during this financial year as against Rs. 258.4 million (8.6%) last year.

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

3. DIVIDEND

The Board has recommended a dividend of 10% (Re. 1 per Equity Share of Rs. 10 each) for the year ended March 31, 2023. This shall be paid to those shareholders of the Company as on August 04, 2023, being the cut-off date for the dividend, subject to Shareholders' approval in the ensuing Annual General Meeting.

4. BUSINESS FOCUS AND HIGHLIGHTS

Mindteck is a renowned provider of engineering value and technology expertise, catering to a prestigious clientele consisting of Fortune 1000 companies, start-ups, leading universities, and government entities worldwide. Since its inception in 1991, the Company's niche knowledge and specialised skills have led to collaborations with industry leaders, including the top players in Data Storage, Medical Devices, Semiconductors, and Analytical Instruments.

With a comprehensive range of capabilities in embedded systems, enterprise applications, testing, and professional services, Mindteck's expertise perfectly complements its expanded focus on digital engineering. The Company's process capability and maturity have been validated through an appraisal at CMMI Level 5, setting it apart from its peers.

Mindteck has a proven track record of delivering valuable support to clients, maximising their R&D and technology investments, gaining a competitive edge, and preparing for the future. The Company fulfills diverse requirements such as product design and reengineering, compliance fulfillment, test framework conceptualisation and development, system automation and modernisation, control and monitoring software development, cloud migration and enablement, data visualisation and analytics, AI and ML-based solutions, wireless communications, and top-notch IT talent sourcing and retention.

To ensure efficient service delivery, Mindteck adopts a flexible 'best-shore delivery model,' offering a mix of onsite, offshore, near-shore, and hybrid options across geographies.

Mindteck has established strategic partnerships and alliances with renowned entities such as Intel Partner Alliance, Microsoft Gold Application Development Partner, SNIA, CMMI Institute, and the IoT Global Network. The Company is also a proud founding member of The Atlas of Economic Complexity, a data visualisation tool developed by Harvard University's Center for International Development.

In recent years, Mindteck has consistently improved its industry ranking, benchmarking its capabilities as a service provider across various domains. The Company has made significant advancements in ER&D services and continues to excel in its digital engineering endeavors.

PRODUCT ENGINEERING

In today's fast-paced business landscape, organisations face constant change and rising consumer expectations. With products becoming smarter and product life cycles growing shorter, organisations must navigate emerging technology trends and dynamic market conditions to stay competitive. The key to success lies in achieving accelerated time to market and time to profit.

To meet these challenges head-on, organisations require a reliable partner who can help them seize unprecedented innovation opportunities and streamline their product development life cycle operations to establish a resilient core. Mindteck is that partner, bringing extensive engineering expertise to drive innovation, design, build, test, upgrade, and scale complex next-generation products and systems.

Embedded Design Systems

Mindteck has extensive experience in developing sophisticated embedded computing solutions for various domains and industries. The Company offers a comprehensive suite of services, from product conceptualisation to design and field testing. Complex embedded systems challenges are solved in advanced medical devices and cutting-edge semiconductor systems. Tailored solutions to meet clients' requirements and collaborative approach to ensure high performance, reliability, and efficiency. Mindteck helps the customers overcome the hurdles in embedded systems development with end-to-end approach. The services include product vision and architecture, hardware and firmware design, integration, testing, and validation. Best practices and latest technologies to optimise clients' embedded systems are applied.

Mindteck delivers exceptional embedded system solutions that drive innovation and enhance the clients' edge. The challenges and requirements of each industry are understood, and customised solutions developed accordingly. With Mindteck as a partner, clients are able to navigate the complexities of embedded systems development, accelerate their time to market, and achieve their objectives.

Internet of Things (IoT)

Mindteck's IoT Services offer a comprehensive suite of solutions that enable businesses to harness the power of data-driven insights and analytics. Expertise in IoT device management, coupled with a wide range of industry use cases, positions Mindteck as a trusted partner in driving operational excellence, enhancing customer experiences, and optimising business performance through the seamless integration of IoT technologies.

Mindteck distinguishes itself as a leader among IoT device management companies, offering high-quality services to clients across various sectors, including manufacturing, energy and utilities, consumer electronics, and security industries. The Company has implemented numerous use cases, such as edge computing, preventive maintenance in smart manufacturing, asset monitoring and tracking, connected vehicles, commercial/industrial/agricultural equipment maintenance and optimisation, smart buildings and homes, smart energy management, wearables for patient monitoring, and remote diagnostics for medical equipment.

Digital technologies have become integral to the operational aspects of various industries, including industrial control systems, asset monitoring, video surveillance, predictive maintenance, intelligent transport infrastructure, freight and passenger information systems, safety systems, and cybersecurity. These technologies, coupled with IoT sensor technologies and analytics, enable the collection of diverse operational data and the prediction of safety, performance, and other critical parameters. Mindteck's IoT services and solutions are designed to be efficient, cost-effective, secure, and customizable, allowing real-time data collected from connected devices and products to be transformed into valuable insights and analysis for informed decision-making and enhanced business productivity.

Highlights for EDS and IoT in 2022-23 are as follows-

- A project involved designing and developing a ruggedised CPU board for a client based in Singapore. This customised product, intended for military applications, required comprehensive hardware and firmware development.
- Formed partnership with a new customer in the test and measurement sector to collaborate on FPGA design and validation.
- Engagements with a Malaysian company focused on Android development for radio products.
- A partnership with a Singapore-based university enabled to collaborate on the design and development of a data acquisition module.
- Involved in the long-term product development and maintenance of smart metering HHU (Handheld Unit) device software for a test and measurement company, ensuring its continuous improvement and functionality.
- The team developed a storage security product for a leading engineering company, targeting enterprise device management of portable storage devices.
- Successfully delivered a large-scale operational monitoring and management project for a leading global provider of ICT, infrastructure and smart devices that provides network services all across the APAC region.
- A global company focused on developing biomarker assays for their proprietary digital health platform, engaged with Mindteck to develop a portable battery-operated device. This device enables patients to monitor blood glucose, HbA1c, lipid profile, and hemoglobin levels. Through Bluetooth connectivity to smartphones, patients can seamlessly track their glucose levels, receive timely support for hypoglycemia, and connect daily glucose variations with their diet and physical activity.
- Completed projects for a public sector undertakings (PSU) involving the development of multiple web applications and the design of a control mechanism for doors.

- Expertise in Linux kernel optimisation was utilised in a project for an equipment manufacturer, enhancing the performance and efficiency of their systems.

- Partnered with a medical device manufacturer specialising in diagnostic, therapy, reprocessing, and system integration. Team developed firmware for their new products, including video endoscopes, rigid endoscopes, HICURA, TURis, ETD4, video management systems, and other related products.

- Successfully executed a project for an existing client, developing wireless sensor devices tailored to their specific requirements.

- Another recent achievement includes winning a project to develop hardware for energy test equipment.

- Expertise in control system development for relay panels was leveraged in a repeat project for a Canadian Electrical equipment manufacturer.

- Proud to have rolled out a mobile computing company's Demo App to end-users, marking a successful conclusion to the product development process. This accomplishment further demonstrates Mindteck's ability to deliver cutting-edge solutions that meet client expectations.

Medical devices and Healthcare

In the rapidly evolving digital landscape, the medical devices and healthcare industry is experiencing a significant shift driven by increased adoption of digital technologies. Mindteck recognises the importance of healthcare organisations adapting to this transformative era to effectively manage the consumer experience. Healthcare companies face challenges such as rising costs of care, industry consolidation, and regulatory compliance. To overcome these challenges, the Company empowers organisations to leverage next-generation technologies such as Automation, AI, Analytics, and digital experience. By embracing advanced technologies and integrating them into their business strategies, healthcare organisations can achieve accelerated growth across the entire value chain. The expertise enables to provide tailored solutions that drive operational efficiency, enhance patient care, and improve overall outcomes.

Mindteck is committed to helping Medical companies navigate the digital era and harness the power of technology to meet the evolving needs of consumers and the rapidly changing healthcare landscape.

Highlights of 2022-23 include

- *Acute Monitoring Platform* –Mindteck is a part of a team is part of a futuristic Acute Monitoring Platform project, contributing to a connected care digital platform that provides insights on the vital parameters generated out of multiple remote patient monitoring systems.

- *Post-operative heart health monitoring solution* – critical part of development of a digital care platform, addressing the key requirement of Value-based healthcare for the US market.

- Successfully carried out a Cybersecurity assessment for 'Software as a Medical Device' product from one of the US healthcare customers fulfilling the requirements of FDA regulations.

- An Android app used to communicate with Remote Patient Monitoring device, where data transfer takes place between Remote Patient Monitoring device and Listener using android native code. The device receives real time vitals, patient data, waveforms, alarm settings and messages will be processed by the app which is displayed on a PhoneGap web view using Java Script and HTML.

Analytical Instruments

With over 32+ years of experience, Mindteck has established a strong presence in the Analytical Instruments industry, delivering comprehensive and tailored solutions to all its clients. The specialised services cater to the unique needs of the industry and the Company offers custom application development for analytical instruments, ensuring seamless integration and optimal performance. The embedded solutions enable efficient and precise instrument control, empowering clients to deliver superior results. Additionally, LIMS, data acquisition and analysis software are developed that enables valuable insights and actionable intelligence.

Quality is paramount in Mindteck's services. The Company employs independent verification and validation (IV&V) processes, with a strong focus on software quality assurance, ensuring that the solutions meet the highest standards of reliability and accuracy. It also offers enhancement and re-engineering of applications, optimising their functionality and extending their lifespan.

Highlights of 2022-23 include

- For a leading provider of innovative solutions and technologies for scientific research and analysis an advanced BI Tool is being developed which is a web-based dashboard designed to empower users with valuable insights and facilitate informed decision-making. With a focus on laboratory productivity and efficiency, this tool provides detailed analysis of all assets, enabling users to optimise their operations and drive better outcomes.

- UI/UX for high throughput and high resolution NanoScope, developed complex controls for 3-D rendering in 4K resolution. This was developed for a leading provider of advanced scientific instruments and solutions for research and industry.

Data Storage:

Mindteck's expertise lies in catering to leading providers of Hyperconverged Storage Infrastructure (HCI), Composable Infrastructure, Storage Data Management Software, and Enterprise/Datacenter Storage Equipment. A distinct blend of domain knowledge is developed, expertise, and capacity to serve as an extended engineering team for Storage clients.

Mindteck's system development capabilities encompass a wide range of functionalities, such as implementing speed negotiation in NIC drivers and integrating IPV6 for different RAID levels. Development-driven qualification and white box testing are undertaken to ensure optimal performance. Additionally, the expertise extends to the creation of drivers and Platform Diagnostics, including Baseboard Management Controller (BMC) software that supports IPMI and Redfish, facilitating efficient remote server management.

The Company specialises in developing valuable tools for the industry. The team provides tools that enable testing of high-risk platform configurations, enhancing the reliability and performance of storage solutions. Custom tools for test management are created. Furthermore, Hardware Acceptance Test Framework (HATS) Tools are created, which ensure comprehensive hardware testing for seamless integration. Mindteck leverages its expertise in frameworks like EXT-JS, Angular JS, and React to create robust and user-friendly web applications. It also specialises in Flash to HTML5 porting, enabling the modernisation of web applications and ensuring cross-platform compatibility.

Highlights of 2022-23

- *Cloud Storage:* Mindteck was actively involved in development and testing a petabyte-scale cloud storage solution a global leader in traditional storage. Challenges involved building scalable S3 object storage, developing and testing various software subsystems in a scaled agile mode. This Cloud Solution provides its end customers with a truly scalable Object Oriented Storage Solutions with no Vendor locking, absolute transparent and predictable pricing that involve on egress or API charges. Key technologies involved in the project include Go Lang, MinIO for Object Storage.
- The team also contributed in QA and validation of a flagship product for a global leader in data storage and management solutions. It is a data management software that offers a superior universal storage platform that addresses customers cloud data needs. It supports the same operating system in the cloud and on premises that extends the value of customers data fabric without having to train IT staff in all-new methods to manage data on Cloud. Mindteck contributed in QA and validation of Cloud environment set-up for users (Create & delete Volume/Sub-Volume, Snapshot), Cross region replication, data backup, permissions, protocols, allocation limits and reserved capacity. The key technology used are Linux, Jenkins, Kubernetes, Python, Bitbucket, Jira, Robot/Pytest frameworks, Postman, GCP & Azure NetApp files. The team contributed in test automation, framework/API enhancements, regression testing, manual testing and API testing.
- Worked on High Available & Metro Cluster where the function feature testing and regression testing in SANOWN are performed, Non-disruptive upgrade, Interconnect, Failover monitoring and disaster recovery. The Key technologies used are Linux, Automation using Python, Protocols (NFS, CIFS, iSCCI, FCP).

Semiconductor

The semiconductor industry is constantly evolving and requires software and hardware solutions that can meet its specific needs and challenges. Mindteck is a leading provider of such solutions, with decades of experience in serving equipment manufacturers, subsystem vendors, and FABS. Mindteck enhances the software features, performance, and productivity of its clients by offering a range of services in equipment software, factory automation, specialised controls, and solution accelerators.

Seamless integration with existing systems is ensured by using standard protocols and SEMI FA Standards (200mm and 300mm) along with Factory automation for efficient data exchange and synchronisation across the manufacturing process. This is facilitated by implementing SECS/GEM Driver, FA testing, AMHS integration, FA simulation, recipe server development, and MES interface integration. Specialised controls are crucial for optimising operations and productivity which is delivered by using R2R control systems, predictive analytics, and machine vision technologies for quality inspection and control. Mindteck provides accelerators designed to promote quick solution development and enhance overall efficiency, like device simulators, automated testing frameworks, FA test harnesses, E95 UI widgets, and USB CAN-based DeviceNet Master.

Highlights for 2022-23 includes

- Mindteck is designing & developing a common Cluster Tool Controller Framework software from scratch for a capital equipment manufacturer, also implementing tool specific features and functionalities on top of the CTC framework. This framework will support their existing and new equipments going forward.
- Preparing data strategy for a complete Enterprise Data Management Platform and its components like Data Integration, Data Storage & Management, Data Distribution, Analytics, Apps, Reporting, and support the business operations. Designing, Integrating, building pipelines, data preparation, ETL, maintaining, and troubleshooting new/existing systems that are used to store and process data along with creating dashboards and reports.

Testing

Mindteck excels in comprehensive end-to-end testing, including manual black box testing, test automation, security/penetration testing, regression testing, performance testing, prototype testing, unit testing, multilingual testing, and business/user acceptance testing. The extensive experience covers a wide range of areas, including web, mobile, and embedded device applications, networks, hardware and firmware, databases, web services, cloud, connectivity, and interoperability. Additionally, our specialised expertise in domain-specific testing, particularly in data storage, sets us apart in delivering exceptional testing services to our clients.

Highlights for the FY 2022-23 include:

- End-to-end manual testing, automation testing, performance and BCDR testing for a Building Management System catering to next-generation smart stadiums and integration components.
- Automated test design and framework development for the digital platform solution of a leading medical device and patient care application.

IT INFRASTRUCTURE SERVICES

The Company established a dedicated IT Infrastructure team focused on the following portfolio of services:

Remote Infrastructure Support

Remote Infrastructure Management (RIM) – including the management of computer hardware and software, such as workstations, servers, network devices, storage devices, and IT security devices. Sub-services include:

- *Data Centre Management:* Monitoring and management of servers, database, middle tier application, messaging and storage
- *Network Management:* Monitoring and management of routers, switches, VOIP devices and network links
- *Security Management:* Monitoring and management of firewall, IPS, IDS, VPN, PKI, etc.
- *Desktop Management:* Remote maintenance of desktop/laptops, file and print servers, printer and scanners

ITIL-Compliance, Processes, SLA:

- Proactive monitoring and incident management
- Problem change and configuration management
- Asset management and patch management
- Availability management
- Process consulting, audits and reviews
- 24/7 support

Vulnerability Assessment and Penetration Testing (VA/PT):
VA/PT helps to protect against network and application breaches by providing visibility of security weaknesses and the guidance to address them. It is increasingly important for enterprises that want to achieve compliance with standards, including the GDPR, ISO 27001 and PCI DSS.

Vulnerability Assessment – carried out through vulnerability scans, is designed to help identify, classify and address security risks. This exercise does not include exploiting the vulnerabilities observed during the scanning process.

Penetration Testing – a multi-layered security assessment that uses a combination of machine and human-led techniques to identify and exploit vulnerabilities in the infrastructure, systems and applications.

Service areas include:

- *Network VA/ PT* – involving a rigorous testing of the network to obtain information of backdoor entries into a network. It establishes the possibility of penetrating the network to obtain access to the internal IT infrastructure, application software and data.
- *Infrastructure VA* – involves the scanning of the IT infrastructure to ensure that IT assets are configured as per business and security requirements, and that the internal environment is safe and secure.
- *Application Software VA/PT* – vulnerabilities within web-based application software (internet and mobile) are easily exploited to obtain sensitive data or compromise customer information. Automated and manual tests are carried out to identify such vulnerabilities and ensure the robustness of the application.

Change in Nature of Business
There were no changes in the Nature of Business of the Company during the year.

5. QUALITY

During FY 2022-23, Mindteck increased focus on improving the quality management system to keep it abreast of emerging and new technologies by introducing application development on cloud guidelines, enhancing AGILE processes and introducing application security during development lifecycle. The organisation successfully retained certifications such as ISO 9001:2015, ISO 13485:2016 and ISO 27001.

The quality journey is continuing through migration of QMS to latest framework such CMMI version 2.0 and in improving delivery processes aligned to the organisation business strategies for improved capability, consistent delivery & customer satisfaction.

On the Information Security Management System, many processes were enhanced, and several guidelines introduced such as Managing Ransomware Attacks, Security in Virtual Private Networks, Information security requirements in Healthcare Industry such as HIPAA etc. Also, the roadmap to migrate to ISO27001:2022 version has been initiated.

6. INFRASTRUCTURE

Mindteck has local offices in the US, Canada, UK, Germany, Singapore, Malaysia, Bahrain and India. In addition to space for workstations, conference rooms, meeting rooms, and a world-class communications system, the Company's infrastructure includes two development centres equipped with R&D laboratories (Bengaluru and Kolkata, India).

At the start of the pandemic, the Company made the requisite adjustments in its IT infrastructure to ensure productive and safe in-office and remote workplace environments for both essential and other employees, while contending with peaks in the spread of the virus. Specifically, access to conferencing platforms was expanded, and critical support for new joinees and existing employees was provided continuously on a rotational basis by the IT team, security officers, an electrical team and courier services. Additionally, the Company initiated plans for investment in hybrid workforce management capabilities such as productivity, security and asset management tools.

7. SUBSIDIARIES

On March 31, 2023, Mindteck had six wholly owned subsidiaries: Mindteck, Inc. (United States), Mindteck Middle East Limited WLL (Bahrain), Mindteck Software Malaysia SDN. BHD. (Malaysia), Mindteck Singapore Pte. Ltd. (Singapore), Mindteck (UK) Limited (United Kingdom), and Chendle Holdings Limited (British Virgin Islands). Mindteck (UK) Limited has one subsidiary: Mindteck Germany GmbH (Germany), and Mindteck, Inc. has one subsidiary: Mindteck Canada, Inc. (Canada). Mindteck Solutions Philippines, Inc. is under closure.

The Consolidated Financials have been audited and form part of this Annual Report. The financials of the subsidiaries have also been audited by the respective Auditors except Chendle Holdings Limited. The Consolidated Financials have been prepared and audited in strict compliance with the applicable Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All information, including (a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (except in case of investment in the subsidiaries) (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation and (j) proposed dividend as directed by the Ministry of Corporate Affairs, has been disclosed in the Consolidated Financial Statement. Financial Highlights with the Indian rupee equivalent of the figures given in the foreign currency, along with exchange rate as on closing day of the financial year, and the statement pursuant to Section 129 (3) of the Companies Act, 2013 in Form AOC-1, forms part of this Board's Report as ***Annexure-1***.

Further, the Company undertakes that the annual accounts of the Subsidiary Companies and the related detailed information will be made available to any investor seeking such information at any point of time. The annual accounts of the Subsidiary Companies and related information will also be kept for inspection by any investor at Mindteck's registered office. The soft copy of accounts is available on the Investors section of the Company's website (www.mindteck.com). The Holding, as well as Subsidiary Companies, regularly file the applicable data to various regulators and government authorities, as and when required.

None of the Subsidiaries, Joint Ventures or Associate Companies ceased during the year.

8. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered during the financial year were on an arm's length basis and in the ordinary course of business. There were no material Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel, or other designated persons and their relatives except with its wholly owned subsidiaries. The particulars of such contracts or arrangements with related party are attached as ***Annexure-2***.

During the financial year, your Company had contributed towards Corporate Social responsibility to Keyed Foundation in which one of the Directors is an Independent Director of the Company.

9. LITIGATION

There was no material litigation outstanding as on March 31, 2023.

10. CHANGES TO SHARE CAPITAL

The Board of Directors of the Company allotted 65,533 equity shares against employees' stock options during the financial year. Further, 5,14,224 equity shares were bought back by the Company in the open market through stock exchange mechanism as per relevant provisions of Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018, during the financial year. The issued, subscribed and paid-up Equity Share Capital was Rs. 25,26,50,930 as on March 31, 2023.

11. FIXED DEPOSITS

The Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees or Investments covered under Section 186 of the Companies Act, 2013, forms part of the notes to the Financial Statements provided in the Annual Report.

13. TRANSFER TO RESERVES

During the financial year, the Company has transferred Rs. 5.1 million to Capital redemption reserve on account of buyback of shares.

14. DIRECTORS

As per Section 152 of the Companies Act, 2013, Mr. Meenaz Dhanani (DIN: 06705048) retires by rotation as a Director in the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. A brief resume of Mr. Meenaz Dhanani is included in the Annexure to the Notice of the Annual General Meeting.

The Board of Directors have re-appointed Mr. Anand Balakrishnan (DIN: 05311032) as Managing Director and CEO for a period of three (3) years w.e.f. March 01, 2023, as recommended by the Nomination and Remuneration Committee for which the approval from shareholders with requisite majority was already obtained through Postal ballot notice dated March 02, 2023. In addition to the above, Mr. Satish Menon and Mr. Subhash Bhushan Dhar were re-appointed as Independent Directors for the second term of five (5) years w.e.f. May 14, 2023, and May 29, 2023, respectively, from the shareholders with requisite majority through Postal ballot notice dated March 02, 2023.

Declarations by Independent Directors

All Independent Directors have given declarations to the effect that they meet the criteria of independence as laid down under Regulation 16(1)(b) & 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sub-Section 6 & 7 of Section 149 of the Companies Act, 2013.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has carried out an annual performance evaluation of the Board, Individual Directors, as well as Committees and Chairperson.

Board Diversity

The Company places great emphasis on the principle of diversity, including gender diversity. Diversity throughout the organisation makes great business sense. The Company maintains that appointments to the Board should be based on merit, as well as complement and expand the skills, knowledge and experience of the Board as a whole.

Policy on Directors' Appointment and Remuneration

Mindteck has an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on date, the Board consists of eight Directors, one of whom is Managing Director and CEO; three are Non-Executive including one-woman Director and four are Independent Directors. The Board periodically evaluates the need for change in its composition and size. The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under Sub-section (3) of Section 178 of the Companies Act, 2013, is adopted by the Board, and uploaded on the Company's website **(www.mindteck.com)**. We affirm that the remuneration paid to the Directors is as per the requirements of the Companies Act, 2013.

Number of Meetings of the Board

The Board met four times during the Financial Year, the details of which are given in the Corporate Governance report that forms part of this Annual Report. The intervening gap between two meetings was within the limit prescribed by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Vigil Mechanism/Whistleblower Policy

The Company has established a Whistleblower Policy for Directors, Employees and other Stakeholders to report their genuine concern, and the said policy is attached as ***Annexure-3***.

Constitution of Internal Complaints Committee

The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

15. AUDITORS

Statutory Auditor

At the 31st Annual General Meeting held on August 12, 2022, Members of the Company appointed Statutory Auditor, Suresh Surana & Associates LLP, Chartered Accountants (Firm Registration No. 121750W/W-100010), Bengaluru for a period of five (5) years, who shall hold the office up to the conclusion of the 36th Annual General Meeting. During the year, the Statutory Auditor confirmed its eligibility and independence criteria to hold office.

Secretarial Auditor

CS S Kannan, a Practicing Company Secretary, was appointed to conduct the Secretarial Audit of the Company for the FY 2022-23, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the FY 2022-23 forms part of this Board's Report as ***Annexure-4***.

Cost Auditor

The maintenance of cost records as specified by the Central Government under Section 148 of the Companies Act, 2013, is not applicable to the Company, and accordingly such accounts and records are not maintained.

The Board noted the reports provided by the Statutory Auditor and Secretarial Auditor, and confirmed that there are no qualifications, reservations or adverse remarks.

16. ANNUAL RETURN

In accordance with Section 92(3) and 134(3)(a) of the Companies Act, 2013, the annual return in the prescribed format is displayed on the website of the Company (*Weblink: https://www.mindteck.com/annual-return*).

17. SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the Regulators, the Courts, or Tribunals impacting the going concern status and the Company's operation in the future. The details of Tax Matters are disclosed in the Standalone Financial Statements.

18. INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of the reliable financial disclosures.

19. INDEPENDENT DIRECTORS FAMILIARISATION PROGRAMME

Mindteck has an established familiarisation programme for its Independent Directors. The business heads, Managing Director and CEO, Delivery Head, Chief Financial Officer and the Company Secretary make presentations on business models, nature of industry and its dynamism, the roles, responsibilities and liabilities of Independent Directors. Further, updates on business, statutory law and industry are made available to Independent Directors especially to the Audit Committee members on an ongoing basis by internal teams, and Statutory & Internal Auditors on a quarterly basis.

20. PARTICULARS OF EMPLOYEES

The table containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as ***Annexure-5*** to the Board's report.

The list of employees who were employed throughout the financial year and in receipt of remuneration of Rs. 102 lakhs or more, or employed for part of the year and in receipt of Rs. 8.50 lakhs or more per month, and the List of Top 10 employees under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are in the following page:

Top 10 employees of the Company based upon the remuneration drawn during the FY 2022-23

Employee Name	Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualification	Experience (in years)	Date of Commencement of Employment	Age	Last Employment	Percentage of Equity Shares held by the employee in the Company	Any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
Anand Balakrishnan	Managing Director and CEO	1,78,33,821	Contractual	CA and CPA	30	30-Jan-2019	50	Wipro GE Healthcare Private Limited	0.04%	NO
Ramachandra M S	Chief Financial Officer	70,31,116	Employee	CA and DipIFR	17	01-Jul-2019	43	Spera Management Group	0.00%	NO
Harish A Nair	Sr. Vice President - Sales	63,78,650	Employee	MBA	26	15-Oct-2020	49	UST Global International Private Limited	0.01%	NO
Shivarama Adiga S.	Vice President - Company Secretary	58,57,788	Employee	C.S, M.Com and LLB	46	18-Mar-2013	64	Diligent Media Corporation Limited	0.02%	NO
Pradeep Kizhakkethil	Vice President - Human Resources	53,15,203	Employee	MHRM, PGDHRM	26	02-Aug-2012	50	IDExcel Technologies Private Limited	0.01%	NO
Satish Kumar V S	Practice Head - Medical & Health Care	49,68,893	Employee	B.E. and PGDBA	22	11-Oct-2021	54	L & T Technology Services Ltd	0.00%	NO
V Manju Reddy	Associate Vice President – EDS	41,89,790	Employee	B.E.	28	01-Oct-2020	50	Digital Systems	0.00%	NO
Rajith Rajagopal	Senior Regional Director – Account Management (US/UK/ Europe)	41,36,544	Employee	B.Sc.	22	14-Jun-2021	52	Corporater A S	0.00%	NO
Sudhir Kumar Singh	Group Head - Storage	41,28,590	Employee	M.E.	31	14-Jun-2022	56	ITC Infotech India Limited	0.00%	NO
Saibal Dey	Group Head - Semiconductor	39,71,529	Employee	B.Sc.	30	12-May-2003	53	Cygnus Software Private Limited	0.01%	NO

List of employees who were employed throughout the financial year and in receipt of remuneration of Rs.102 lakhs or more, or employed for part of the year and in receipt of Rs. 8.50 lakhs or more per month

Employee Name	Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualification	Experience (in years)	Date of Commencement of Employment	Age	Last Employment	Percentage of Equity shares held by the employee in the Company	Any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager
Anand Balakrishnan	Managing Director and CEO	1,78,33,821	Contractual	CA and CPA	30	30-Jan-2019	50	Wipro GE Healthcare Private Limited	0.04	NO

21. COMMITTEES OF THE BOARD

Currently, the Board has four Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, and Stakeholders Relationship Committee.

A detailed note on the Board and its Committees is provided under the Corporate Governance report in this Annual Report. The composition of the Committees and compliances, as per the applicable provisions of the Act and Rules, are as follows:

Name of the Committee	Composition of the Committee	Highlights of duties, responsibilities and activities
Audit Committee	Mr. Jagdish Malkani - Chairperson Mr. Satish Menon– Member Mr. Yusuf Lanewala– Member Ms. Keyuri Singh-Member Mr. Guhan Subramaniam-Member Mr. Subhash Bhushan Dhar-Member	▪ The Committee oversees the Company's financial reporting process and disclosures of its financial information to ensure accuracy and reliability. ▪ The Company has adopted the Whistleblower Policy for Directors, Employees and other Stakeholders to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Business Conduct and Ethics. The Whistleblower Policy is attached as ***Annexure-3*** to the Board's Report. ▪ In accordance with the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formulated policies on related party transactions and material subsidiaries. The policies, including the Whistleblower Policy, are available on the Company's website.
Nomination and Remuneration Committee	Mr. Guhan Subramaniam- Chairperson Mr. Yusuf Lanewala - Member Mr. Subhash Bhushan Dhar –Member Ms. Keyuri Singh –Member Mr. Jagdish Malkani –Member Mr. Satish Menon–Member	▪ The Committee oversees and administers executive compensation, operating under a written charter adopted by the Board of Directors. ▪ The Committee has designed and continuously reviews the compensation program for the Managing Director, Key Managerial Personnel and Senior Management to align both short and long-term compensation with business objectives, and to link compensation with the achievement of measurable performance goals. ▪ The Committee structures compensation to ensure that it is competitive in the global markets in which it operates in order to attract and retain the best talent. The Committee intends to have a combination of stock options and performance-based stocks to align Senior Management compensation. ▪ The Nomination and Remuneration Committee has framed the Nomination and Remuneration policy. A copy of the policy is uploaded on the Company's website. *(Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf).*
Corporate Social Responsibility Committee	Mr. Yusuf Lanewala – Chairperson Mr. Anand Balakrishnan – Member Mr. Jagdish Malkani – Member Mr. Subhash Bhushan Dhar – Member	▪ The Board has laid out the Company's policy on Corporate Social Responsibility (CSR), and the CSR activities of the Company are carried out as per the instructions of the Committee. ▪ The Company allocates 2% of its average net profits of three years immediately preceding the financial year for CSR activities to various beneficiaries. ▪ The Annual Report on CSR Activities is attached as per the prescribed format in ***Annexure -6*** to the Board's Report. ▪ The contents of the CSR policy are available on the Company's website *(Weblink: https://www.mindteck.com/assets/investor_pdf/CSR_Policy.pdf)*
Stakeholders Relationship Committee	Mr. Satish Menon- Chairperson Mr. Yusuf Lanewala-Member Mr. Guhan Subramaniam– Member Mr. Meenaz Dhanani-Member	▪ The Committee reviews and ensures redressal of investor grievances. ▪ The Committee notes all the grievances of the investors and takes suitable action accordingly.

22. RISK MANAGEMENT

The Company has a robust Enterprise Risk Management (ERM) framework to identify and evaluate business risk opportunities. This framework seeks to create transparency, minimise adverse impact on business objectives, and enhance the Company's competitive advantage. The business risk policy defines the risk management approach across the enterprise at various levels, including documentation and reporting. The model has different modes that help in identifying risk trends, exposure and potential impact analysis at a Company level and also separately for different business segments. The Company has identified various risks and also has mitigation plans for each risk identified.

23. CORPORATE GOVERNANCE REPORT

Mindteck recognises good Corporate Governance and is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability, for the benefit of its stakeholders and for long-term success. Mindteck adheres to the standards set by SEBI for Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a report on Corporate Governance pursuant to Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report. The details of the remuneration to all the Directors for the FY 2022-23 are reflected in the Corporate Governance Report. A Compliance Certificate on Corporate Governance forms part of this report as ***Annexure-7***.

24. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis is part of this Annual Report.

25. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief, and according to the information and explanations obtained by the Company, the Directors made the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013:

a. that in the preparation of the annual financial statements for the year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policy as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently. Judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2023 and of the profit of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the annual financial statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

26. CSR INITIATIVES

During FY 2022-23, more than 2% of Mindteck's previous three years' average net profits were allocated towards the following initiatives:

Gandhi Old Age Home: Mindteck contributed towards procurement of Hospitalisation cots and side tables for elderly people.

Keyed Foundation: As in the past, Mindteck contributed towards the 'School Readiness Program' in Government Schools.

27. MINDTECK EMPLOYEES STOCK OPTION SCHEMES

Mindteck believes in the policy of enabling Mindteckers to participate in the ownership of the Company and share in its wealth creation as they are responsible for the Management growth and success of the Company. The Company has four Employees Stock Option Schemes: Mindteck Employees Stock Option Scheme 2005, Mindteck Employees Stock Option Scheme 2008, Mindteck Employees Stock Option Scheme 2014, and Mindteck Employees Stock Option Scheme 2020.

a. Mindteck Employees Stock Option Scheme 2005

During the year ended March 31, 2023, under this Scheme, the Company did not grant any options but allotted 3,200 shares to the eligible employee. There has been no variation in the terms of ESOP Scheme during the year.

b. Mindteck Employees Stock Option Scheme 2008

During the year ended March 31, 2023, under this Scheme, the Company did not grant any options but allotted 33,333 shares to the eligible employee. There has been no variation in the terms of ESOP Scheme during the year.

c. Mindteck Employees Stock Option Scheme 2014

During the year ended March 31, 2023, under this Scheme, the Company granted 2,50,000 options on March 01, 2023, at an exercise price of Rs. 115.65/- and allotted 29,000 shares to the eligible employee. There has been no variation in the terms of ESOP Scheme during the year.

d. Mindteck Employees Stock Option Scheme 2020

During the year ended March 31, 2023, under this Scheme, the Company granted 1,42,500 options on May 03, 2022, at an exercise price of Rs. 40/- to the eligible employees & 7,500 options on May 20, 2022, at an exercise price of Rs. 40/- to the eligible employee and did not allot any shares. There has been no variation in the terms of ESOP Scheme during the year.

The Details of the Employees Stock Option Schemes, as required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are displayed on the website of the Company.
(Weblink: https://www.mindteck.com/assets/investor_pdf/Disclosures-pursuant-to-SEBI-SBEB-SE-Regulations-2021.pdf)

28. MINDTECK EMPLOYEES WELFARE TRUST

The Mindteck Employees Welfare Trust (MEWT) was set up in the year 2000. The Company has implemented a new Scheme named as Mindteck Employees Stock Option Scheme 2020 in lieu of earlier Company's Share Incentive Scheme. The Scheme has 4,16,000 shares of the Company, which shall be administered and transferred through MEWT. As on March 31, 2023, the said Trust holds 4,16,000 shares of the Company and has not transferred any shares to the employees of the Company under the said scheme.

29. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE AND OUTGO

Particulars that are required to be disclosed under Sub-Section (3)(m) of Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, are set out in ***Annexure-8*** included in this Report.

30. ACKNOWLEDGEMENTS

The Directors place on record their appreciation of co-operation and continued support extended by customers, shareholders, investors, partners, vendors, bankers, the Government, and statutory authorities for the Company's growth. We thank employees at all levels across the Group for their valuable contribution in our progress even during COVID-19 pandemic and look forward to their continued support.

for and on behalf of the Board of Directors

Yusuf Lanewala	**Anand Balakrishnan**
Chairman	Managing Director and CEO
(DIN: 01770426)	(DIN: 05311032)

Bengaluru, India
May 19, 2023

Annexure-1

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATE COMPANIES (AOC 1)

{Pursuant to first proviso to Sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules 2014}

(Amount in Rs.)

Name of the Subsidiary	Mindteck Germany GmbH	Mindteck Software Malaysia SDN. BHD.	Mindteck Middle East Ltd. WLL.	Mindteck Singapore Pte. Ltd.	Mindteck (UK) Limited	Mindteck, Inc.	Chendle Holdings Ltd.	Mindteck Solutions Philippines, Inc.*	Mindteck Canada, Inc.
Sl. No.	1	2	3	4	5	6	7	8	9
Reporting Period	01-04-22 to 31-03-23	01-04-22 to 31-03-23	01-04-22 to 31-03-23	01-04-22 to 31-03-23	01-04-22 to 31-03-23	01-04-22 to 31-03-23	01-04-22 to 31-03-23	01-04-22 to 31-03-23	01-04-22 to 31-03-23
Reporting Currency	EUR	MYR	BHD	SGD	GBP	USD	USD	PHP	CAD
Exchange Rate	89.302	18.647	219.300	61.785	101.550	82.168	82.168	-	60.717
Share Capital	22,32,550	46,61,750	1,09,64,992	8,09,69,243	9,83,41,832	67,48,86,293	4,10,84,000	-	1,30,00,663
Reserves & Surplus	(4,42,49,981)	8,98,23,681	1,51,68,093	5,80,71,722	(3,73,36,889)	(10,38,38,545)	-	-	1,05,85,888
Total Assets	8,22,32,895	13,63,79,086	6,11,69,087	20,21,78,067	1,34,449,154	75,07,16,046	4,10,84,000	-	2,58,23,790
Total Liabilities	12,42,50,326	4,18,93,655	3,50,36,002	6,31,37,103	7,34,44,210	17,96,68,278	-	-	22,37,239
Investments						1,37,75,712	4,10,84,000		
Turnover	20,78,34,240	23,94,65,037	16,36,56,212	33,87,17,854	36,78,56,171	1,62,75,13,663	-	-	3,71,85,472
Profit before taxation	1,55,89,548	55,00,986	75,21,792	2,64,87,039	30,25,720	1,44,06,464	-	-	(48,93,756)
Provision for taxation	-	6,58,562	-	45,52,391	-	17,87,572	-	-	(12,96,814)
Profit after taxation	1,55,89,548	48,42,424	75,21,792	2,19,34,648	30,25,720	1,26,18,892	-	-	(35,96,942)
Proposed Dividend	-	-	-	-	-	-	-	-	-
% of shareholding	100	100	100	100	100	100	100	99.99	99.99

*Mindteck Solutions Philippines, Inc. is under closure

for and on behalf of the Board of Directors

Yusuf Lanewala
Chairman
(DIN: 01770426)

Anand Balakrishnan
Managing Director and CEO
(DIN: 05311032)

Bengaluru, India
May 19, 2023

Annexure-2

PARTICULARS OF CONTRACTS/ARRANGEMENTS/TRANSACTIONS MADE WITH RELATED PARTIES (AOC 2)

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014]

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with the related parties referred to in Sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at an arm's length basis

There were no contracts or arrangements, or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

Details of material contracts or arrangements or transactions at an arm's length basis

The details of material contracts or arrangement or transactions at arm's length basis for the year ended March 31, 2023 are as follows:

(Amount in Rs.)

Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any*	Date(s) of approval by the Board, if any	Amount paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Mindteck Inc., US	Subsidiary	Buy & Sale of service/ Cross charge transactions	01-04-2008 - ongoing	59,81,02,228	NA	7,07,756
Mindteck Software Malaysia SDN. BHD, Malaysia	Subsidiary	Sale of service/Cross charge transactions	01-04-2009 - ongoing	4,68,42,873	NA	6,89,379
Mindteck Middle East Limited WLL, Kingdom of Bahrain	Subsidiary	Sale of service/Cross charge transactions	01-04-2009 - ongoing	2,16,90,747	NA	9,59,441
Mindteck (UK) Limited, United Kingdom	Subsidiary	Sale of service/Cross charge transactions	01-04-2008 - ongoing	18,24,68,369	NA	1,39,661
Mindteck Singapore Pte. Limited, Singapore	Subsidiary	Buy & Sale of service/ Cross charge transactions	01-04-2009 - ongoing	3,84,62,559	NA	1,10,287
Chendle Holdings Ltd, BVI	Subsidiary	NIL	NIL	NA	NA	NA
Mindteck Germany GmbH, Germany	Step-Subsidiary	Sale of service/Cross charge transactions	01-04-2008 - ongoing	1,27,25,865	NA	7,45,336
Mindteck Solutions Philippines, Inc., Philippines**	Step-Subsidiary	NIL	NIL	NA	NA	NA
Mindteck Canada, Inc., Canada	Step-Subsidiary	NIL	NIL	NA	NA	NA

* Based on TP Agreements.

** Mindteck Solutions Philippines, Inc. is under closure .

for and on behalf of the Board of Directors

Yusuf Lanewala
Chairman
(DIN: 01770426)

Anand Balakrishnan
Managing Director and CEO
(DIN: 05311032)

Bengaluru, India
May 19, 2023

Annexure-3

WHISTLEBLOWER POLICY/VIGIL MECHANISM

As part of our Corporate Governance practices, the Company has adopted the Whistleblower policy that covers our Directors, former or current employees, vendors, consultants and any other person(s) who is affiliated with the Company.

The policy is provided herewith pursuant to Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy is also available on our website.

1. INTRODUCTION

Mindteck (India) Limited (hereinafter referred to as ("the Company") is committed to the highest standards of transparency, professionalism, legal compliance, honesty, integrity, ethical behavior, corporate governance and accountability in conducting its business. The Company is committed to developing a culture where it is safe for all persons to raise concerns, grievances on various matters pertaining to any malpractice, fraud, violation of code of conduct, abuse of power or authority by any official and misconduct.

An important aspect of transparency and accountability is a mechanism to enable all persons to voice their Protected Disclosures in a responsible and effective manner. It is a fundamental term of every contract of employment with the Company that an employee will faithfully serve his or her employer and not disclose confidential information about the employer's business and affairs. Nevertheless, where a or any person discovers information which he/she believes to be a serious malpractice, impropriety, abuse or wrongdoing within the organisation, especially at the higher levels, then he/she should be able to disclose or report this information internally without fear of reprisal.

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provides for a mandatory requirement for all listed companies to establish a mechanism called 'Whistleblower Policy' for Stakeholders to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy.

Accordingly, this Whistleblower Policy ("the Policy") has been formulated with a view to provide a mechanism for all persons of the Company to approach various Committees of the Company.

In addition to the Listing agreement, section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 mandates all listed company to constitute a vigil mechanism.

2. DEFINITIONS

The definitions of some of the key terms used in this Policy are given below. Capitalised terms not defined herein shall have the meaning assigned to them under the Code:

a. **"Audit Committee" -** means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

b. **"Alleged Wrongful Conduct"** - means and includes, but not limited to:

- Non-compliance of Corporate Governance
- Non-compliance of Related Party Transactions
- Misappropriation of funds
- Non-compliance to the law of the land or violation of law
- Concealing legal mandatory disclosures
- Breach of fiduciary responsibilities
- Infringement of Company Code of Conduct
- Breach of integrity and ethics policy
- Infringement of Insider Trading Code of the Company
- Financial irregularities
- Infringement and misuse of Intellectual Property
- Leak of Unpublished Price Sensitive Information in any manner

c. **"Code"** - means Company Code of Conduct.

d. **"Company"** - means "Mindteck (India) Limited".

e. **"Employee"** - means every employee of the Company (whether working in India or abroad), permanent or temporary including the contracted employee and Directors of the Company whether in the employment of the Company or not.

f. **"Person"** - means former or current employees, vendors, consultants and any other person(s) who is affiliated with the Company.

g. **"Protected Disclosure"** - means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity.

h. **"Subject"** - means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.

i. **"Whistleblower"** - means any person making a Protected Disclosure under this Policy.

3. SCOPE OF THE POLICY

a. This policy covers all persons of Mindteck (India) Limited and its subsidiaries.

b. The Policy covers any 'Alleged Wrongful Conduct' and other malpractices which have taken place involving, but not limited to:

- Any unlawful act, whether criminal or not.
- Breach of any Policy or Manual or Code of conduct adopted by the Company.
- Abuse (e.g. through physical, psychological or financial abuse, exploitation or neglect).
- Fraud and corruption (e.g. to solicit or receive any gift/ reward as a bribe).
- Any instance of failure to comply with legal or statutory obligation either on behalf of the Company or in any personal capacity in the course of discharging duties of the Company.
- Any kind of financial malpractice.

- Abuse of power (e.g. bullying/harassment).
- Negligence causing substantial and specific danger to public health and safety.
- Wastage/misappropriation of Company funds/assets.
- Leak of Unpublished Price Sensitive Information in any manner.
- Any other unethical or improper conduct.

c. All persons of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or any other subsidiaries.

d. This policy has been introduced by the Company to enable persons to raise their Protected Disclosures about any 'Alleged Wrongful Conduct', malpractice, impropriety, abuse or wrongdoing at any stage and in the right way, without fear of victimisation, subsequent discrimination or disadvantage. However, persons shall not to use this mechanism to question financial or business decisions taken by the Company Management or to reopen issues, which have already been addressed pursuant to disciplinary or other procedures of the Company.

e. The Whistleblower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case.

f. Whistleblowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested by the Committee Heads.

4. EFFECTIVE DATE OF POLICY

This revised policy is effective from May 28, 2019.

5. COMPANY GUARANTEES UNDER THE POLICY

Protection

a. The Company as a matter of policy condemns any kind of discrimination, harassment, victimisation or any other unfair employment practice being adopted against Whistleblowers. Complete protection shall be given to Whistleblowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform his/her duties/functions including making further Protected Disclosure.

b. The Company will take steps to minimise difficulties, which the Whistleblower may experience as a result of making the Protected Disclosure. Whistleblowers who acted in good faith, raise genuine Protected Disclosures under this policy will not be at risk of losing their jobs or be subjected to any kind of harassment or pressure from the Management.

Protected Disclosures are not published

The Company will take appropriate action to protect the identity of Whistleblowers who raise Protected Disclosures in good faith, unless forced by circumstances to reveal, in which case the Whistleblowers will be taken into confidence and his/her interests adequately protected.

Any other person assisting in the said investigation shall also be protected to the same extent as the Whistleblower.

Disqualifications

a. While it will be ensured that genuine Whistleblowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.

b. Protection under this Policy would not mean protection from disciplinary action arising out of false or bogus allegations made by a Whistleblower knowing it to be false or bogus or with a mala fide intention.

Whistleblowers, who make three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under this Policy. In respect of such Whistleblowers, the Company/Audit Committee would reserve its right to take/recommend appropriate disciplinary action.

6. PROCEDURE FOR DISCLOSURE, ENQUIRY AND DISCIPLINARY ACTION

How to disclose Protected Disclosures?

a. A person intending to make any Protected Disclosure is required to disclose all relevant information at the earliest from the day on which he/she knew of the Protected Disclosure.

b. Protected Disclosures should preferably be reported in writing, so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in the regional language of the place of employment of the Whistleblower.

c. The Protected Disclosure, if forwarded under a covering letter which shall bear the identity of the Whistleblower. The Chairperson of the Audit Committee shall detach the covering letter and discuss the Protected Disclosure with Members of the Committee.

d. The Whistleblower must disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures will not be entertained by the Audit Committee as it would not be possible to interview the Whistleblowers.

e. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

To whom should Protected Disclosures be disclosed?

The Protected Disclosure should be disclosed through e-mail or fax, letter or any other method to the Chairperson of Audit Committee as below:

Chairperson of Audit Committee
Mindteck (India) Limited
A.M.R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road, Bommanahalli
Bengaluru - 560068
Email: auditcommitteeCM@mindteck.com

Investigation Process

a. All Protected Disclosures reported under this Policy will be thoroughly investigated by the Chairperson of the Audit Committee of the Company, who will investigate/oversee the investigations under the authorisation of the Audit Committee. If any member of the Audit Committee has a conflict of interest in any given case, then he/she should recuse himself/herself and the other members of the Audit Committee should deal with the matter on hand.

b. The Chairperson of the Audit Committee may at his/her discretion, consider involving any Investigators for the purpose of investigation

c. The decision to conduct an investigation taken by the Chairperson of the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistleblower that an improper or unethical act was committed.

d. The identity of a Subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.

e. Subject will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

f. Subject shall co-operate with the Chairperson of the Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

g. Subject has a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Audit Committee and/or the Whistleblower. Subject shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings.

h. Subject shall not interfere with the investigation.

i. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subject.

j. Unless there are compelling reasons not to do so, Subject will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

k. Subject has a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.

l. The investigation shall be completed normally within 45 days of the receipt of the Protected Disclosure.

Appeal against the decision of the Audit Committee

If either the Whistleblower or the Subject is not satisfied with the decision of the Audit Committee, then either of the Parties could prefer an appeal against this decision before the Company's Board and the decision of the Board in the matter will be final and binding on all the parties in relation to the terms of employment. Appropriate appeal procedure may be formulated by the Board, ensuring principles of natural justice and the Subject shall have right of remedies under the law.

Untrue Allegations

If any person makes allegations in good faith, which is not confirmed by subsequent investigation, no action will be taken against the Whistleblower. In making disclosures, employees should exercise due care to ensure the accuracy of the information.

Maintaining confidentiality of the Protected Disclosure

The Whistleblower as well as any of the persons to whom the Protected Disclosure has been disclosed or any of the persons who will be investigating or deciding on the investigation as well as the members of the Audit Committee shall not make public the Protected Disclosure disclosed except with the prior written permission of the Audit Committee. However, this restriction shall not be applicable if any Whistleblower is called upon to disclose this issue by any judicial process and in accordance with the laws of land.

7. COMPLAINTS OF RETALIATION AS A RESULT OF DISCLOSURE

a. If any Whistleblower believes that he/she has been retaliated against in the form of any adverse action for disclosing a Protected Disclosure under this policy, he/she may file a written complaint to the Audit Committee seeking redress.

b. For the purposes of this policy, an adverse action shall include a disciplinary suspension, a decision not to promote, a decision not to grant a salary increase, a termination, demotion, rejection during probation, a performance evaluation in which the employee's performance is generally evaluated as unsatisfactory, a forced resignation or an unfavorable change in the general terms and conditions of employment.

Amendment

The Company reserves the right to amend or modify this Policy in whole or in part, at any time without assigning any reason. However, no such amendment or modification will be binding on the persons unless the same is notified on the website of the Company.

for and on behalf of the Board of Directors

Yusuf Lanewala
Chairman
(DIN: 01770426)

Anand Balakrishnan
Managing Director and CEO
(DIN: 05311032)

Bengaluru, India
May 19, 2023

Annexure-4

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

{Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068

I have conducted the secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by Mindteck (India) Limited (CIN: L30007KA1991PLC039702) (herein after referred to as "Company") for the period from April 01, 2022 to March 31, 2023. I have conducted the Secretarial Audit 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 documents provided by the Company as stated above and also the information provided by the Company and its officers 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 March 31, 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 scanned documents and other records provided by the Company for the financial year ended on March 31, 2023 according to the provisions of:

1. The Companies Act, 2013, (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) as amended up to the date of audit:
   a. 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;
   b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   c. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
   d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   e. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
   f. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   g. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
   h. The Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2018; and
   i. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018;
6. The Company has identified the following laws as applicable to them:
   i. Employees Provident Fund and Miscellaneous Provisions Act, 1952
   ii. Employees State Insurance Act, 1948
   iii. Environment Protection Act, 1986 and other applicable environmental laws
   iv. Indian Contract Act, 1872
   v. Income Tax Act, 1961 and other related laws
   vi. Payment of Bonus Act, 1965
   vii. Payment of Gratuity Act, 1972 and such other applicable labour laws
   viii. The Information Technology Act, 2000
   ix. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
   x. The Central Goods and Service Tax Act, 2017, IGST and relevant State GST Acts

I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws, Rules and Regulations to the Company. I have also examined compliance with the applicable clauses of the following:

a) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent applicable as on the date of my audit.

The Company has listed its securities with BSE Limited and National Stock Exchange of India Limited and the shares of the Company are traded at both the Stock Exchanges. The Company has paid the annual Listing fees to the Stock Exchanges in time.

During the period under the review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

(ii) Adequate notice is given to all Directors to schedule the Board and other Committee 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.

(iii) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

(iv) 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.

(v) During the audit period, the Company has no major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013, having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

(vi) During the audit period, there were no Public / Rights issue of shares / debentures / sweat equity by the Company.

(vii) During the period under review, the Company has allotted 65,533 equity shares through various ESOP Schemes to its employees and Directors.

(viii) During the period under review, the Company has bought back 5,14,224 equity shares of the Company from the open market through stock exchange mechanism at a cost of Rs. 7,16,51,146.00.

(ix) During the audit period, there were no instances of:

a. Redemption of securities

b. Merger/amalgamation/reconstruction etc.,

c. Foreign technical collaborations.

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

For S KANNAN AND ASSOCIATES

S Kannan
Company Secretary
FCS No. 6261/CP No.: 13016
Firm No. S2017KR473100
UDIN No. F006261E000338263
PR No. 1695/2022

Place: Bangalore
Date: 19th May 2023

Annexure-A

To,
The Members,
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068.

Our report of even date is to be read along with this letter.

a. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

c. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

d. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

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

f. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like Labour laws & Environment laws and Data protection policy.

g. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For S KANNAN AND ASSOCIATES

S Kannan
Company Secretary
FCS No. 6261/CP No.: 13016
Firm No. S2017KR473100
UDIN No. F006261E000338263
PR No. 1695/2022

Place: Bangalore
Date: 19th May 2023

Annexure-5

DETAILS OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i)	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year;	**Name of the Director**	**Ratio to the Median**
		Yusuf Lanewala	1.83
		Anand Balakrishnan	27.15
		Meenaz Dhanani	NIL
		Guhan Subramaniam	1.83
		Jagdish Malkani	1.83
		Keyuri Singh	1.83
		Satish Menon	1.83
		Subhash Bhushan Dhar	1.83
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	**Name of the Director & KMP**	**% increase**
		Yusuf Lanewala	87.50%
		Anand Balakrishnan	8.25%
		Meenaz Dhanani	10.64%
		Guhan Subramaniam	87.50%
		Jagdish Malkani	55.56%
		Keyuri Singh	237.50%
		Satish Menon	55.56%
		Subhash Bhushan Dhar	87.50%
		Ramachandra M S, CFO	NIL
		Shivarama Adiga S., CS	9.85%
(iii)	The percentage increase in the median remuneration of employees in the financial year;	There was an increase of 33.68% in the median remuneration of employees in the financial year.	
(iv)	The number of permanent employees on the rolls of Company	The total number of Mindteck permanent employees as on March 31, 2023 was 716.	
(v)	Average percentile 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 the managerial remuneration	Average percentage increase was 5.11% for all the employees and for managerial personnel in the FY 2022-23. Remuneration increase is based on merit performance of individual employees and market benchmark data.	
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes – the remuneration is as per the Nomination and Remuneration policy of the Company.	

for and on behalf of the Board of Directors

Yusuf Lanewala
Chairman
(DIN: 01770426)

Anand Balakrishnan
Managing Director and CEO
(DIN: 05311032)

Bengaluru, India
May 19, 2023

Annexure-6

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

{Pursuant to Section 135 of the Companies Act, 2013, and Companies (Corporate Social Responsibility Policy) Rules 2014}

1. Brief outline on CSR Policy of the Company: Company laid down its focus on the following CSR activities in line with the statute governing CSR, and for the benefit of the public:
   - Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, differently abled and livelihood enhancement projects.
   - Eradicating hunger, poverty and malnutrition, promoting health care, including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
   - Any other CSR activities as per the Companies Act, 2013 and approved by the Board from time to time.
2. Composition of CSR Committee:

Sl. No.	Name of Director	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Yusuf Lanewala, Chairperson of the Committee	Chairman	NIL	NIL
2	Anand Balakrishnan	Managing Director and Chief Executive Officer	NIL	NIL
3	Subhash Bhushan Dhar	Independent Director	NIL	NIL
4	Jagdish Malkani	Independent Director	NIL	NIL

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:
   CSR Policy: *https://www.mindteck.com/assets/investor_pdf/CSR_Policy.pdf*
   CSR Projects: *https://www.mindteck.com/assets/investor_pdf/CSR-Projects-2022-23.pdf*
   CSR Committee Composition: *https://www.mindteck.com/committee-bod*
4. Provide the 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: **NOT APPLICABLE**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: **NOT APPLICABLE**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
NIL	NIL	NIL	NIL

6. Average net profit of the Company as per section 135(5): **Rs. 1,023 Lakhs**
7. (a) Two percent of average net profit of the Company as per section 135(5): **Rs. 20.46 Lakhs**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NOT APPLICABLE**

   (c) Amount required to be set off for the financial year, if any: **NOT APPLICABLE**

   (d) Total CSR obligation for the financial year (7a+7b-7c): **Rs. Rs. 20.46 Lakhs**

8. (a) CSR amount spent or unspent for the financial year:

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

(b) Details of CSR amount spent against ongoing projects for the financial year: **NOT APPLICABLE**

Sl. 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 Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implem-entation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL	NIL	NIL	NIL	NIL		NIL	NIL	NIL	NIL	NIL	NIL	NIL

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

Sl. 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 in the current financial year (in Rs.)	Mode of Implem-entation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	Purchased Hospitalisation cots with bed and side table.	iii	YES	Bangalore, Karnataka		5,50,000	YES	NA	NA
2	'School Readiness Program' in Early Childhood Education.	ii	YES	Bangalore, Karnataka		15,00,000	NO	Keyed Foundation	CSR00001663

(d) Amount spent in Administrative Overheads: **NOT APPLICABLE**

(e) Amount spent on Impact Assessment, if applicable: **NOT APPLICABLE**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Rs. 20.50 lakhs**

(g) Excess amount for set off, if any: **NOT APPLICABLE**

Sl. No.	Particulars	Amount (in Rs.)
(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	**NOT APPLICABLE**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**NOT APPLICABLE**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**NOT APPLICABLE**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**NOT APPLICABLE**

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs)	Date of transfer	
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NOT APPLICABLE**

Sl. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed/ Ongoing
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

10. 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**

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per section 135(5): **NOT APPLICABLE**

for and on behalf of the Board of Directors

Yusuf Lanewala
Chairperson of the CSR Committee
(DIN: 01770426)

Anand Balakrishnan
Managing Director and CEO
(DIN: 05311032)

Bengaluru, India
May 19, 2023

Annexure-7

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE
Corporate Identity No.: L30007KA1991PLC039702
Nominal Capital: Rs. 33,00,00,000.00

I, S Kannan, Company Secretary, have examined all the relevant records of Mindteck (India) Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the period from April 01, 2022 to March 31, 2023.

Further, I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification. The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate 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. In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory conditions of Corporate Governance as applicable under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For S KANNAN AND ASSOCIATES

S KANNAN
Company Secretary
FCS No. 6261/CP No.: 13016
Firm No.: S2017KR473100
UDIN No.: F006261E000338329
PR No. 1695/2022

Place: Bangalore
Date: 19th May, 2023

Annexure-8

DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTFLOW

1. CONSERVATION OF ENERGY

As previously mentioned, the Company has been conscious of its carbon footprint and has been working to effectively reduce the same in every manner possible. Various initiatives have been taken by the Company to ensure that consumption of energy is at minimal levels in our operations.

Mindteck has been vigilant in its power saving initiatives and has been effectively working to reduce its power conservation across all premises. The steps taken are as follows:

Conservation of Energy:

(i) Mindteck has deployed an LED-based smart lighting system at the Bengaluru location which is helping in curtailing lighting energy consumption.

(ii) Mindteck has deployed bio-urinal mats for reduction in water and energy consumption in the toilets.

(iii) Steps taken by the Company for utilising alternate source of energy:

- Monitors are turned off by employees before leaving for the day. Desktops and laptops hibernate when not in use for more than ten minutes.
- Only 50% of the lifts are kept operational in the various office premises of Mindteck during holidays and weekends.
- The staff ensures that lights are switched off when employees are not in the office.
- The office premises is planned to allow effective use of sunlight and thus reduce the need of switching on the lights during the day.
- Air conditioners are switched off in the evenings and during the weekends.
- Air conditioner runtime has also been minimised by altering the exhaust system.
- Within the premises, diesel generator sets are used only in case of extreme necessity, and these are well maintained to increase efficiency, resulting in less wastage of fuel.
- The water pipes have been resized to reduce water consumption.

Waste Management:

Mindteck ensures the least possible level of waste accumulation through effective disposal and recycling of the Company's waste. The steps taken are:

- The Company operates on the 'paper-free office' policy and storage is encouraged in digital format, rather than on paper.
- All paper waste and shredded paper is sent to a recycling agent, including the carton boxes and packing material.
- Separate dustbins are used to segregate biodegradable and non-biodegradable wastes to effectively process their disposal mechanism.
- Food waste is picked up by organic manure manufacturers.
- STP is set up in the premises to ensure the usage of treated water for common area cleaning and gardening.
- All e-waste is disposed and recycled through e-waste recycling agencies.

2. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT

Technology Absorption:

(i) The efforts made towards technology absorption:

- Mindteck has developed technologies on its own in the areas of IoT, Lab Analysis, Smart Energy, Instrument Monitoring and Smart Cities and has not absorbed any technologies from external sources.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Development of homegrown technologies in IoT, Lab Analytics and Smart City space have helped in reducing the solution costs, delivery timelines and helped in import substitution.

(iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

(i) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services, and export plans.

Through off-shore leverage, Mindteck is seeking to increase exports and develop new markets through subsidiaries.

(ii) Total Foreign Exchange used and earned:

Amount in Rs.

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Earnings	86,36,93,792	81,55,79,011
Expenditure	3,19,92,169	3,06,53,440

for and on behalf of the Board of Directors

Yusuf Lanewala
Chairman
(DIN: 01770426)

Anand Balakrishnan
Managing Director and CEO
(DIN: 05311032)

Bengaluru, India
May 19, 2023

Corporate Governance Report

The Corporate Governance framework for Mindteck (India) Limited ('Mindteck' or 'the Company') is a reflection of its culture, policies, relationship with its stakeholders and commitment to values. Accordingly, Mindteck always seeks to ensure that its performance is driven by integrity in order to retain the trust of its stakeholders.

The Securities and Exchange Board of India (SEBI) implemented SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as SEBI (LODR)], as amended from time to time, to implement comprehensive Corporate Governance norms for listed companies. These norms provide stringent disclosures for the protection of investor rights, including equitable treatment for minority and foreign shareholders. SEBI (LODR) is aligned with the provisions of the Companies Act, 2013, as amended from time to time, and is aimed to encourage companies to adopt best Corporate Governance practices.

Accordingly, the Company complies with Corporate Governance as per SEBI (LODR) and a report containing the details of the Corporate Governance and processes at Mindteck is as under:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and in all its transactions with its stakeholders, including its employees, customers, shareholders, suppliers, partners, supporting agencies, Government, and society at large.

The Management aims to achieve its objective of increasing stakeholders' value while consistently observing the norms laid down in the Code of Corporate Governance. The Management has institutionalised Corporate Governance at all levels within the Company in order to ensure transparency, good practices, accountability and a systems-driven style of functioning.

The overall responsibility for guiding Corporate Governance within the Company rests with the Board of Directors ('the Board'), which has put in place appropriate policies, guidelines and processes. The day-to-day implementation and monitoring of these policies, guidelines and processes rest with the Management of the Company and are in consonance with the requirements of the Companies Act, 2013, as amended from time to time, and applicable SEBI Regulations, including SEBI (LODR). Keeping in view the Company's size, complexity, global operations and corporate traditions, Mindteck has adopted the following main principles and philosophies:

(i) Constitution of the Board of the Company and Committees of Directors of appropriate composition, size and expertise.

(ii) Complete transparency in the operations of the Company.

(iii) Maintaining prescribed levels of disclosure and complete openness in communication.

(iv) Independent verification and safeguarding integrity of the Company's financial reporting.

(v) A sound system of risk management and internal control.

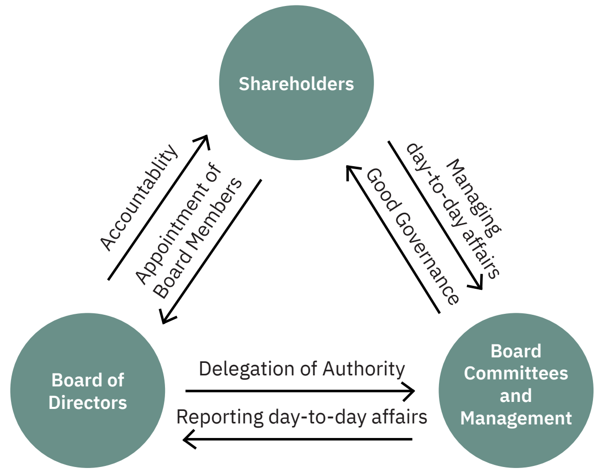
(vi) Timely and balanced disclosure of all material information concerning the Company to its stakeholders.

(vii) A system to ensure compliance with applicable laws in countries where the Company operates.

(viii) Maintenance of high standards of safety and health.

(ix) Adherence to good governance practices in spirit and not just in letter.

2. THE GOVERNANCE STRUCTURE AT MINDTECK



The governance mechanism adopted at Mindteck:

(i) The Board is appointed by the shareholders and is vested with the responsibility of conducting the affairs of the Company with the objective of maximising returns to all stakeholders.

(ii) The Board is responsible for the overall vision, strategy and good Corporate Governance. The Board and Committees ensure accountability and transparency in the affairs of the Company, to the stakeholders, by directing and controlling the management activities.

(iii) The Managing Director and CEO, along with Senior Management, are responsible for setting up business targets and day-to-day management of the Company in line with the objectives and principles set by the Board.

A. GOVERNANCE BY THE BOARD OF DIRECTORS

Composition:

The Board is at the core of the Corporate Governance practice and oversees how the Management serves and protects the long-term interests of all stakeholders of the Company. The Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors, including a woman Director, with considerable experience in their respective fields to maintain the independence of the Board and to separate the functions of the Board from the Management of the Company. There is a clear demarcation in the roles and responsibilities of the Chairman, Managing Director and CEO, and the Board. The Board of Directors of the Company have the requisite core skills, expertise and competencies, as identified by them, for the nature of business and industry for its effective functioning, with expertise in Information Technology, Finance, Sales & Marketing, Legal, Corporate Governance, Management, Human Resources, as well as knowledge of global market conditions.

Table 01: Specific Core Skills, Expertise and Competencies of the Board of Directors:

Name of the Director	Technology	Sales and Marketing	Finance	Legal	Corporate Governance	Management	Human Resources	Global Business
Mr. Yusuf Lanewala	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes
Mr. Anand Balakrishnan	-	Yes	Yes	-	Yes	Yes	-	-
Mr. Meenaz Dhanani	-	Yes	Yes	-	Yes	Yes	-	Yes
Mr. Jagdish Dayal Malkani	-	-	Yes	-	Yes	Yes	-	-
Mr. Guhan Subramaniam	-	Yes	Yes	-	Yes	Yes	Yes	-
Mr. Satish Menon	-	-	-	Yes	Yes	Yes	-	-
Mr. Subhash Bhushan Dhar	Yes	Yes	-	-	Yes	Yes	Yes	Yes
Ms. Keyuri Singh*	-	-	Yes	-	Yes	Yes	Yes	-

As on March 31, 2023, the Company had eight Directors, of which four Directors were Independent, as defined in the Companies Act, 2013 and SEBI (LODR). The Chairman of the Company, a Non-Executive Director, conducts all the Board Meetings and Shareholders' Meetings. The Managing Director and CEO, manages the day-to-day affairs of the Company. The Board periodically evaluates the need for change in its composition and size. None of the Directors of the Company are related inter se.

None of the Directors of the Company held directorships for more than the statutory limit, or were Members of more than ten Committees or Chairperson of more than five Committees across all companies in which they are Directors, as prescribed under the Companies Act, 2013 and SEBI (LODR). Further, none of the Directors of the Company held directorships in any other listed companies.

Table 02: Directorship, Designation, Shareholding and Committee Membership of the Board of Directors:

Name of the Director	Designation and Category	Age	Equity Shareholding (as on March 31, 2023)	No. of Directorship*			No. of Committees**	
				Public	Private	Section 8	Chairperson	Member
Mr. Yusuf Lanewala	Non-Executive Chairman	69	63,038 shares	-	-	-	-	-
Mr. Anand Balakrishnan	Managing Director and Chief Executive Officer	50	15,000 shares	-	-	-	-	-
Mr. Meenaz Dhanani	Non-Executive Director	66	NIL	-	-	-	-	-
Mr. Jagdish Dayal Malkani	Independent Director	67	NIL	-	3	-	-	-
Mr. Guhan Subramaniam	Independent Director	69	NIL	-	-	1	-	-
Mr. Satish Menon	Independent Director	65	NIL	-	-	-	-	-
Mr. Subhash Bhushan Dhar	Independent Director	57	NIL	-	2	-	-	-
Ms. Keyuri Singh(2)	Non-Executive Director	64	NIL	-	-	-	-	-

* Excluding Directorship in Mindteck (India) Limited and Foreign Companies.

** Only membership in Audit Committee and Stakeholders Relationship Committee is taken into consideration, excluding Mindteck (India) Limited.

Broad Definition of Independent Directors:

The Company has defined the independence as stipulated under the Companies Act, 2013 and SEBI (LODR). Accordingly, an Independent Director means a person who is not an officer or employee of the Company or its subsidiaries, or any other individual having a material pecuniary relationship or transactions with the Company, which in the opinion of the Board of Directors, would interfere with the exercise of independent judgment in carrying out the responsibilities of a Director. At the time of their appointment, all Independent Directors furnished to the Company a declaration that they qualify the test of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR), and annually certify their independence. The process of selection of Independent Directors is rigorous, transparent, objective and is aligned with the needs of the Company. None of the Independent Directors have any pecuniary relationship or transactions with the Company except the receipt of sitting fees & profit related commission, if any, nor served on the Board of the Company for more than ten years. In the opinion of the Board, all Independent Directors are independent of the Management and fulfill the conditions specified in SEBI (LODR).

Pursuant to Regulation 25(3) of SEBI (LODR), the Independent Directors of the Company met once in FY 2022-23: February 10, 2023.

Independent Directors Familiarisation Programme:

Mindteck has a well-established familiarisation programme for its Independent Directors. The Managing Director and CEO, Business Heads, Delivery Head, Chief Financial Officer and the Company Secretary make presentations on business models, nature of industry and its dynamism, and the roles, responsibilities and liabilities of Independent Directors. Further, business, statutory law and industry updates are made available to Independent Directors, especially to the Audit Committee Members, on an ongoing basis by internal teams, and by Statutory and Internal Auditors on a quarterly basis. *(Weblink: https://www.mindteck.com/assets/investor_pdf/ID_Familiarisation_Programme.pdf)*

Board Meetings:

The Board meets once in a quarter and additionally as and when required. The calendar of the Board meetings is decided in consultation with the Board, and the schedule of meetings is communicated to all Directors in advance to enable them to plan their effective participation during the Board meetings. The items in the Agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. In addition to the information required under Schedule II Part A of SEBI (LODR), the Board is also kept informed of major events/items and the approvals of the Board are taken wherever necessary.

The Board met four times in FY 2022-23: May 20, 2022, August 11, 2022, November 11, 2022 and February 10, 2023.

Sitting Fees:
During FY 2022-23, the Company paid a sitting fee of Rs. 1,00,000 each to its Non-Executive Directors, including Independent Directors, for attending meetings of the Board, Audit Committee and Nomination & Remuneration Committee.

Table 03: Directors' Attendance and Sitting Fee Paid Details:

Name of the Director	No. of Board Meetings during FY 2022-23		Whether attended last AGM held on August 12, 2022	Sitting fees for Board and Committee Meetings (in Rs.)
	Held	Attended		
Mr. Yusuf Lanewala	4	4	Yes	12,00,000
Mr. Anand Balakrishnan	4	4	Yes	NIL
Mr. Meenaz Dhanani	4	4	Yes	NIL
Mr. Jagdish Dayal Malkani	4	4	Yes	12,00,000
Mr. Guhan Subramaniam	4	4	Yes	12,00,000
Mr. Satish Menon	4	4	Yes	12,00,000
Mr. Subhash Bhushan Dhar	4	4	No	12,00,000
Ms. Keyuri Singh	4	2	Yes	12,00,000

Non-Executive/Independent Directors' Remuneration:
The remuneration paid to Non-Executive/Independent Directors is fixed by the Board of Directors and is within the limits prescribed under the Companies Act, 2013. The remuneration paid to Non-Executive/Independent Directors of the Company, as sitting fees, are noted above in Table 03, for FY 2022-23. The Company did not pay any other remuneration to Non-Executive/Independent Directors during the FY 2022-23, except sitting fees and profit related commission. None of the Non-Executive Directors including Independent Directors had any pecuniary relationship or transactions with the Company except the receipt of sitting fees and profit related commission. The Company also reimburses out-of-pocket expenses incurred by the Directors for attending the meetings.

Mr. Meenaz Dhanani, a Non-Executive Director of the Company, was not paid any remuneration by the Company but a remuneration of USD 2,22,005/- was paid during FY 2022-23, by the Company's wholly-owned subsidiary, Mindteck, Inc., US.

None of the Non-Executive/Independent Directors held shares or any convertible instruments in the Company, except Mr. Yusuf Lanewala, Non-Executive Chairman, who held 63,038 equity shares as on March 31, 2023. Mr. Yusuf Lanewala holds 66,667 stock options issued at Rs. 90.75 per share on August 10, 2016, and Mr. Meenaz Dhanani, Non-Executive Director, holds 66,667 stock options issued at Rs. 90.75 per share on August 10, 2016. Both grants of stock options are not issued at discount and shall vest one-third on the completion of every year from the date of grant. The said stock options can be exercisable for a maximum period of 60 months from the date of vesting.

The criteria for making payments to Non-Executive/Independent Directors is as per the Nomination and Remuneration Policy adopted by the Company which is displayed on the website of the Company. *(Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf)*

Remuneration to Managing Director and CEO:
The criteria for making payment to the Managing Director and CEO is as per the Nomination and Remuneration Policy adopted by the Company which is displayed on the website of the Company. *(Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf)*

The Company has executed a formal service contract with Mr. Anand Balakrishnan, Managing Director and CEO, with a notice period of 90 days.

The detailed remuneration of Mr. Anand Balakrishnan, Managing Director and CEO until February 28, 2023, is as under:

Gross Salary: Fixed Salary: Rs. 1,25,00,000/- p.a.
Variable Salary: Rs. 25,00,000/- p.a.
(based on the Company's performance)

Mr. Anand Balakrishnan was re-appointed as Managing Director and CEO for a period of three (3) years effective from March 01, 2023 which was approved by the shareholders in the Postal Ballot notice dated March 02, 2023. The revised remuneration for the re-appointment is as under.

Gross Salary: Fixed Salary: Rs. 1,75,00,000/- p.a.
Variable Salary: Rs. 50,00,000/- p.a.
(based on the Company's performance)
ESOPs: 2,50,000 options
Notice period: 90 days

In addition to the above, all other terms shall be as per his employment agreement.

During the FY 2022-23, the Company paid a remuneration of Rs. 1,78,33,821/- including perquisites to Mr. Anand Balakrishnan as per his employment agreement

Mr. Anand Balakrishnan was granted 100,000 stock options at Rs. 34.70/- on February 26, 2019 under the Mindteck Employees Stock Option Scheme 2014 and it was not issued at discount. The grant of stock options shall vest one-third on the completion of every year from the date of grant. The said stock options can be exercisable for a maximum period of 60 months from the date of vesting. In addition, 2,50,000 stock options at Rs. 115.65/- were granted on March 01, 2023 under the Mindteck Employees Stock Option Scheme 2014 and it was not issued at discount. The grant of stock options shall vest one-third on the completion of every year from the date of grant. The said stock options can be exercisable for a maximum period of 60 months from the date of vesting.

Proceedings of Board Meetings:
The agenda items for the Board meetings are decided in advance in consultation with the heads of various functions, the Chairman, and the Managing Director and CEO. Every Board Member can suggest additional items for inclusion in the agenda. Functional heads, who can provide additional insights into the items discussed in the Board Meetings, are also invited for the discussion. A report, on the action items, is placed before the Board at its succeeding meeting.

Information and Updates to the Board of Directors:
The following information and updates were made available to the Board of Directors:

- Annual operating plans, budgets, and any updates.
- Capital budgets and any updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Minutes of meetings of the Audit Committee and other Committees of the Board of Directors.
- Information on appointment/removal and remuneration of senior management just below the level of Board of Directors, including the Chief Financial Officer and the Company Secretary.
- Show cause, demand, prosecution notices and penalty notices that are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods/services sold by the Company.
- Any issue involving possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development on Human Resources/Industrial Relations matters, such as signing of wage agreements, implementation of Voluntary Retirement Scheme, etc.
- Sale of investments, subsidiaries and assets which are material in nature and not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer, etc.

All the information to be provided to the Board as per Part A of Schedule II of SEBI (LODR) has been made available to the Board. The Company's Board reviews and takes on record the statutory compliance reports submitted by the Company's Management on a quarterly basis. In case of business exigencies, resolutions of the Board are passed by circulation. In addition to the above, the Company has complied with all Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI (LODR).

Recording Minutes of Proceedings at Board and Committee Meetings:
The Company Secretary records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the Members of the Board/Committees for their comments. The minutes are entered in the Minutes book and signed as per Secretarial Standard-1.

Post-meeting Follow-up Mechanism:
The important decisions taken at the Board/Committee meetings are communicated promptly to the concerned departments/divisions and Stock Exchanges wherever and whenever necessary to comply with SEBI (LODR). An Action Taken Report on the decisions/minutes of the previous meeting(s) is placed at the following meeting of the Board/Committee for noting and taking on record. Thus, effective post-meeting follow-up, review and reporting of the decisions taken at the Board/Committee meetings is ensured.

B. GOVERNANCE BY COMMITTEES OF THE BOARD OF DIRECTORS

The Company has the following Committees of the Board of Directors:

(I) Audit Committee
(II) Nomination and Remuneration Committee
(III) Stakeholders Relationship Committee
(IV) Corporate Social Responsibility Committee

(I) Audit Committee

The Company's Board has constituted an Audit Committee pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR).

(a) Composition and Meetings of the Committee:

Meeting: The Audit Committee Meeting was conducted four times during the year on May 20, 2022, August 11, 2022, November 11, 2022 and February 10, 2023. The approved minutes of the meetings were placed before the Board at the succeeding Board Meeting for information.

Table 04: Composition and Attendance Details of Audit Committee Meetings held during the year:

Members	No. of Meetings Held	Attended
Mr. Jagdish Dayal Malkani, Chairperson	4	4
Mr. Guhan Subramaniam	4	4
Mr. Satish Menon	4	4
Mr. Yusuf Lanewala	4	4
Mr. Subhash Bhushan Dhar	4	4
Ms. Keyuri Singh	4	4

Mr. Shivarama Adiga S., Company Secretary, acted as Secretary for all of the Audit Committee meetings held during the FY 2022-23.

(b) *Powers:*

Powers of the Audit Committee include:

(i) To investigate any activity within its terms of reference.

(ii) To seek information from any employee.

(iii) To obtain outside legal or other professional advice, if considered necessary.

(iv) To secure attendance of outsiders with relevant expertise, if considered necessary.

(c) *Roles and Responsibilities:*

(i) To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

(ii) To recommend appointment, remuneration and terms of appointment of auditors of the Company.

(iii) To approve payment to the Statutory Auditor for any other services rendered by them.

(iv) To review, with the Management, the annual financial statements and the auditor's report thereon before submission to the Board for approval, with particular reference to:

- matters required to be included in the Director's 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 the 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) To review, with the Management, the quarterly financial statements before submission to the Board for approval.

(vi) To review, with the Management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice, and the report submitted by the monitoring agency that monitors the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

(vii) To review and monitor the auditor's independence, performance and effectiveness of the audit process.

(viii) To approve or subsequently modify transactions of the Company with related parties.

(ix) To scrutinise inter-corporate loans and investments.

(x) To carry out valuation of undertakings or assets of the Company, whenever it is necessary.

(xi) To evaluate internal financial controls and risk management systems.

(xii) To review with the Management, performance of Statutory and Internal Auditors, and adequacy of internal control systems.

(xiii) To review the adequacy of the internal audit function, if any, 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) To discuss with the Internal Auditor, any significant findings and follow up thereon.

(xv) To review the findings of any internal investigations by the Internal Auditor into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature, and report the matter to the Board.

(xvi) To discuss with the Statutory Auditor before the audit commences, 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 depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(xviii) To review the functioning of the whistleblower mechanism.

(xix) To approve the appointment of the Chief Financial Officer after assessing the qualifications, experience and background, etc., of the candidate.

(xx) To carry out any other function as is mentioned in the terms of reference of the Audit Committee.

(xxi) To review the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower, including existing loans/advances/investments.

(xxii) To consider and comment on the rationale, cost-benefits and impact of schemes involving a merger, demerger, amalgamation, etc. on the Company and its shareholders.

(xxiii) The Audit Committee mandatorily reviews the following information:

- Management Discussion and Analysis of financial condition, and results of operations;
- Management letters/letters of internal control weaknesses issued by the Statutory Auditor;
- Internal Audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee;
- 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) of SEBI (LODR).

b. Annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice, in terms of Regulation 32(7) of SEBI (LODR).

(II) Nomination and Remuneration Committee

(a) Composition and Meetings of the Committee:

Meeting: The Nomination and Remuneration Committee held four meetings during the year: May 20, 2022, August 11, 2022, November 11, 2022 and February 10, 2023.

Table 05: Composition and Attendance Details of Nomination and Remuneration Committee Meetings held during the year:

	No. of Meetings	
Members	Held	Attended
Mr. Guhan Subramaniam, Chairperson	4	4
Mr. Subhash Bhushan Dhar	4	4
Mr. Yusuf Lanewala	4	4
Ms. Keyuri Singh	4	4
Mr. Jagdish Dayal Malkani	4	4
Mr. Satish Menon	4	4

(b) Roles and Responsibilities:

The terms of reference of the Nomination and Remuneration Committee include the following:

(i) To decide on all matters relating to the Company's stock option/share purchase schemes including the grant of options/shares to the Directors and employees of the Company and/or its subsidiaries.

(ii) To establish and administer employee compensation and benefit plans.

(iii) To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees.

(iv) For every appointment of an Independent Director, the 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 external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time committments of the candidates.

(v) To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.

(vi) To devise a policy on diversity of the Board of Directors.

(vii) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria that is laid down, and recommend to the Board of Directors their appointment and removal.

(viii) To decide whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of performance evaluation of Independent Directors.

(ix) To recommend to the Board, all remuneration in whatever form, payable to Senior Management.

(x) To decide and make suitable recommendations to the Board on any other matter that the Board may entrust to the Committee with or as may be required by any statutes/regulations/guidelines, etc.

(c) The Nomination and Remuneration policy is displayed on the Company's website.

(Weblink: https://www.mindteck.com/assets/investor_pdf/Nomination_Remuneration_Policy.pdf)

(d) Performance Evaluation Criteria for the Board of Directors:

The Board, along with the Nomination and Remuneration Committee, laid down the evaluation criteria for the Board, including evaluation of the performance of the Board as a whole, Individual Directors (including Independent Directors and Chairperson), and various Committees of the Board, in line with the Companies Act, 2013, and the Guidance Note on Board Evaluation issued by SEBI. The Members of the Board evaluate the performance of all Board Members through peer evaluation. Further, each and every Board member evaluates the effectiveness of the Board dynamics and relationships, the Company's performance strategy, and effectiveness of the Board and its Committees. Questionnaires were devised to gather information from the Board of Directors and sent to the relevant Directors for evaluation and submission. The responses were collected and summarised, which helped to provide effective feedback to all Individual Directors, and Committees of the Board, as well as the Board as a whole.

Independent Directors are evaluated with some key performance indicators, such as:

- Ability to adopt international best practices to address risk and challenges.
- Ability to monitor Corporate Governance practices.
- Commitment to fulfill the obligations and responsibilities.
- Active participation in the boardroom discussion and long-term strategic planning.

(III) Stakeholders Relationship Committee

(a) Composition and Meetings of the Committee:

Meeting: During the year, the Stakeholders Relationship Committee met once on February 10, 2023.

Table 06: Composition and Attendance Details of Stakeholders Relationship Committee Meetings held during the year:

	No. of Meetings	
Members	Held	Attended
Mr. Satish Menon, Chairperson	1	1
Mr. Meenaz Dhanani	1	1
Mr. Yusuf Lanewala	1	1
Mr. Guhan Subramaniam	1	1

Mr. Shivarama Adiga S., VP, Legal and Company Secretary, acts as the Chief Compliance Officer.

(b) Roles and Responsibilities:

The role of the Committee shall include the following:

(i) To resolve the grievances of the Shareholders of the Company, including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.

(ii) To review measures taken for effective exercise of voting rights by shareholders.

(iii) To review the adherence of service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

(iv) To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensure timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Table 07: Report of Investor Complaints Received and Resolved during the year ended March 31, 2023:

	No. of Cases Outstanding as on April 01, 2022	No. of Cases Added during the year	No. of Cases Resolved during the year	No. of Cases Outstanding as on March 31, 2023
No. of Investor Issues	NIL	1	1	NIL
No. of Legal Cases	NIL	NIL	NIL	NIL

There were no cases which were not resolved to the satisfaction of the shareholders.

(IV) Corporate Social Responsibility Committee

(a) Composition and Meetings of the Committee:

Meeting: During the year, the Committee did not meet, however, it passed three Circular Resolutions.

Table 08: Composition of Corporate Social Responsibility Committee:

Members
Mr. Yusuf Lanewala, Chairperson
Mr. Subhash Bhushan Dhar
Mr. Anand Balakrishnan
Mr. Jagdish Dayal Malkani

(b) CSR Objectives:

The Company focuses on the following CSR activities for the benefit of the public, in line with Schedule VII of the Companies Act, 2013:

(i) Promoting education, including special education and employment-enhancing vocation skills, especially among children, women, elderly, differently-abled and livelihood enhancement projects.

(ii) Promoting gender equality, empowering women, supporting the set-up of homes and hostels for women and orphans, as well as old age homes, day care centres and facilities for senior citizens, and measures for reducing inequalities faced by socially and economically backward groups.

(iii) Any other CSR activities in line with Schedule VII of the Companies Act, 2013 and approved by the Board from time to time.

(c) Terms of Reference of the Corporate Social Responsibility Committee:

(i) To formulate and recommend to the Board, a Corporate Social Responsibility Policy that shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

(ii) To formulate and recommend to the Board, an Annual Action Plan.

(iii) To recommend the CSR budget from time to time for the approval of the Board.

(iv) To recommend the amount of expenditure to be incurred on the CSR activities, out of the budgeted amount.

(v) To monitor the Corporate Social Responsibility Policy of the Company from time to time.

(vi) To institute a transparent monitoring mechanism for implementation of CSR projects/programs/activities.

(vii) To monitor the implementation of CSR activities on a quarterly basis.

(viii) To approve such projects/programs/activities as approved by the Central Government.

C. GOVERNANCE BY MANAGEMENT

Related Party Transactions:

During FY 2022-23, there were no materially significant Related Party Transactions entered into by the Company with the Directors or the Management or their relatives that may have a potential conflict with the interest of the Company at large. The details of the transactions with subsidiaries on an arm's length basis are separately shown in the ***Annexure-2*** to Board's Report and Note 37 of Notes to Accounts of the Standalone Financial Statements as on March 31, 2023. The Company's Related Party Transactions Policy is displayed on its website. *(Weblink: https://www.mindteck.com/assets/investor_pdf/RPT_Policy.pdf)*

Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or Securities and Exchange Board of India ('SEBI') or any statutory authority, on any matter related to capital markets, during the last three years:

No penalties have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital market during the last three years.

Certificate on Corporate Governance:

As required under Schedule V (E) of SEBI (LODR), the Certificate is obtained from a Practicing Company Secretary and is also annexed to the Board's Report as ***Annexure-7.***

Certificate on Qualification of Directors:

As required under Point 10(i) of Schedule V(C) of SEBI (LODR), a Certificate is obtained from a Practicing Company Secretary that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Authority, and is annexed to this Corporate Governance Report.

CEO and CFO Certificate:
The Certificate signed by the Managing Director and CEO, and Chief Financial Officer, as per SEBI (LODR) in the prescribed format, also forms part of this Annual Report.

Code of Business Conduct and Ethics:
In compliance with the Companies Act, 2013 and SEBI (LODR), the Company has adopted a Code of Business Conduct and Ethics for all employees and Directors of the Company, and its subsidiaries. All Members of the Board and Senior Management personnel have affirmed compliance with the Company's Code of Business Conduct and Ethics. A copy of the said Code of Business Conduct and Ethics is available on the Company's website.
(Weblink: https://www.mindteck.com/assets/investor_pdf/Mindteck-Code-of-Business-Conduct-and-Ethics-v3.pdf)

Compliance with Laws:
The Company believes in commitment to values and compliance of laws which are the hallmarks of good Corporate Governance. Legal Compliance Management in the Company transcends to compliances as a yardstick to measure and manage business risks to maximise shareholder value. The Board periodically reviews the status of compliance and the Company continuously aims to be compliant of all applicable laws at all times.

Management Discussion and Analysis:
A Management Discussion and Analysis Report is included in the Annual Report.

Subsidiaries:
The Company has no Indian-listed subsidiary. The statement pertaining to all Subsidiaries of the Company forms part of the Board's Report as ***Annexure-1.***

Material Subsidiaries:
The Company has formulated a Policy on Material Subsidiaries and has established the necessary mechanism under Regulation 16(1)(c) of SEBI (LODR). For the purpose of this Regulation, a subsidiary shall be considered as material if its income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. The Company's Policy on Material Subsidiaries is displayed on its website.
(Weblink: https://www.mindteck.com/assets/investor_pdf/Material_Subsidiaries_Policy.pdf)

At present, the Company has two material subsidiary whose income exceeds 10% of the consolidated income of the Company during the FY 2022-23.

Mindteck, Inc. was incorporated on November 14, 1995, in the State of Pennsylvania, United States of America. As local audit is not applicable, no statutory auditors are appointed. Suresh Surana & Associates LLP, Chartered Accountants (Firm Registration No. 121750W/W-100010) conducts audit under the United States Generally Accepted Accounting Principles (US GAAP).

Mindteck (UK) Limited was incorporated on May 01, 1995, in England and Wales. CBW Audit Limited, Chartered Accountants were re-appointed as Statutory Auditor on April 29, 2023 to conduct audit under the United Kingdom Generally Accepted Accounting Principles (UK GAAP).

Compliance with mandatory and non-mandatory requirements of SEBI (LODR):
The Company has disclosed all the mandatory requirements under SEBI (LODR) and the status of adoption of non-mandatory requirements is as under:

- The Company has moved towards a regime of financial statements with an Unmodified Audit Report.
- Internal Auditor directly reports to the Audit Committee.
- Separate posts of Chairperson and CEO.
- The Company shares the Financial Results on a quarterly basis to all the shareholders immediately after the Board Meeting, by emai.
- Non-Executive Chairperson of the Board was entitled to maintain a Chairperson's Office at the company's expense and allowed reimbursement of expenses incurred in performance of his duties.

As regards, Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied the above mentioned non-mandatory requirements with all items A, B, C, D and E.

Policies and Best Practices:
The Company has formulated various policies and procedures in accordance with the requirements of the Companies Act, 2013, SEBI (LODR) and other applicable SEBI Regulations to maintain transparency, professionalism and accountability in the organisation.

Code of Practices and Procedures for Fair Disclosure:
Pursuant to Regulation 8 of Chapter IV of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code for timely, appropriate and adequate disclosure of unpublished price sensitive information.

Code of Conduct for Prohibition of Insider Trading:
Pursuant to Regulation 9 of Chapter IV of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated the "Mindteck Code of Conduct to Regulate, Monitor and Report Trading by Insiders" from using unpublished price sensitive information to their advantage. The Company Secretary of the Company is the Compliance Officer for the purpose of this Code of Conduct and maintains a record of the Designated Persons including the maintenance of a structured digital database. No Insider of the Company has violated this Code and no unpublished price sensitive information has been communicated or used by them.

Whistleblower Policy:
The Company has adopted a Whistleblower Policy and has established the necessary vigil mechanism in line with the Companies Act, 2013 and SEBI (LODR), for any person to report concerns, alleged wrongful conduct, including unethical behavior, financial irregularities, misuse or leak of unpublished price sensitive information, sexual harassment, infringement and misuse of Intellectual Property. It also provides protection against victimisation of any person who avails this mechanism and also allows them direct access to the Chairman of the Audit Committee. No employees have been denied access to the Chairman of the Audit Committee. The Whistleblower Policy is displayed on the

website of the Company. *(Weblink: https://www.mindteck.com/assets/investor_pdf/Whistle_Blower_Policy.pdf)*

Policy for Determining Material Information:
The Company has adopted a Policy for Determining Material Information as per SEBI (LODR). This Policy applies with respect to the disclosure of Material Events/Information occurring/arising within the Company and its subsidiaries. This Policy for Determining Material Information is displayed on the website of the Company. *(Weblink: https://www.mindteck.com/assets/investor_pdf/Policy-for-Determining-Material-Information.pdf)*

Document Retention and Archival Policy:
The Company has adopted a Document Retention and Archival Policy as per SEBI (LODR). This Policy deals with the retention and archival of all important corporate records of the Company. All employees are mandated to fully comply with this Policy. The Document Retention and Archival Policy is displayed on the website of the Company. *(Weblink: https://www.mindteck.com/assets/investor_pdf/Document-Retention-and-Archival-Policy.pdf)*

Statutory Auditor's Fees
The total fees paid by the Company to the Statutory Auditor and all its entities in the network firms/entities of the Statutory Auditor, for all the services provided to the Company and its subsidiaries, on a consolidated basis is as under:

Table 09: Details of Total Fees Paid to the Statutory Auditor and its Network Firms/Entities during FY 2021-22:

Amount in Rs.

Description	Basic	Out-of-pocket Expenses	Total
Payment to Suresh Surana & Associates LLP (Current Auditor)			
Audit Fees	10,50,000	-	10,50,000
Other Services	1,00,000	-	1,00,000
Total	**11,50,000**	**-**	**11,50,000**
Payment to S.R Batliboi & Associates LLP (Previous Auditor)			
Audit Fees	23,45,000	1,51,250	24,96,250
Other Services	18,00,000	64,000	18,64,000
Total	**41,45,000**	**2,15,250**	**43,60,250**
Payment to RSM Astute Consulting Pvt Ltd (Network Entity of Current Auditor)			
Other Services	20,05,250	83,284	20,88,534
Total	**20,05,250**	**83,284**	**20,88,534**

Internal Auditor:
The Audit Committee of the Company or the Board shall, in consultation with the Internal Auditor, formulate the scope, functioning, periodicity and methodology for conducting the internal audit. Accordingly, the Internal Auditor shall act upon and produce the internal audit report for each Quarter before the Audit Committee.

Sexual Harassment Complaints:
The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, is as under:

Table 10: Report of Sexual Harassment Complaints Received and Disposed of during the year ended March 31, 2023:

	No. of Complaints Outstanding as on April 01, 2022	No. of Cases Received during the year	No. of Cases Resolved during the year	Pending as on March 31, 2023
No. of Complaints	NIL	NIL	NIL	NIL

Loans and Advances:
There were no 'Loans and advances' made by Mindteck or any of its Subsidiaries, in the nature of loans to firms/companies in which Directors are interested.

Software Development Centres
Bengaluru, India:
A.M.R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road
Bommanahalli, Bengaluru – 560068, India

Kolkata, India:
9-C, 9th Floor, Tower 2
Millennium City Technology Park
Plot 62, Block-DN, Sector V
Salt Lake, Kolkata – 700091, India

Investor Contacts
Registered Office Address for correspondence:
Mindteck (India) Limited
A.M.R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road
Bommanahalli, Bengaluru – 560068, India
Tel: 91 80 4154 8000
Fax: 91 80 4112 5813

For additional information on the Company, please visit www.mindteck.com

For queries relating to financial statements:
Mr. Ramachandra M S
Chief Financial Officer
Tel: 91 80 4154 8000, Ext. 8169
Email: ram.magadi@mindteck.com

For queries relating to shares/dividend/compliance:
Mr. Shivarama Adiga S.
Vice President, Legal and Company Secretary
Tel: 91 80 4154 8000, Ext. 8013
Email: shivarama.adiga@mindteck.com

Address of Registrar and Transfer Agent:
Universal Capital Securities Private Limited
C 101, 247 Park, LBS Road
Vikhroli West, Mumbai – 400083
Contact: Mr. Santosh Gamare
Tel: 91 22 2820 7203-05
Fax: 022-2820 7207
Email: gamare@unisec.in

Addresses of Regulatory Authority/Stock Exchanges:
Securities and Exchange Board of India (SEBI)
Plot No. C4-A, G Block, Bandra Kurla Complex
Bandra (East), Mumbai – 400051, India
Tel: 91 22 2644 9000/4045 9000
Email: sebi@sebi.gov.in

Registrar of Companies, Karnataka
'E' Wing, 2nd Floor
Kendriya Sadana, Koramangala
Bengaluru – 560034, India
Tel: 91 80 2563 3105/2553 7449
Email: roc.bangalore@mca.gov.in

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001, India
Phone: 91 22 2272 1233/4, 91 22 6654 5695
Email: corp.comm@bseindia.com

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051, India
Tel: 91 22 2659 8100/022 2659 8114
Email: ignse@nse.co.in; gifaq@nse.co.in

Depository for Equity Shares – India:
National Securities Depository Limited
Trade World, A Wing, 4th Floor
Kamala Mills Compound, Senapati Bapat Marg
Lower Parel, Mumbai – 400013, India
Tel: 91 22 2499 4200
Email: info@nsdl.co.in

Central Depository Services (India) Limited
A-Wing, 25th Floor, Marathon Futurex
Mafatlal Mills Compound, N.M. Joshi Marg
Lower Parel, Mumbai – 400013, India
Tel: 91 22 2305 8640/8624
Email: helpdesk@cdslindia.com

D. INFORMATION FOR SHAREHOLDERS

Corporate Profile:

Mindteck (India) Limited was incorporated in Mumbai in 1991 as Hinditron Informatics Limited under the Companies Act, 1956. The name was changed to Mindteck (India) Limited in September, 1999. Later on, in the year 2006, the Registered Office of the Company was shifted from Mumbai to Bengaluru. The Company's CIN is L30007KA1991PLC039702.

Forthcoming Annual General Meeting (AGM):

The AGM for FY 2022-23 is scheduled for Friday, August 11, 2023 at 12:00 Noon through Video Conferencing (VC)/Other Audio-Visual Means (OAVM).

Table 11: Location and Time of last three AGMs held:

Date of AGM	Time of AGM	Location
August 14, 2020	3: 00 PM	Held through Video Conference
August 13, 2021	12:00 Noon	Held through Video Conference
August 12, 2022	12:00 Noon	Held through Video Conference

Table 12: List of Special Resolutions passed by the Company at Annual General Meetings during the last three years:

August 14, 2020	▪ Appointment and Payment of Remuneration to Mr. Anand Balakrishnan as Managing Director and Chief Executive Officer of the Company. ▪ Re-Appointment of Ms. Prochie Sanat Mukherji as an Independent Director.
August 13, 2021	▪ Re-appointment of Mr. Guhan Subramaniam as an Independent Director
August 12, 2022	▪ Approval for payment of profit related commission to Non-Executive Directors including Independent Directors of the Company for the FY 2021-22.

Postal Ballot:

During FY 2022-23, the Company conducted a Postal Ballot through e-voting for which the details are as under:

- Date of Postal Ballot Notice: March 02, 2023
- Voting Period: March 08, 2023 at 9:00 A.M. to April 06, 2023 at 5:00 P.M.
- E-voting Facility: The e-voting facility was provided through CDSL platform.
- Date of Approval: April 06, 2023
- Date of Declaration of Result: April 06, 2023.

Resolution	Type of Resolution	No. of Votes Polled	No. of Votes in Favour	% of Votes in Favour	No. of Votes Against	% of Votes Against
To approve the Re-appointment and Payment of Remuneration to Mr. Anand Balakrishnan, as Managing Director and Chief Executive Officer of the Company.	Special	17,459,794	17,458,566	99.99	1228	0.01
To approve Re-appointment of Mr. Satish Menon as an Independent Director	Special	17,459,794	17,459,652	99.99	142	0.01
To approve Re-appointment of Mr. Subhash Bhushan Dhar as an Independent Director.	Special	17,459,794	17,459,752	99.99	42	0.01

Mr. Gopalakrishnaraj H H, a Practicing Company Secretary (FCS No. 5654, CP No. 4152), was appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner. The agendas were approved in the postal ballot as Special Resolutions.

Financial Year:
April 01, 2022 to March 31, 2023

Book Closure dates for the forthcoming AGM:
August 05, 2023 to August 11, 2023 (both days inclusive).

Listing and Payment of Annual Fees:
The Company's equity shares are listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') as on March 31, 2023; Scrip code is "517344" and the Symbol is "MINDTECK", respectively.

The annual listing fee for FY 2023-24 has been paid by the Company to BSE and NSE. The annual custodial fee for FY 2023-24 has been paid by the Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Dividend:
Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if approved at the ensuing Annual General Meeting, will be paid within a period of 30 days from the date of declaration, to those Members whose names appear on the Register of Members as on August 04, 2023.

Share Transfer System:
In terms of Regulation 40(1) of SEBI (LODR), as amended from time to time, transfer of securities shall not be processed unless the shares are held in dematerialised mode with effect from April 01, 2019. However, transmission or transposition of securities are allowed for shares held in physical mode. Further, SEBI stipulated March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in dematerialised mode. Members holding shares in physical mode are requested to consider converting their shares into dematerialised mode. Transfers of dematerialised shares are effected through the depositories without any involvement of the Company.

Secretarial Audit:
As per the requirements of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018, the Company has appointed Mr. Rajnikant N. Shah, a Practicing Company Secretary, to undertake the reconciliation of the share capital of the Company for its submission to the BSE and NSE. The audit reconciles the total admitted capital with NSDL and CDSL with the total issued and listed capital of the Company on a quarterly basis. The audit has confirmed that the total issued/paid-up capital has been in agreement with the aggregate total number of shares in physical mode and the total number of dematerialised shares held with NSDL and CDSL.

During the year, Mr. S. Kannan, a Practicing Company Secretary, was appointed to conduct the Secretarial Audit of the Company for FY 2022-23, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for FY 2022-23 is attached to the Board's Report as ***Annexure-4.***

The Board noted the reports provided by the Secretarial Auditors and confirmed that there were no qualifications, reservations, adverse remarks or disclaimers.

Dematerialisation of shares and liquidity:
The Company's shares are compulsorily traded in dematerialised mode and are available for trading on both the depositories in India viz. NSDL and CDSL. Equity Shares of the Company representing 99.71% of the Company's equity share capital are dematerialised as on March 31, 2023. The Company continues to facilitate requests for dematerialisation of shares on a regular basis and the request can be routed through the respective investors' Depository Participant (DP) to the Company's RTA, Universal Capital Securities Private Limited for further action. Under the Depository system, the International Securities Identification Number (ISIN) allotted to Mindteck shares is INE110B01017.

Commodity price risk or foreign exchange risk and hedging activities:
There was no commodity price risk during FY 2022-23. The Company's transactions involve foreign currency and, to that extent, attracts foreign exchange risk due to changes in the forex rate, if any. The Board has taken a conscious decision not to have a formal hedging strategy for the foreign exchange exposures of the Company.

Shareholding Pattern as on March 31, 2022:

The Shareholding pattern as on March 31, 2023 is available on the Company's website (www.mindteck.com) and also made available on the websites of BSE Limited (www.bseindia.com) and National Stock Exchange of India Limited (www.nseindia.com).

Table 13: Distribution of Shareholding as on March 31, 2023:

	As on March 31, 2023				As on March 31, 2022			
Range	**Shareholders**		**Shares**		**Shareholders**		**Shares**	
Number of Shares	Number	% to Total	Number	% to Total	Number	% to Total	Number	% to Total
1 – 500	18,967	93.29	15,07,080	5.96	21,314	93.79	16,55,824	6.44
501 – 1,000	722	3.55	5,75,395	2.27	731	3.22	5,78,332	2.25
1,001 – 2,000	337	1.65	5,03,708	1.99	351	1.54	5,26,314	2.05
2,001 – 3,000	108	0.53	2,71,458	1.07	131	0.58	3,33,684	1.30
3,001 – 4,000	40	0.19	1,39,351	0.55	41	0.18	1,42,295	0.55
4,001 – 5,000	28	0.13	1,33,059	0.52	38	0.17	1,79,675	0.70
5,001–10,000	67	0.32	4,80,068	1.90	62	0.27	4,63,498	1.80
10,001 & above	62	0.30	2,16,54,974	85.71	57	0.25	2,18,34,162	84.91
Total	**20,331**	**100.00**	**2,52,65,093**	**100.00**	**22,725**	**100.00**	**2,57,13,784**	**100.00**

Unclaimed Dividend:

Sections 124 and 125 of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred as 'IEPF Rules'), mandates companies to transfer dividend that has been unclaimed for a period of seven years from the Unpaid Dividend Account to the Investor Education and Protection Fund (IEPF). Further, the IEPF Rules mandate the transfer of corresponding shares with respect to the dividend which has not been paid or claimed for seven consecutive years or more to the IEPF. Accordingly, the dividend for the years mentioned as under, if remains unclaimed within a period of seven years, and corresponding shares will be transferred to the IEPF as per the due dates noted below:

Table 14: Details of Unclaimed Dividend:

Dividend Year	Type of Dividend	Dividend Rate	Date of Declaration	Due Date for transfer to IEPF	Amount Unclaimed in Rs. (1)
2015-16	Final Dividend	10%	11-08-2016	15-10-2023	1,63,755.97
2016-17	Final Dividend	10%	11-08-2017	15-10-2024	1,67,559.29
2017-18	Final Dividend	10%	28-09-2018	02-12-2025	2,14,531.56
2018-19	Final Dividend	10%	14-08-2019	18-10-2026	2,29,311.34
2021-22	Final Dividend	10%	12-08-2022	16-10-2029	3,31,994.00

(1) Amount unclaimed as at March 31, 2023

Shareholders may write to Universal Capital Securities Private Limited before the due dates to claim their unclaimed dividend. Any shareholder whose unclaimed dividend and corresponding shares are transferred to the IEPF, including all benefits accruing on such shares, if any, can claim back from the IEPF by following the procedure prescribed in the IEPF Rules. Shareholders are cautioned that once unclaimed dividend is transferred to the IEPF account, no claim shall lie in respect thereof with the Company.

The statement of the entire unclaimed dividend amount as on March 31, 2022 has been published on the website of the Company as per Form IEPF-2.

In accordance with the above provisions, the following unclaimed dividend and the shares thereon in respect of which dividend amount was unpaid/claimed for seven consecutive years, were transferred to the IEPF Authority, during FY 2022-23:

Dividend Year	Unclaimed Dividend transferred to IEPF (in Rs.)	Number of Shares transferred to IEPF
2014-15	1,48,913	5,922

Communication to the Shareholders:

(i) ***Quarterly Results:***

The Company published its quarterly and year-end financial results in the Business Standard (English) and Hosadigantha (Bengaluru Edition - Kannada) newspapers during FY 2022-23. The results have also been submitted to BSE and NSE where the Company's equity shares are listed, and published on the Company's website **(www.mindteck.com)**.

(ii) ***News Releases and Presentations:***

Official news releases, detailed presentations made to media, analysts, etc., if any, are displayed on the Company's website **(www.mindteck.com)**.

(iii) ***Website:***

The Company's website **(www.mindteck.com)** contains a separate dedicated Investors section where all shareholder information is available, along with the Annual Reports of the Company.

(iv) ***Annual Report:***

The Annual Report of the Company, containing the annual audited financial statements (both standalone and consolidated), along with the Auditor's Report thereon, the

Board's Report, Management Discussion & Analysis Report, and other important information, is being circulated to all the shareholders whose email IDs are registered with the Company. The soft copy of the Annual Report is made available on the website of the Company.

Members holding shares in dematerialised mode are requested to update their email IDs with their respective Depository Participant (DP). Changes intimated to the DP will be automatically reflected in the Company's records that will help the Company and its RTA to provide efficient and better services to the Members. Members holding shares in physical mode are requested to update their email IDs to the RTA, Universal Capital Securities Private Limited at C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083, Tel: 022-022-4918 6178-79, Fax: 022-4918 6060, Email: gamare@unisec.in, **Email: gamare@unisec.in**.

(v) Market Price Data:

Table 15: High/Low of BSE Sensex and Company's Share Price on BSE Limited, month-wise for FY 2022-23:

	Sensex		Share Price (Rs.)		Trade	
Month	**High**	**Low**	**High**	**Low**	**No. of Shares Traded**	**Value in Rs.**
April 2022	60,845.10	56,009.07	194.00	125.70	3,40,690	5,51,84,447
May 2022	57,184.21	56,009.07	156.25	111.25	1,87,991	2,54,36,191
June 2022	56,432.65	50,921.22	129.90	96.30	1,28,569	1,46,10,673
July 2022	57,619.27	52,094.25	146.20	101.55	2,11,472	2,77,53,171
August 2022	60,411.20	57,367.47	161.15	120.70	2,59,454	3,76,14,964
September 2022	60,676.12	56,147.23	145.90	125.30	85,288	1,18,76,548
October 2022	60,786.70	56,683.40	157.10	130.60	1,07,275	1,57,78,674
November 2022	63,303.01	60,425.47	155.00	130.00	52,730	73,72,884
December 2022	63,583.07	59,754.10	144.00	103.00	91,887	1,22,34,253
January 2023	61,343.96	58,699.20	145.05	125.00	54,767	75,87,392
February 2023	61,682.25	58,795.97	135.05	109.65	40,018	49,32,027
March 2023	60,498.48	57,084.91	123.00	101.55	32,885	36,56,552

Table 16: High/Low of Nifty and Company's Share Price on NSE, month-wise for FY 2022-23:

	Nifty		Share Price (Rs.)		Trade	
Month	**High**	**Low**	**High**	**Low**	**No. of Shares Traded**	**Value in Rs.**
April 2022	18,114.65	16,824.70	194.00	126.00	14,91,695	24,20,90,922
May 2022	17,132.85	15,735.75	156.00	111.00	1,063,258	143,493,315.95
June 2022	16,793.85	15,183.40	128.70	95.90	802,951	90,771,460.15
July 2022	17,172.80	15,511.05	145.60	101.25	1,681,034	223,124,419.55
August 2022	17,992.20	17,154.80	161.20	123.00	1,686,280	247,364,396.70
September 2022	18,096.15	16,747.70	145.50	125.05	645,515	89,660,457.55
October 2022	18,022.80	16,855.55	158.25	131.05	826,788	121,519,698.40
November 2022	18,816.05	17,959.20	149.90	133.00	469,701	65,811,268.60
December 2022	18,887.60	17,774.25	143.95	112.00	528,108	70,650,292.95
January 2023	18,251.95	17,405.55	145.00	129.55	380,010	52,996,911.90
February 2023	18,134.75	17,255.20	135.00	109.05	238,953	29,604,357.30
March 2023	17,799.95	16,828.35	123.00	102.50	258,450	29,190,708.20

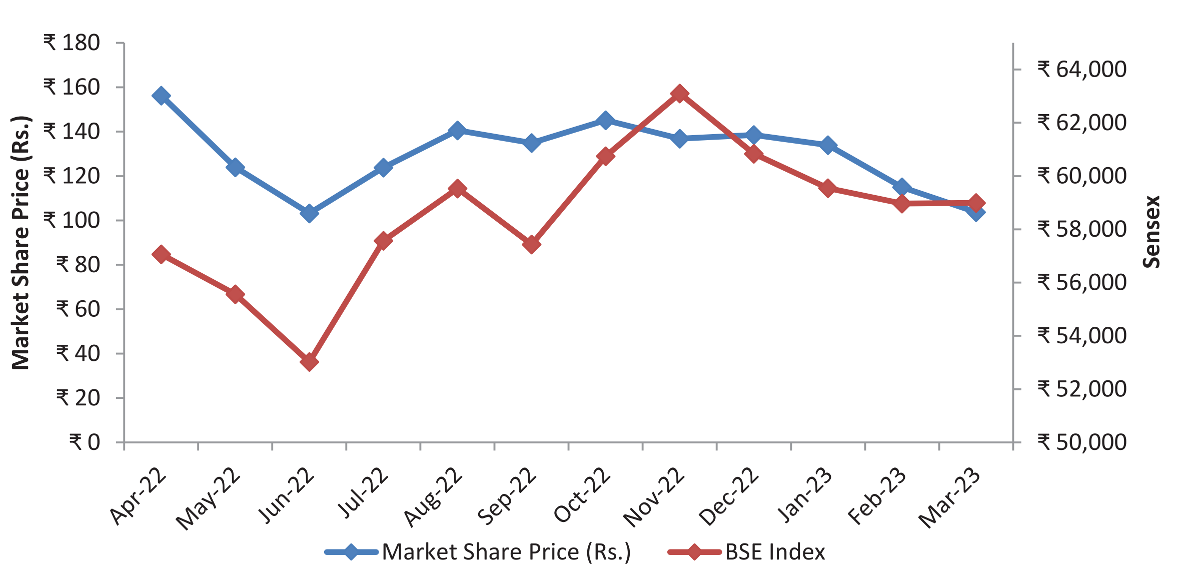
Table 17: Company's Quoted Share Price in Comparison to broad-based BSE Index and BSE IT Index:

Month	Closing Share Price on the month's last trading day (Rs.)	BSE Index	BSE IT Index
April 2022	156.25	57,060.87	31,989.90
May 2022	123.95	55,566.41	30,128.59
June 2022	103.20	53,018.94	28,313.08
July 2022	123.85	57,570.25	29,488.38
August 2022	140.65	59,537.07	28,914.80
September 2022	134.90	57,426.92	27,488.42
October 2022	145.20	60,746.59	28,930.65
November 2022	136.90	63,099.65	30,511.10
December 2022	138.50	60,840.74	28,671.86
January 2023	134.00	59,549.90	29,655.45
February 2023	115.00	58,962.12	29,404.44
March 2023	103.70	58,991.52	28,478.99

Table 18: Company's Quoted Share Price in Comparison to broad-based NSE Index and NSE IT Index:

Month	Closing Share Price on the month's last trading day (Rs.)	NSE Index	NSE IT Index
April 2022	156.55	17102.55	31622.40
May 2022	123.90	16584.55	29679.05
June 2022	103.65	15780.25	27843.35
July 2022	123.50	17158.25	29152.30
August 2022	141.35	17759.30	28407.90
September 2022	134.95	17094.35	26981.15
October 2022	145.70	18012.20	28727.60
November 2022	136.25	18758.35	30391.70
December 2022	137.90	18105.30	28621.70
January 2023	132.45	17662.15	29740.35
February 2023	115.65	17303.95	29663.95
March 2023	103.50	17359.75	28698.60

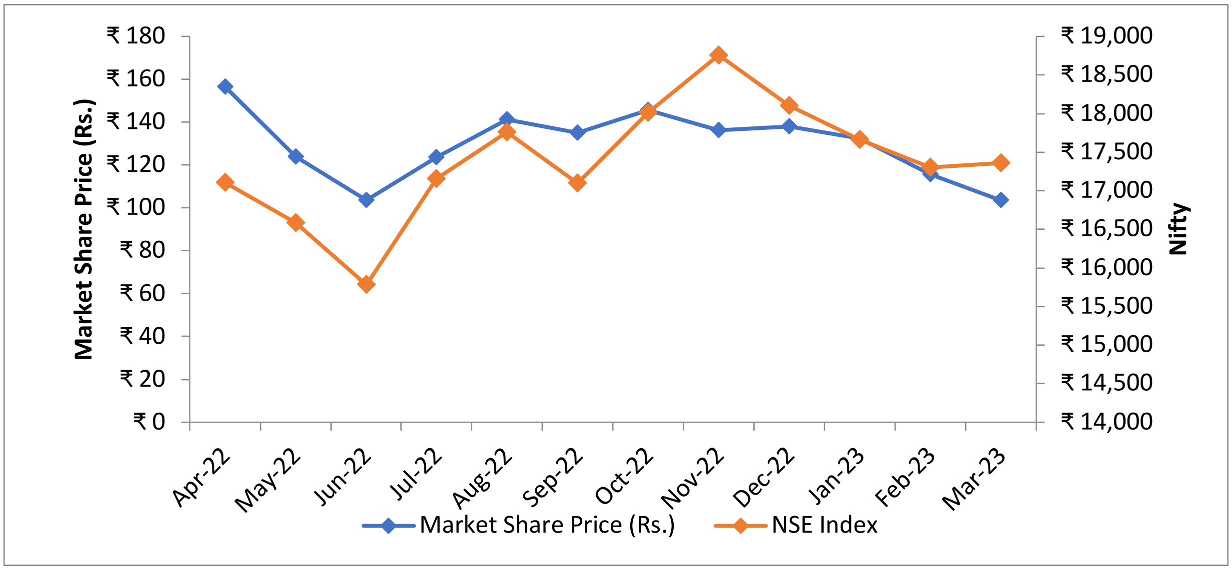
(vi) Performance of Mindteck Shares in Comparison to BSE Index:



Note: The closing price is considered for market share price.

(Source data: www.bseindia.com)

(vii) Performance of Mindteck shares in comparison to NSE Index:



Note: The closing price is considered for market share price.

(Source data: www.nseindia.com)

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Business Conduct and Ethics for its Senior Management and Directors. I confirm that the Company has received from its Senior Management, and the Members of the Board, a declaration of compliance with the Code of Business Conduct and Ethics as applicable to them in respect of the FY ended on March 31, 2023.

for and on behalf of the Board of Directors

Anand Balakrishnan
Managing Director and CEO
(DIN: 05311032)

Bengaluru, India
May 19, 2023

Annexure

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Mindteck (India) Limited
A M R Tech Park, Block 1
3rd Floor, No. 664, 23/24
Hosur Main Road
Bommanahalli
BANGALORE – 560068

I, S Kannan, Consultant Company Secretary, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mindteck (India) Limited having CIN L30007KA1991PLC039702 and having registered office at A M R Tech Park, Block 1, 3rd Floor, No.664, 23/24, Hosur Main Road, Bommanahalli, Bangalore – 560 068 (hereinafter referred to as 'the Company'), produced before me 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 and 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 MCA portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I, hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN No.	Date of appointment
1	Satish Menon Kumar	00114149	14/05/2018
2	Guhan Subramaniam	00131687	20/05/2016
3	Jagdish Dayal Malkani	00326173	08/08/2013
4	Yusuf Lanewala	01770426	13/02/2013
5	Subhash Bhushan Dhar	03603891	29/05/2018
6	Anand Balakrishnan	05311032	01/03/2020
7	Meenaz Dhanani	06705048	04/10/2013
8	Keyuri Singh	09379699	28/10/2021

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

For S KANNAN AND ASSOCIATES

Kannan

S KANNAN
Company Secretary
FCS No. 6261/CP No.: 13016
UDIN No. F006261E000338318
PR No. 1695/2022

Place: Bangalore
Date: 19th May, 2023

Management Discussion and Analysis

In addition to historical information, this Annual Report contains certain forward-looking statements which are subject to certain risks and uncertainties that could cause actual results to differ materially from those reflected in the forward-looking statements. Factors that might cause the difference include, but are not limited to, those discussed in the Management Discussion and Analysis of financial performance and elsewhere in this report. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's analysis as of the date hereof.

MACROECONOMIC OUTLOOK

According to McKinsey, geopolitical instability is now cited as the top risk to both global and domestic economies. Executives worldwide have cited the COVID-19 pandemic as a leading risk to growth for the past two years.

According to World Bank Group's flagship report, amid the war in Ukraine, surging inflation, and rising interest rates, global economic growth is expected to slump in 2022. Several years of above-average inflation and below-average growth are now likely, with potentially destabilising consequences for low- and middle-income economies. It's a phenomenon—stagflation—that the world has not seen since the 1970s. The fallout from the war in Ukraine compounds the challenges for many of them. Middle-income countries will see a sharp downgrade to growth in 2022. The danger of stagflation is considerable today. The dollar is strong, a sharp contrast with its severe weakness in the 1970s. Reducing the risk of stagflation will require targeted and impactful measures by policy makers across the world. The adverse spill overs from the war will be most severe for Europe and Central Asia, where output is forecast to sharply contract this year. Output growth is projected to slow this year in all other regions except the Middle East and North Africa, where the benefits of higher energy prices for energy exporters are expected to outweigh those prices' negative impacts for other economies in the region.

Russia's invasion of Ukraine has disrupted global energy markets and damaged the global economy. Growth in advanced economies slowed during the first half of 2022, reflecting the war in Ukraine, pandemic resurgences at the turn of the year, persistent supply chain disruptions, reduced fiscal support, and tightening financial conditions.

According to International Monetary Fund (IMF), in the European region, the war will have severe economic consequences for Europe, having struck when the recovery from the pandemic was still incomplete. GDP growth is now forecast to decline in 2022 to 3 and 3.2 percent in advanced European economies and emerging European economies (excluding Belarus, Russia, Turkey, and Ukraine), respectively, down by 1 and 1.5 percentage points with respect to the January 2022 World Economic Outlook Update forecasts. The war and its aftermath will add to the structural challenges facing post-pandemic Europe.

INDUSTRY OUTLOOK

Deloitte recommends tech companies to double down on their digital transformation efforts, emphasising cloud infrastructure improvements, data and analytics capabilities, cybersecurity, and business model evolution. Deloitte also suggested that organisations reorient and reskill their workforces in order to optimise remote work capabilities and take full advantage of advanced technologies such as Artificail Intelligence (AI). At the start of 2022, many of these issues remain front and center for technology companies.

Some of the themes, as per Deloitte, playing a foundational role in 2022 and beyond include:

- *Taking cloud and everything-as-a-service to the next level:* As more companies embrace cloud and service-based IT to drive innovation and transformation, and as Anything as a Service (XaaS) providers multiply, more work will be needed to manage the technical and Operational complexities of hybrid, multi-cloud approaches.
- *Creating the supply chains of the future:* As technology companies continue to recover from pandemic-induced supply chain disruptions, they will start proactively preparing for future uncertainty and other systemic risks.
- *Building the next iteration of the hybrid workforce:* With more experience utilising a hybrid workforce, tech companies will evolve their cultures, accelerate experimentation with collaboration solutions, and develop better approaches to managing tax implications.
- *Leading the charge to create a sustainable future:* Although the tech industry is working to address critical sustainability issues, growing pressure from stakeholders and potential changes to Environmental, Social, and Governance (ESG) reporting rules will incite tech companies to heighten their focus on reducing and reversing environmental impact. As per Grant Thornton, the tech sector will continue to critically examine its processes as part of the ongoing ascension of ESG factors to the top of the strategic agenda.

However, in 2022, the technology industry will likely continue to grapple with pandemic-driven challenges such as supply chain disruptions, hybrid workforce issues, and fluctuating IT needs, as well as the increasingly urgent need to address climate change.

According to International Data Corporation (IDC), the Americas services market is forecast to grow by 5.3% in 2022. Canada and Latin America will continue to see recovery well into 2022 and 2023. IDC believes that while China's GDP growth is expected to cool down, digital transformation remains central to the country's long-term new infrastructure initiatives, which will further drive services spending in both the public sector and strategic industries such as Banking, Financial Services and Insurance (BFSI), manufacturing, and energy.

2022 growth forecast for EMEA (Europe, Middle East, and Africa) was raised by more than 220 basis points.

Top Outsourcing Trends

According to research firm IDC's most recent predictions, over the past two years, digital transformation strategies have accelerated as fundamental to business survival. Companies are expected to spend USD 6.3 trillion on direct digital transformation investments between 2022 and 2024.

Key trends in outsourcing industry:

Hybrid virtual model: As per Mckinsey, the new model promises greater access to talent, increased productivity for individuals and small teams, lower costs, more individual flexibility, and improved employee experiences.

Cloud Computing Services: As per Deloitte, 90% of their participants saw cloud computing as a huge enabler in their entire outsourcing journey. Cloud-based outsourcing services even brought more flexibility and scalability to their clients.

Cybersecurity: The World Economic Forum's Global Cybersecurity Outlook report indicates that cyberattacks increased 125% globally in 2021, with evidence suggesting a continued uptick through 2022. In this fast-changing landscape it is vital for leaders to take a strategic approach to cyber risks.

MARKET OUTLOOK BY INDUSTRY

Storage

According to IDC, worldwide Solid State Drives (SSD) industry revenue is expected to grow at a 2020–2025 Compound Annual Growth Rate (CAGR) of 9.2%, thanks to increasing demand from client devices, enterprise storage customers, and cloud service providers. Despite many unexpected challenges that unfolded in 2021, IDC expects demand for storage and memory technology to remain robust for industry participants in 2022.

As per Markets and Markets, the major drivers for this market include: the massive growth in digital data volume; proliferated use of smartphones, laptops, and tablets; growth of the Internet of Things (IoT) market; and increasing penetration of high-end cloud computing.

The lockdown has severely impacted manufacturing companies as almost every plant has come to a halt. Many essential commodity manufacturing companies are also unable to continue with production due to the lack of workforce amidst the pandemic. Thus, there is a slight decline in the next-generation data storage market.

As per Forbes, several factors are driving the self-storage industry higher, including growing urbanisation, increased downsizing from the coronavirus, lifestyle changes and more.

Analytical Instrument

The increasing concern for product quality, increasing investments in Research & Development (R&D), and stringent government regulations are the major factors driving the growth of the analytical instrumentation market. Increasing customer awareness, especially in emerging regions, and the need for analytical instruments across multiple sectors are expected to expand the market growth. Stringent regulations on drug safety, increasing focus on the quality of food products, expansion of crude and shale gas production, and technological advancements in mass spectrometers would aid the market growth. However, along with the cost of instruments, various other costs are associated, such as staffing, maintenance, and laboratory expenses, thereby restraining the market's growth.

As per Research and Markets, the global analytical instrumentation market was valued at USD 43.2 billion in 2021 and is projected to be worth USD 66.27 billion by 2027, registering a CAGR of 7.52% during the period of 2022-2027.

The demand for analytical instrumentation has been growing significantly in the Asia Pacific region. Specifically, these products have been utilised in the region to address climate change, an aging population, food production, and newer energy sources. Further, countries such as India have been one of the emerging markets in the analytical instrumentation industry owing to higher investment in testing and R&D activities.

Medical Device

The Indian healthcare industry has been growing at double-digit rates and has evolved significantly in the last decade. However, a number of challenges need to be addressed in providing access to quality and affordable healthcare in the country. Factors such as changing demographics, rising life expectancy, and growing public awareness have contributed to a higher demand for medical care.

The medical device industry is poised for steady growth. These projections reflect increasing demand for innovative new devices (like wearables) and services (like health data), as lifestyle diseases become more prevalent, and economic development unlocks the huge potential in emerging markets – particularly China and India. Governments around the world are desperately trying to reduce the cost of healthcare – especially in the most expensive part of the system: hospitals.

According to KPMG, while the outlook for medical device companies appears positive, unsustainable healthcare costs and new competitive forces threaten to alter the future industry landscape.

Medical device companies have delivered value primarily through manufacturing and selling their products. But as pressures on the healthcare system mount, there are foundational shifts in the care delivery model, and as a result, the industry value chain is up for a drastic overhaul.

The competitive landscape for medical devices in 2030 is poised to look completely different than it does today, thanks to new and non-traditional entrants, disruptive technologies, and players with global ambitions emerging from high growth markets. Medical device manufacturers should take a closer look at their existing organisations and reinvent their traditional business and operating models to adapt to the future, by – integrating intelligence into their portfolios and offerings, to positively influence the care journey and connect with customers, patients and consumers – delivering services beyond the device, and intelligence beyond these services – a true shift from cost to smart value – investing in enabling technology – making the right choices to support a wide range of parallel business models tailored by segment to customers, patients and consumers (prospective patients) – and, ultimately, the financial ambition for the organisation.

The traditional medical device value chain will rapidly evolve, and by 2030 companies will take on significantly different roles. Following their reinvention and repositioning, medical device companies will need to reconfigure their respective value chains and define their place.

In the new normal, companies will need to step out of their conventional manufacturing role. Services and data intelligence will need to be integrated with products to offer holistic solutions, requiring a 'power play' across the value chain – strengthening existing business-to-business (B2B) plays and creating new ones, while introducing business-to-consumer (B2C) plays. These power plays will likely include a continuous slew of deal activities – Mergers and Acquisitions (M&A), strategic alliances and partnerships. By 2030 the leading medical device players will be those that play an active role in delivering value by connecting with customers, patients and consumers (end users). This will require a shift from treatment and cure to prevention through integrated 'smart' services and solutions that bring down the cost of care and improve outcomes.

Data and analytics allow companies to directly and continuously connect with users, placing prevention ahead of treatment and cure, and giving patients greater control over their care. To quickly enhance their technology capabilities and effectively introduce smart offerings to their portfolio, medical device companies may consider partnerships with other players. Manufacturers are also integrating intelligence into their devices, offering real-time insights based on patient data. The proliferation of data also poses another grave threat to the industry in the form of cybersecurity risks. Their connected nature makes certain medical devices especially prone to hacking, and companies need to adhere to stringent standards to ensure patient privacy and safety. Following a spate of cyber-attacks, the US Food and Drug Administration (FDA) has recently issued specific guidance to handle vulnerabilities.

Following five technologies will be widely adopted by companies by 2030, collectively, also called as Patient and consumer data sharing technologies:

- Wearables
- Smart device apps
- IoT
- Cloud-based data and analytics, and
- Blockchain

Although the US will continue to dominate the medical device industry in 2030, crossing USD 300 billion in sales, the top five markets will also include China (in second place, with more than 25% of the global market at over USD 200 billion) and India (fifth largest, with over USD 40 billion in revenues). China and India are already growing at twice the pace of the overall market, driven by healthcare reform, local government incentives and overall rising demand for healthcare. Both countries are also fast becoming innovation hubs – India is already known as the global center for frugal engineering, producing a number of indigenous (and low cost) devices with global market potential.

Semiconductor

As per Mc Kinsey, about 70% of growth is predicted to be driven by just three industries: automotive, computation and data storage, and wireless. Another article published in McKinsey, reports that the massive global disruptions caused by the COVID-19 pandemic gave the already rapid adoption of digital technologies an extraordinary boost, as electronic devices proved vital to connecting people and businesses during lockdowns.

Although the semiconductor industry's economic profit has substantially increased, companies and industry segments vary significantly because value pools have shifted over time, and the strongest players have increased their lead over competitors. The global semiconductor industry is poised for a decade of growth and is projected to become a trillion-dollar industry by 2030.

As the impact of digital on lives and businesses has accelerated, semiconductor markets have boomed, with sales growing by more than 20% to about USD 600 billion in 2021. McKinsey analysis based on a range of macroeconomic assumptions suggests the industry's aggregate annual growth could average from 6 to 8 percent a year up to 2030. Across multiple end markets, the absence of a single critical chip, often costing less than a dollar, can prevent the sale of a device worth tens of thousands of dollars.

According to Deloitte, global industry will grow 10% in 2022 to over USD 600 billion for the first time ever. Chips will be even more important across all industries, driven by increasing semiconductor content in everything from cars to appliances to factories, in addition to the usual suspects—computers, data centers, and phones.

Shortages and supply chain issues to remain front and center for the first half of the year, hopefully easing by the back half, but with longer lead times for some components stretching into 2023, possibly well into 2023.

The ongoing talent shortage will be made even more severe by the addition of increased semiconductor manufacturing facilities outside Taiwan, China, and South Korea. The higher demand for software skills required to program and integrate chips into fast-growing markets will further exacerbate the shortage.

According to IDC, demand by industry in 2021 was strongest in the industrial and automotive industries with 30.2% and 26.7% year-over-year growth, respectively. Leading growth applications were 5G phones, game consoles, wireless access points, data centers, and wearables. IDC expects those applications to continue growing in 2022, but more moderately as a whole as consumer-facing markets begin to see a slowdown by the fourth quarter of the year. The global nature of the semiconductor industry has been challenged by COVID-19 and continues to be impacted by regional shutdowns.

Energy and Utilities

According to Deloitte, in 2022, the tough challenges remain—boosting clean energy, ensuring reliability and resiliency, and maintaining security, while keeping costs down. To tackle this tall order, the electric power industry will likely continue to advance in its "3D" transformation: decarbonisation, digitalisation, and decentralisation.

As per PwC, COVID-19 pandemic has created a unique supply-and-demand shock for the industry, resulting in both near- and long-term uncertainty and operational challenges. Companies also need to rapidly transition to net zero to prevent the worst impacts of climate change. This will require a new energy mix – including green hydrogen and other alternative fuels– that will break down the traditional barriers between energy sectors, and with other industries as well.

All of this will accelerate industry consolidation and drive utilities to explore new business activities. The energy transition is fully underway around the world, with a major shift from fossil fuels to renewable sources.

Five power and utilities industry trends as per Deloitte:

1. ***Sustainability***
   In the next year, more utilities will likely announce decarbonisation goals and interim targets, increase existing targets. Overall utility ESG reporting will likely become more detailed and consistent as well.

2. ***Resiliency***
   Experts have made it clear that global weather patterns are in uncharted territory and planners can no longer use the past to predict the future. In 2022, utilities are expected to continue proactively preparing for that uncertain future.

3. ***Digital transformation***
   5G and cloud could expedite the clean energy transition. As the electric power sector continues modernising the grid, companies are envisioning how 5G communications technologies and cloud can help them harness the power of the growing wave of connected devices and data. In the year ahead, many utilities will likely prepare to benefit from 5G technologies by planning for the services they can provide.

4. ***Smart grid operations***
   In 2022, more utilities will likely include flexible load in their resource planning as a supply-side resource and to help meet decarbonisation targets.

5. ***Electrification***

Looking into 2022 and beyond, many expect that the grid will be able to handle increased electricity demand, but additional investment may be needed in home weatherisation and grid-responsive appliances to help manage energy use and shape load.

OPPORTUNITIES AND THREATS

Opportunities

- *Niche Expertise and Knowledge:* Clients across the globe value our unique blend of engineering expertise, domain knowledge and technology know-how. Our services and solutions, together with flexible and mindful approach, have consistently provided innovative options for R&D spend, cost and time advantages for technology investments, reduced integration risk, improved user productivity, and positive client experiences. The impact of the pandemic is anticipated to increase demand for wearables, localised asset tracking, remote monitoring, and point-of-care devices – all part of the Mindteck Solutions portfolio.
- *Emerging Technologies:* Mindteck remains committed to building capacity in newer technologies. Currently, its legacy expertise in embedded systems, enterprise applications and testing are a powerful complement to competencies in data services, such as Artificial Intelligence (AI)/Machine Learning (ML), and cloud, cybersecurity, and IoT.
- *Long-standing and Diverse Client Base:* Our client relationships are strong, with some lasting for over 18 years across industries and geographies. Additionally, we have engaged with industry leaders, including the top 5 data storage companies, top 3 medical device companies, top 6 semiconductor companies, and top 7 analytical instrument companies.
- *Offshore Delivery Centres:* Mindteck's global delivery capabilities provide clients – multinational, in particular – the specialised knowledge and expertise they are increasingly seeking. The Company's offshore delivery centres in Kolkata and Bengaluru, India provide a skilled pool of talent, agile processes, plus cost and productivity efficiencies for new, enhanced, and reengineered product development, software development and maintenance, as well as testing.
- *Practices Team:* Enable continuous innovation and provide subject matter expertise in select technologies, such as data services, AI, IoT, cloud and edge computing for our focused industries – semiconductor, medical device, analytical instrument, data storage, energy and utilities, insurance, and consumer electronics.
- *Automation:* The increased focus on AI and automation technology is a great opportunity for outsourcing providers. Businesses will also start to rely more heavily on outside vendors with expertise in this field. Instead of developing their own tools and strategies for AI and AI-powered automation (which could take years), many companies will instead outsource this function to a third party.

Threats

- *Fierce Competition:* Mindteck continues to face strong and varied market competition from domestic and international service providers who are both large and small. Nevertheless, our longstanding and enviable client relationships, financial strength, as well as niche knowledge and expertise, provides an edge for remaining relevant.
- *Increased Cost Burden:* Most of our top-tier clients use upwards of ten or more service providers. Higher labour and benefits costs continues to be impacted by margins, thus threatening profitability. As in the recent past, Mindteck is striving to overcome such pressures via increased operational efficiencies, new sales models and, as appropriate, pitching the outcome-based business model.
- *Consolidations:* M&A deal making appears to have become the way for developing and maturing companies to unlock growth and build capabilities to survive or win. Fallout from the pandemic, improved credit availability, and attractive interest rates could be key factors that will heighten the deal competition. Mindteck is currently focused on creating a strong partnership ecosystem, building delivery capacity and resource capabilities, improving client experience, as well as developing a future-ready solutions portfolio.

RISKS AND CONCERNS

Risks

- *Offshore Delivery:* According to a NASSCOM report, enterprise, Chief Experience Officers (CXOs) anticipate that more work will shift from companies' global headquarters to Global In-house Captives (GICs) in India in the next three to five years. Analytics, traditional IT, digital-age IT, domain expertise, leadership quality and cost savings are the six focus areas for Indian GICs to invest in, as per the report. CXOs are also pushing to reduce legacy IT spending so as to fund digital efforts in the new operating model. Mindteck operates an offshore development centre in India supported by highly qualified and talented teams with expertise in end-to-end product engineering, IT and testing. World-class infrastructure, best-in-class tools, methodologies and processes, and international quality accreditations are more of the many reasons why clients opt for this cost-efficient and high-performance model.
- *Global IT Skills Shortage:* According to a KPMG survey, the shortage of technology skills is soaring. This often delays staffing for new projects. Mindteck reduces this risk by continually building the talent database and, when necessary, partnering with other companies who have their own talent pool. The Company, however, recognises the potential risks associated with changing US immigration policies as well as the pandemic's impact on evolving workforce environments.
- *Attrition Rate:* Market demand for highly skilled employees impacts attrition. Mindteck strives to mitigate this challenge through an Employees-First approach – continually focusing on providing a good work environment, a positive work-life balance and a strong culture.
- *Reputation:* There has always been a risk of direct or indirect actions adversely impacting Mindteck's reputation. Clearly, the risk has become more difficult to manage due to social media and other channels and venues where information exchange is quick and easy. A small team continues to monitor and manage such activities.

Concerns

- *Enormous Uncertainty:* Prior to the global spread of COVID-19, economic, geopolitical, regulatory uncertainties were causes for concern to the Company. This uncertainty remains and is further exacerbated by the pandemic's continuing waves and a relatively slow vaccination progress in many countries.
- *Reduced Demand:* The COVID-19 pandemic paused, and in some cases, halted business that was anticipated to either close out in 2021-22 or put us on a good footing to start 2022-23. According to a NASSCOM report, the majority of Indian tech companies expect to focus on recovery and restart through 2022.
- *Selling, General and Administrative Cost Containment (SG&A):* Throughout the last year, we continued our efforts to reengineer

internal processes and systems, as well as restructure parts of the organisation, in order to contain costs and work as an ensemble more efficiently and productively.

DISCUSSION ON FINANCIAL PERFORMANCE

Business

During the year under review, your Company recorded Consolidated Revenue of Rs. 2,987.8 million as against Rs. 2,867.2 million in the previous year. Of the revenues that were recorded, 48% is attributed to the US and the rest to Europe and Asia.

Mindteck's Consolidated Net Profit for the year stood at Rs. 333.1 million, as against Rs. 108.6 million in the corresponding previous year. On an operating margin level, Mindteck recorded Consolidated EBITDA (including other income and excluding exceptional items) of Rs. 258.4 million this fiscal year as against of Rs. 241.7 million last year.

Share Capital

As on March 31, 2022, Mindteck has an issued share capital base of 2,57,13,784 equity shares of Rs. 10/- each at face value. All shares are fully paid up. In addition, 38,579 equity shares are reserved for allotment to certain allottees as on March 31, 2022, in relation to discharge of consideration for the acquisition of Chendle Holdings Limited, one of the Company's wholly owned subsidiaries. The allotment has been pending owing to the non–availability of Permanent Account Number (PAN) for these shareholders.

Further, issued capital also includes 4,16,000 equity shares allotted to the Mindteck Employees Welfare Trust (MEWT). The trust was set up with the objective of transferring its holding in Mindteck (India) Limited to deserving employees, by way of share-based compensation. Owing to the consolidation of the Trust's accounts with that of Mindteck, the number of shares and corresponding capital and share premium held by the Trust are deducted from the issued share capital and securities.

Reserves and Surplus

Mindteck has retained earnings of Rs. 246.6 million in the Consolidated Balance Sheet as on March 31, 2022. Shareholders' Funds, excluding capital reserves, increased from Rs. 1,318.7 million in FY 2021 to Rs. 1,675.2 million in FY 2022 on account of profit earned during the year.

Non-Current Liabilities

Non-Current Liabilities in the Consolidated Balance Sheet include rental deposit, deferred rental income, provision towards service concession arrangement, lease liabilities, non-current portion of deferred social security taxes and provision for employee benefits. Non-Current Liabilities decreased from Rs. 82 million in FY 2020-21 to Rs. 81.9 million in FY 2021-22. The decrease is mainly due to movement of deferred social security taxes to current portion, offset by recognition of lease liabilities on account of extension of lease agreement.

Current Liabilities

Current Liabilities in the Consolidated Balance Sheet include borrowings, trade payables, provision for employee benefits, provision for tax, and other current liabilities. Current Liabilities decreased from Rs. 585.8 million in FY 2020-21 to Rs. 456.5 million in FY 2021-22.

The US Federal government in the wake of COVID 19 pandemic provided support to business through Paycheck Protection Program (PPP). Mindteck Inc. obtained a benefit under this scheme for Rs. 1,806 Lakhs during April 2020. During the year ended March 31, 2022, Mindteck Inc. has received complete waiver/forgiveness of the loan amount from Small Business Administration, United States government agency and accordingly the aforesaid loan forgiveness has been shown as income under exceptional item.

Trade payables increased from Rs. 135.0 million in FY 2020-21 to Rs. 183.2 million in FY 2021-22. Other current liabilities comprise unearned income, statutory liabilities such as PF, TDS, etc., current portion of deferred social security taxes and payroll payables amounting to Rs. 81.2 million as on March 31, 2022 compared to Rs. 75.5 million as on March 31, 2021.

Provisions under Current Liabilities stood at Rs. 41.3 million as on March 31, 2022 compared to Rs. 49.9 million as on March 31, 2021.

Non-Current Assets

Consolidated Non-Current Assets include Property, Plant and Equipment, Right of use asset, Intangible assets, Investment property, Deferred Tax Asset (net), long-term loans and advances and other non-current assets.

Mindteck invested Rs. 11.3 million in Property, Plant and Equipment during the fiscal year, which relates to Computer Equipment.

Other financial assets comprise of security deposits and Fixed deposits with bank with remaining maturity of more than 12 months totalling to Rs. 225.4 million as on March 31, 2022 compared to Rs. 35.5 million as on March 31, 2021.

Other Non-Current Assets consist of prepaid expense amounting to Rs. 1.1 million as on March 31, 2022.

Current Assets

Consolidated Current Assets include trade receivables, cash and bank balances, investments, short-term loans and advances, and other current assets.

Mindteck's accounts receivables as on March 31, 2022 amounts to Rs. 726.2 million, representing about 92 days of sales. All debts doubtful of recovery have been provided for in the financial statements.

Cash and Bank balances amounted to Rs. 769.1 million compared to Rs. 776.6 million in the previous year which includes both rupee and foreign currency accounts.

Other financial assets under Current Assets include claimable expenses, accrued expenses, employee advances and security deposits. The balance as on March 31, 2022 stood at Rs. 26.8 million compared to Rs. 14.5 million as on March 31, 2021.

Other current assets include prepaid expenses, advances recoverable and balances with government authorities and unbilled revenue. The balance as on March 31, 2022 stood at Rs. 73.3 million.

Investments

Mindteck (India) Limited has six wholly owned subsidiaries and two step-down subsidiaries as on March 31, 2022. The nature of operations of these subsidiaries is as follows:

- Mindteck, Inc. - Operating company
- Mindteck Singapore Pte. Limited - Operating company
- Mindteck (UK) Limited - Operating company
- Mindteck Middle East Limited WLL - Operating company

- Mindteck Software Malaysia SDN. BHD. - Operating company
- Chendle Holdings Limited - Investment arm, holding stock in Mindteck, Inc., US
- Mindteck Germany GmbH - Selling and marketing company (step-down subsidiary)
- Mindteck Canada, Inc.- Selling and marketing company (step-down subsidiary)

Note: Mindteck Solutions Philippines Inc. is under closure and Hitech Parking Solutions Private Limited closed during the year.

Internal Control Systems and their adequacy

The CEO and CFO certification provided in the annual report discusses the adequacy of our internal control systems and procedures.

RESULTS OF OPERATION

Income

The Company recorded consolidated revenue from operations of Rs. 2,987.8 million in FY 2021-22 as against Rs. 2,867.2 million in FY 2020-21. The items of other income include rental income from owned property, net foreign exchange gain, government grants received as part of COVID-19 relief, interest income from deposits, rent concession and other miscellaneous items. The Company recorded other income of Rs. 50.7 million in FY 2021-22 as against Rs. 45.5 million in FY 2020-21.

Expenses

Employee benefit expenses and cost of technical sub-contractors for the FY 2021-22 stood at Rs. 2,525.8 million as against Rs. 2,438.9 million in FY 2020-21. Percentage of Manpower expense to revenue stood at 85%, same as previous year.

Finance cost in FY 2021-22 was Rs. 9.2 million as compared to Rs. 16.5 million in FY 2020-21. The decrease is mainly due to reduction in interest expense on lease arrangement, majorly due to termination of lease agreement.

Other expenses of FY 2021-22 amounted to Rs. 254.3 million compared to Rs. 232.1 million last year. The increase is mainly due to increase in travel and project supplies and services. Mindteck will continue to focus on cost-effective measures to further improve productivity and increase efficiency in the operations. Tax expense for the year amounting to Rs. 47.7 million (net) is the aggregate of current tax liability in all tax jurisdictions in which the Company operates, and deferred tax. Tax provision in India is based on the normal tax computation in accordance with the prevailing tax laws.

Operating Profit and Net Profit

Consolidated EBITDA (including other income and excluding exceptional items) for the year amounted to Rs. 258.4 million as against Rs. 241.7 million in the previous year. Net profit is Rs. 333.1 million in FY 2021-22, as against Rs. 108.6 million in FY 2020-21.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations for Standalone Financial Statements:

Sl. No.	Description	As at March 31, 2022	As at March 31, 2021	Reasons for variance
i	Debtors Turnover	4.47	4.54	-
ii	Inventory Turnover	NA	NA	-
iii	Interest Coverage Ratio	NA	NA	-
iv	Current Ratio	3.09	3.24	-
v	Debt Equity Ratio	NA	NA	-
vi	Operating Profit Margin (%)	10.94	11.96	-
vii	Net Profit Margin (%)	9.61	8.20	-
viii	Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof (%)	9	7	FY 2020-21 includes prior year taxes whereas no such taxes were incurred during FY 2021-22.

Human Resources Initiatives

During a year marked by varying fluctuations in the spread of the COVID-19 virus, the Company placed a special focus on ensuring employee well-being, health and safety. Specifically, this included:

- Extending the work-from-home facility to all employees during the year.
- Conducting virtual Employee Connect gatherings to keep the dialogue open between employees and their Managers, the CEO, and HR.
- Administering a variety of technical, behavioural and leadership development training sessions online – curated to upskill, future skill, cross-skill, and foster learning overall.
- Hired fresh engineers from various campus and finishing schools. Trained them for a period of 3-6 months and deployed them to projects.
- Initiated various Employee Engagement Programs across the organisation, such as Pre-joining connect, Post hire connect for new hires and existing employee with the Senior Management Team.
- Conducted various Fun & Frolic Programs.
- Various on-line wellness programs were conducted for employees.

Mindteck's annualised attrition rate during FY 2021-22 was higher compared to previuos year.

Headcount Details:

Year	Permanent	Contractual	Total
2021-22	709	46	755
2020-21	672	42	714

Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To,

The Board of Directors

Mindteck (India) Limited

We, Anand Balakrishnan, Managing Director and Chief Executive Officer, and Ramachandra M S, Chief Financial Officer, to the best of our knowledge and belief, certify that:

1) We have reviewed the financial statements for the Year ended March 31, 2023 and that to the best of our knowledge and belief:

   a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   b) 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.

2) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023, which are fraudulent, illegal or which violate the Company's code of conduct.

3) We are responsible for establishing and maintaining internal controls for financial reporting and we have:

   a) Evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting;

   b) Disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware; and

   c) The steps we have taken or propose to take to rectify these deficiencies.

4) We have indicated to the Company's Auditors and the Audit Committee of the Board of Directors

   a) Significant changes that have occurred in the internal control over financial reporting during the quarter;

   b) All significant changes in accounting policies during the quarter, if any, and that the same have been disclosed in the notes to the financial statements; and

   c) Instances of significant fraud, if any, of which we are aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting;

   d) All deficiencies, if any, in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data, and have identified for the Company's Auditors, any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.

Bengaluru, India
May 19, 2023

Anand Balakrishnan
Managing Director and CEO

Ramachandra M S
Chief Financial Officer

Independent Auditor's Report

To the Members of Mindteck (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("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 state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income/ (loss), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to the matter. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of Investments in Subsidiaries (as described in Note 6 of the standalone financial statements)	
The Company has availed the option available in Ind AS 27 to carry its investments in subsidiaries at cost. Impairment recognized, if any, is reduced from the carrying value. As of March 31, 2023, the aggregate value of investments in the subsidiaries (net of impairment of INR 5666 Lakhs) is INR 6714 Lakhs (no change compared to previous year). The management assesses annually the existence of impairment indicators in respect of its investment in subsidiaries and such investments are subject to impairment test. The impairment testing of investment in subsidiaries is a Key Audit Matter as the determination of recoverable value for impairment assessment/ fair valuation involves significant management judgement and estimates. The key inputs and judgements involved in the impairment/fair valuation assessment of unquoted investments include: • Forecast cash flows including assumptions on growth rates • Discount rates • Terminal growth rate • Economic and entity specific factors incorporated in the valuation.	Our audit procedures included the following amongst others: ▪ Obtained an understanding from the management and assessed the existence of any impairment indicators. ▪ Tested the design and operating effectiveness of the Company's key controls over the impairment testing model used. ▪ Assessed the competency and objectivity of the expert used by the management, as applicable. ▪ Reviewed the key assumptions and sensitivities and determination of recoverable amount as used by an independent expert appointed by the management, as applicable. ▪ Evaluated the cash flow forecasts (with underlying economic and past growth rate), as applicable. ▪ Test checked the mathematical accuracy of the impairment model, as applicable. ▪ Assessed the sensitivity analysis and evaluated the impact on impairment by any reasonably foreseeable changes in assumptions, as applicable. ▪ Evaluated the adequacy of the disclosures made in the standalone financial statement.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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. We have nothing to report in this regard.

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

The Company's Board of Directors and management are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income/(loss), cash flows and changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those 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

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

   f. With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.

   g. In our opinion, the managerial remuneration for the year ended March 31, 2023, has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 30 to the standalone financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 30 to the standalone financial statements;

      iii. There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. a. The management has represented that, to the best of its knowledge and belief, 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;

      b. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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; and

      c. Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

      v. As stated in Note 16 to the Standalone Financial Statements,

      a) the final dividend proposed in the previous year was declared and paid by the Company during the year and is in accordance with Section 123 of the Act.

      b) The Board of Directors of the Company have proposed final dividend for year ended March 31, 2023 which is subject approval of the members at the ensuing Annual General Meeting. The same is in accordance with Section 123 of the Act.

      vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company 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.

Other Matters

The standalone financial statements of the Company for the previous financial year ended March 31, 2022 have been audited by S R Batliboi & Associates, the erstwhile auditors whose report dated May 20, 2022, expressed an unmodified opinion. The same has been relied upon by us and our opinion is not qualified in respect of this matter.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W / W-100010

Rajesh Maniar
Partner
Membership Number: 040833
UDIN: 23040833BGXWOO3689

Place: Bengaluru
Date : May 19, 2023

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the Standalone Financial Statements of Mindteck (India) Limited

In terms of the information and explanation sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

b. Property, plant, and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

c. According to the information and explanations given by the management, the title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

d. The Company has not revalued its property, plant, and equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.

e. According to the information and explanations given by the management, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) a. The Company's business does not involve inventories and accordingly, the requirements under paragraph 3(ii)(a) of the Order are not applicable to the Company.

b. According to the information and explanations given by the management, the Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) a. During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

b. During the year the Company has not made investments, provided guarantees, provided security, and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

c. The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

d. The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

e. There were no loans or advances in the nature of loan granted to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

f. The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships, or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given by the management, loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ("the Act") as applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act for the services of the Company.

(vii) a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of custom, goods and services tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b. According to the records of the Company, there are no 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, goods and service tax and other statutory dues which have not been deposited on account of any dispute, except the following:

Name of the Statute	Nature of the Dues	Disputed amount (Rs. in Lakhs)	Amount paid/refund adjusted under protest (Rs. in Lakhs)	Period to which the amount relates (Assessment Year)	Forum where dispute is pending
Income Tax Act, 1961	Income tax	81.61	81.61	2006-07	Commissioner of Income Tax (Appeals)-Faceless
		133.43	26.29	2016-17	Income Tax Appellate Tribunal
		321.43	308.04	2017-18	Income Tax Appellate Tribunal
		4.67	-	2018-19	Commissioner of Income Tax (Appeals)- Faceless

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) a. The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

b. The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.

c. The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

d. The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries. The Company does not have any associates or joint ventures.

f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) a. According to the information and explanation given by the management, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b. The Company has not made any preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) a. No fraud by the Company or on the Company has been noticed or reported during the year.

b. During the year, no report under sub-section (12) of section 143 of the Act, 2013 has been filed by secretarial audit or by us 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 whistle-blower complaints received by the Company during the year.

(xii) In our opinion, the Company is not a Nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) a. The Company has an internal audit system commensurate with the size and nature of its business.

b. The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with its directors, as referred to in section 192 of the Act and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) a. According to the information and explanations given by the management, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (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 Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

c. The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

d. There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company

(xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.

(xviii) There has been resignation of the statutory auditors during the year, and we have taken into consideration the issues, and no objections or concerns have been raised by the outgoing auditors.

(xix) On the basis of the financial ratios disclosed in note 43 to the standalone financial statements, 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 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. In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 34 to the standalone financial statements.

b. There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance with provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 34 to the standalone financial statements.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W / W-100010

Rajesh Maniar
Partner
Membership Number: 040833
UDIN: 23040833BGXWOO3689

Place: Bengaluru
Date : May 19, 2023

Annexure 2 referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the Standalone Financial Statements of Mindteck (India) Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Mindteck (India) Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A company's internal financial controls with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to these standalone financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W / W-100010

Rajesh Maniar
Partner
Membership Number: 040833
UDIN: 23040833BGXWOO3689

Place: Bengaluru
Date : May 19, 2023

Standalone Balance Sheet as at March 31, 2023

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-Current Assets			
Property, plant and equipment	3	160	161
Investment property	4	62	63
Right-of-use assets	33	504	734
Intangible assets	5	1	5
Financial assets			
Investments	6	6,714	6,714
Loans	7	172	172
Other financial assets	8	237	2,213
Deferred tax assets (net)	35	438	419
Income tax assets (net)	9	342	441
Other non-current assets	10	4	11
		8,634	**10,933**
Current Assets			
Financial assets			
Trade receivables	11	3,062	2,491
Cash and cash equivalents	12	367	161
Other bank balances	12	4,248	2,663
Other financial assets	13	196	338
Other current assets	14	425	410
		8,298	**6,063**
Total assets		**16,932**	**16,996**

Standalone Balance Sheet as at March 31, 2023 (cont'd.)

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	2,527	2,571
Other equity	16	12,056	11,645
		14,583	**14,216**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	33	220	472
Other financial liabilities	17	23	23
Provisions	18	331	324
		574	**819**
Current liabilities			
Financial liabilities			
Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises; and	19	23	39
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	19	499	767
Lease liabilities	33	343	297
Other financial liabilities	20	394	289
Provisions	21	221	197
Income tax liabilities (net)	9	-	124
Other current liabilities	22	295	248
		1,775	**1,961**
Total liabilities		**2,349**	**2,780**
Total equity and liabilities		**16,932**	**16,996**
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala
Chairman
DIN - 01770426

Anand Balakrishnan
Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Standalone Statement of Profit and Loss for the year ended March 31, 2023

All amounts in Rs. lakhs unless otherwise stated

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Revenue from operations	23	12,951	11,425
Other income	24	329	355
Total income		**13,280**	**11,780**
EXPENSES			
Cost of technical sub-contractors		389	340
Employee benefit expenses	25	9,196	7,848
Finance costs	26	60	50
Depreciation and amortization expense	27	427	465
Other expenses	28	1,253	1,522
Total expenses		**11,325**	**10,225**
Profit before tax and exceptional items		**1,955**	**1,555**
Exceptional Item	29		
Provision for impairment of loan		-	62
Total exceptional item		**-**	**62**
Profit before tax		**1,955**	**1,493**
Tax expense (net):	35		
Current tax		514	385
Tax relating to earlier years		(27)	-
Deferred tax charge/(credit)		(19)	10
Total tax expense		**468**	**395**
Profit for the year		**1,487**	**1,098**
Other comprehensive income/(loss), net of tax			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gain on defined benefit plan		(1)	26
Income tax relating to items that will not be reclassed to profit or loss		-	(7)
Other comprehensive income for the year, (net of tax)		**(1)**	**1 9**
Total comprehensive income for the year		**1,486**	**1,117**
Earnings per share (equity shares, par value Rs. 10 each) (March 31, 2022: Rs. 10 each)	32		
Basic (in Rs.)		5.82	4.28
Diluted (in Rs.)		5.78	4.25
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala
Chairman
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Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Standalone Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital

All amounts in Rs. lakhs unless otherwise stated

Particulars	Number	Amount
Balance as at April 01, 2021	2,56,21,898	2,562
Changes in equity share capital during the year: 2021-22	91,886	9
Balance as at March 31, 2022	**2,57,13,784**	**2,571**
Changes in equity share capital during the year: 2022-23	(4,48,691)	(44)
Balance as at March 31, 2023	**2,52,65,093**	**2,527**

B. Other equity

All amounts in Rs. lakhs unless otherwise stated

		Reserves & Surplus					
Particulars	**Share application money pending allotment**	**Capital reserve**	**Capital redemption reserve**	**Securities premium**	**Retained earnings**	**Employee stock options reserve**	**Total other equity**
Balance as at April 01, 2021	**28**	**357**	**-**	**10,518**	**(554)**	**147**	**10,496**
Add: Profit for the year	-	-	-	-	1,098	-	1,098
Add: Changes in remeasurement of defined benefit plan through other comprehensive income, net of taxes	-	-	-	-	19	-	19
Add/ (less): Additions during the year on exercise of employee stock options			-	43		(15)	28
Add/ (Less): Transfer to retained earnings upon expiry or lapse of employee stock options after vesting	-	-	-	-	13	(13)	-
Add: Employee share-based expense (refer Note 39)	-	-	-	-	-	4	4
Balance as at March 31, 2022	**28**	**357**	**-**	**10,561**	**576**	**123**	**11,645**
Add: Profit for the year	-	-	-	-	1,487	-	1,487
Add: Changes in remeasurement of defined benefit plan through other comprehensive income, net of taxes	-	-	-	-	(1)	-	(1)
Add/ (less): Additions during the year on exercise of employee stock options	-	-	-	56		(20)	36
Add/ (less): Transfer to retained earnings upon expiry or lapse of employee stock options after vesting	-	-	-	-	5	(5)	-
Add/ (less): Cash Dividend	-	-	-	-	(257)	-	(257)
Add: Employee share-based expense (refer Note 39)	-	-	-	-	-	8	8
Less: Buyback of Equity shares	-	-	-	(665)	-	-	(665)
Add/(less): Transfer to capital redemption reserve on buyback	-	-	51	-	(51)	-	-
Less: Administrative expenditure incurred for Buyback	-	-	-	-	(42)	-	(42)
Less: Tax on Buyback of Equity shares	-	-	-	-	(155)	-	(155)
Balance as at March 31, 2023	**28**	**357**	**51**	**9,952**	**1,562**	**106**	**12,056**

Corporate information and significant accounting policies (refer Notes 1 & 2)

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala
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DIN - 01770426

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Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Standalone Statement of Cash Flows for the year ended March 31, 2023

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2023	Year ended March 31, 2022
Operating activities		
Profit/(Loss) before tax	1,955	1,493
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortization expense	427	465
Provision for impairment of loan	-	62
Finance costs	49	47
Interest income	(251)	(208)
Unrealised exchange differences	6	22
Loss on sale/written off of assets	-	2
Provision for doubtful debts (net) and loss allowance	(30)	(41)
Share based payment expenses	8	4
Other non-operating income	-	(85)
Changes in operating assets and liabilities:		
(Increase)/Decrease in trade receivables	(534)	150
(Increase)/Decrease in loans and advances and other assets	(32)	200
Increase/(Decrease) in liabilities and provisions	(41)	178
Net cash from operating activities before taxes	**1,557**	**2,289**
Income taxes paid (net of refunds)	(512)	(315)
Net cash from operating activities (A)	**1,045**	**1,974**
Investing activities		
Purchase of property, plant and equipment, intangible assets	(107)	(98)
Proceeds from sale of assets	(1)	3
Movement in fixed deposits and other bank balances (net)	431	(1,959)
Proceeds on closure of subsidiary	-	10
Interest income received	296	106

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2023	Year ended March 31, 2022
Net cash used in investing activities (B)	**619**	**(1,938)**
Financing activities		
Proceeds from exercise of share options	43	37
Repayment of principal portion of lease liabilities	(284)	(289)
Finance cost on lease liabilities	(49)	(47)
Buyback of shares	(716)	-
Tax on buyback of shares	(155)	-
Administrative expenditure incurred for Buyback	(42)	-
Dividends paid (including distribution tax and unpaid dividend)	(255)	(1)
Net cash used in financing activities (C)	**(1,458)**	**(300)**
Net decrease in cash and cash equivalents (D)=(A)+(B)+(C)	**206**	**(264)**
Cash and cash equivalents at the beginning of the period (E)	161	425
Cash and cash equivalents at the end of the year (refer Note 12) (F)=(D)+(E)	**367**	**161**

Corporate information and significant accounting policies (refer Notes 1 & 2)

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala
Chairman
DIN - 01770426

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DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Notes to Standalone Financial Statements for the year ended March 31, 2023

1. Corporate Information

Mindteck (India) Limited ('Mindteck' or 'the Company'), a public limited company incorporated in the year 1991, is engaged in the business of rendering engineering and IT services to customers across various industry verticals in specific service horizontals. Mindteck's core offerings are in Product Engineering, Application Software, Electronic Design, Testing and Enterprise Business services.

In the Product Engineering space, Mindteck renders Electronic Design, Firmware and Software in key vertical areas of Life Sciences and Analytical Instruments, Semiconductor Fab Equipment, Medical Instruments and in the high-end Storage Products segment. The Enterprise Business services line provides services in the areas of support and maintenance of enterprise-wide applications. Application Software services are centered around providing solutions to independent software vendors in the Banking and Financial Services Industry (BFSI) space and a broad range of services for custom Application Development, Application Management, Re-engineering, Validation and Verification across the spectrum.

The Company also provides offshore-based employee resourcing, marketing and pre-sales support and other services to its subsidiaries.

Mindteck has its registered office in Bengaluru, India and is headquartered in Bengaluru with a branch office in Kolkata and Mumbai. The software development centers in Bengaluru and Kolkata are 100% Export Oriented Units ('EOU') set up under the Software Technology Parks of India (STPI) Scheme of the Government of India.

Mindteck has subsidiaries (including step-down subsidiaries) in the United States of America, Canada, Singapore, Philippines (under closure), Malaysia, Bahrain, United Kingdom, Germany and India (under closure). Mindteck is listed in India on the Bombay Stock Exchange and National Stock Exchange.

These standalone financial statements for the year ended March 31, 2023 are approved by the Board of Directors on May 19, 2023.

2. Basis of Preparation and significant accounting policies:

2.1. Basis of preparation:

The standalone financial statements of the Company have been prepared and presented in accordance with accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

These standalone financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained further in the accounting policies below.

- certain financial assets and liabilities that is measured at fair value/amortized cost,
- defined benefit plans - plan assets measured at fair value,
- Employee stock option contracts – measured at grant date fair value, and
- Investment property – fair value for disclosure purpose.

The standalone financial statements are presented in Rs. and all the values are rounded off to the nearest lakhs (Rs. 00,000) except when otherwise indicated.

2.2. Summary of significant accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the accompanying disclosures, and the disclosure of contingent assets and contingent liabilities on the date of the standalone financial statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty as at the date of 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 the following:

Revenue recognition:

The Company uses the percentage of completion method in accounting for revenue from implementation and customization projects. Use of the percentage of completion method requires the Company to estimate the efforts to date as a proportion of the total efforts. Efforts have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become probable based on the expected contract estimates at the reporting date.

Employee stock options plan:

The Company initially measures the cost of equity-settled transactions with employees using Black Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the 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 the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 39.

Leases:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company has concluded that no changes are required to lease period relating to the existing lease contracts. Refer Note 33.

Defined benefit plans (gratuity and other employee benefits):

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 36.

Appendix D of Service Concession Arrangement ('SCA'), under Ind AS - 115 'Revenue from contracts with customers' – Recognition and Measurement:

The Company had entered into concession arrangement in relation to smart/IT based parking system with government/ statutory body under Public Private Partnership model. The arrangement gives Company right to design, construct, install and maintain the smart parking system. Management has evaluated the arrangement and concluded that Appendix D of Service Concession Arrangement ('SCA'), under Ind AS - 115 'Revenue from contracts with customers' applies. Refer Note 13.

Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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. Refer Note 40 for further disclosures.

Impairment of non-financial assets:

Impairment exists when the carrying value of an asset or cash generating unit ("CGU") exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow ("DCF") model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Also, refer Note 2.2(i).

Impairment of financial assets:

The Company assesses impairment of financial assets ('Financial instruments') and recognizes expected credit losses in accordance with Ind AS 109. Also, refer Note 2.2(d).

The Company assesses for impairment of investment in subsidiaries. Impairment exists when there is a diminution in value of the investment and the recoverable value of such investment is lower than the carrying value of such investment.

c. Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. 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.

i. Financial assets:

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four broad categories:

- Debt instruments assets at amortized cost
- Financial assets at fair value through Other Comprehensive Income (“OCI”) (FVTOCI)
- Financial assets at fair value through Profit and Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

When assets are measured at fair value, gains and losses are either recognized entirely in the standalone statement of Profit and Loss (i.e. fair value through Profit and Loss) or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

Debt instruments at amortized cost:

A Debt instrument is measured at amortized cost (net of any write down for impairment) if both the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes), and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (“SPPI”) on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 amortization is included in finance income in the standalone statement of Profit and Loss. The losses arising from impairment are recognized in the standalone statement of Profit and Loss.

Financial assets at fair value through OCI (FVTOCI):

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through Profit and Loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- 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.

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through Profit and Loss ('FVTPL'):
FVTPL is a residual category for Company's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the standalone statement of Profit and Loss.

In addition, the Company may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency.

Derecognition:
When the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or

- Based on above evaluation, either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a bases that reflect the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets:
The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through Profit and Loss or at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost
After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the standalone statement of Profit and Loss.

Derecognition:
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 in the respective carrying amounts is recognized in the standalone statement of Profit and Loss.

iii. Offsetting of financial instruments:

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

iv. Reclassification of financial assets:

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

e. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost. Capital work-in-progress comprises of expenditure incurred for construction of leasehold improvements. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the plant and equipment to its working condition for the intended use and cost of replacing part of the plant and equipment.

Property, plant and equipment are eliminated from financial statements, either on disposal or when no future economic benefits are expected from its use or disposal. Losses arising in case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in standalone statement of Profit and Loss in the year of occurrence.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f. Depreciation and amortization

Depreciation on property, plant and equipment with finite useful lives is calculated on a straight-line basis over the useful lives of the assets estimated by the management.

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. The range of useful lives of the property, plant and equipment are as follows:

Property, plant and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 years
Computer equipment	3 years
Office equipment	5 years
Vehicles	5 years

Leasehold improvements are amortized over the period of lease term or the estimated useful life of assets, whichever is lower.

g. Investment property

i. Recognition and measurement:

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses (if any).

Initial direct costs incurred by the Company in negotiating and arranging an operating lease are added to the carrying amount of the respective Investment property and are amortized over the lease term on the same basis as the lease income.

Though the Company measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes (Refer Note 4). Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

ii. Depreciation:

Depreciation on investment properties is provided on the straight-line method as per the useful life estimated by the management.

The estimated useful life of building classified as an investment property is 58 years. The estimated useful life is different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the asset is likely to be used.

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern and are treated as changes in accounting estimates.

The estimated useful lives of the amortizable intangible assets are as follows:

Category	Useful life
Computer software	3 years
Service concession arrangement	10 years

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the standalone statement of Profit and Loss when the asset is derecognized.

i. Impairment of non-financial assets

Non-financial assets including property, plant and equipment, right of use assets and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the standalone statement of Profit and Loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the standalone statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Leases

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

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.

i. Right-of-use assets:

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer Note 2.2(i) Impairment of non-financial assets.

ii. Lease liabilities:

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

During the year ended March 31,2021, there was an amendment to Ind AS 116 due to COVID related rent concessions. The amendment provides relief to the lessees in treating rent concessions arising as a direct consequence of the COVID-19 pandemic as a lease modification. The amendments are applicable for annual reporting periods beginning on or after the April 01, 2020. The amendment had an impact of Rs. 43 lakhs on the standalone financial statements.

iii. Short term leases and leases of low-value assets:
The Company applies the short-term lease recognition exemption to its short-term leased assets (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leased assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor:
Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

k. Equity investments in subsidiaries
Investments in subsidiaries are classified as non-current investments. The Company has availed the option available in Ind AS 27 to carry its investment in subsidiaries at cost. Impairment recognized, if any, is reduced from the carrying value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the standalone statement of Profit and Loss.

l. Revenue recognition
i. Revenue from contracts with customers:
The Company derives its revenues from software and IT-enabled service including services provided to related parties.

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

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

The following specific recognition criteria must also be met before revenue is recognized:

Revenue from software services provided on a time-and-material basis is recognized upon performance of services and at the agreed contractual rates. Revenue from fixed price contracts is recognized over the period of the contracts using the percentage completion method determined by relating the actual cost incurred to date to the estimated total cost of the contract.

Revenue from implementation service under concession arrangement are recognized in line with Appendix D of Service Concession Arrangement ('SCA'), under Ind AS - 115 'Revenue from contracts with customers'.

In case of multiple element arrangements for sale of software license, related implementation and maintenance services, the Company applies the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements generally meet the criteria for considering the sale of software license, related implementation and maintain services as distinct performance obligation. For allocating the consideration, the Company has measured the revenue in respect of each distinct performance obligation of a transaction at its standalone selling price, in accordance with principles given in Ind AS 115. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company has used a residual method to allocate the arrangement consideration. In these cases, the balance of the consideration, after allocating the standalone selling price of undelivered components of a transaction has been allocated to the delivered components for which specific standalone selling price do not exist.

Provisions for estimated losses on contracts are recorded in the period in which such losses become probable based on the current contract estimates. The Company classifies the right to consideration in exchange for deliverables as Trade receivable (including unbilled revenue). A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of billing is classified as Unbilled revenue while billing in excess of revenue is classified as Deferred revenue. Unbilled revenue where there is unconditional right to consideration, and only passage of time is required as per contractual terms is classified as financial assets. Revenue recognition for fixed-price consulting contracts is based on percentage-of-completion method. Invoicing to the customers is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed-price development contracts is classified as contract asset (non-financial asset) as the contractual right to consideration is dependent on completion of contractual milestones.

The Company collects goods and services tax and other taxes as applicable in the respective tax jurisdictions where the Company operates, on behalf of the government and therefore it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

ii. Other income:

Dividend income is recognized when the Company's right to receive dividend is established, which is generally when shareholders approve the dividend.

Interest income is recognized as it accrues in the standalone statement of Profit and Loss using effective interest rate method.

iii. Service concession arrangement (SCA):

The Company implements or upgrades infrastructure (implementation or upgrade services) used to provide the smart/IT-based parking service and maintains that infrastructure (operation service) for a specified period of time. This arrangement may include infrastructure used in a service concession arrangement for its entire useful life.

Under Appendix D – Service Concession Arrangement to Ind AS 115 –Revenue from contracts with customers, the arrangement is accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service. The financial model is used when the operator has an unconditional contract¬ual right to receive cash or other financial assets from or at the direction of the grantor for the construction/implementation service. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the operator performs more than one service (i.e. construction, implementation, upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the service delivered, when the amount are separately identifiable.

The intangible assets model recognizes the asset to the extent of cost incurred or to be incurred (including certain obligations arising out the arrangement) towards getting the right to charge users of the public service. The intangible asset is amortized over the concession period i.e. 10 years, from the date they are available for use.

An asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal.

The Company recognizes a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor.

Provisions for estimated losses on contracts are recorded in the period in which such losses become probable based on the current contract estimates.

m. Foreign currencies

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise except those arising from investments in non-integral operations.

The Company's standalone financial statements are presented in Rs. The Company determines the functional currency as Rs. on the basis of primary economic environment in which the entity operates.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

n. Taxes

Tax expense comprises of current and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside Profit and Loss is recognized outside Profit and Loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o. Provision and contingencies

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, 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. The expense relating to a provision is presented in the standalone statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

p. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

q. Employee stock compensation cost

Employees (including senior executives) of the Company receive remuneration in the form of share-based payments in form of employee stock options, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The Company measures compensation cost relating to employee stock options plans using the fair valuation method in accordance with Ind AS 102, Share-Based Payment.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black Scholes valuation model. That cost is recognized in employee benefits expense, together with a corresponding increase in Stock Option Outstanding reserves in equity, over the vesting period of the option in which the performance and/or service conditions are fulfilled in a graded manner. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired (net of forfeitures) and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

r. Segment reporting

In accordance with Ind AS 108 - Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

s. Retirement and other employee benefits

Employee benefits include contribution to provident and other funds, gratuity and compensated absences.

Defined contribution plans:

Contributions payable to recognized provident and other funds, which are defined contribution schemes, are charged to the standalone statement of profit and loss.

Defined benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to the standalone statement of Profit and Loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to "surplus/ (deficit) in the statement of Profit and Loss".

The Company has an employees' gratuity fund managed by the Life Insurance Corporation of India (LIC). Provision for gratuity liabilities, pending remittance to the fund, is carried in the balance sheet.

Short-term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. Compensated absences, which are expected to be utilized within the next 12 months, are treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees render the related services are treated as long-term employee benefits for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end, less the fair value of the plan assets out of which the obligations are expected to be settled. Actuarial gains/losses are immediately taken to the standalone statement of Profit and Loss and are not deferred.

The Company presents the entire compensated absences balance as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

t. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Standalone statement of cash flow:
Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

u. Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

v. Corporate Social Responsibility (CSR) expenditure

CSR expense is recognized as it is incurred by the Company or when the Company has entered into any legal or constructive obligation for incurring such an expense.

2.3. Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 23, 2023 to amend the following Ind AS which are effective from April 1, 2023.

a) Amendment to Ind AS 1, Preparation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The company has evaluated the amendment and impact of the amendment is insignificant int eh standalone financial statement.

b) Amendment to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errors

This amendment has introduced a definition of 'accounting estimates' and include amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its standalone financial statements.

c) Amendments to Ind AS 12, Income taxes

The amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The company has evaluated the amendment and there is no impact on its standalone financial statements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

3. Property, plant and equipment

Amount in Rs. lakhs

Particulars	Computer equipment	Office equipment	Furniture and fixtures	Leasehold improvement	Total
Cost					
As at April 01, 2021	**367**	**218**	**22**	**178**	**785**
Additions	98	-	-	-	98
Disposals/Adjustments	(1)	(11)	(1)	-	(13)
As at March 31, 2022	**464**	**207**	**21**	**178**	**870**
Additions	98	9	-	-	107
Disposals/Adjustments	(1)	(11)	(1)	-	(13)
As at March 31, 2023	**561**	**205**	**20**	**178**	**964**
Accumulated depreciation					
As at April 01, 2021	**259**	**152**	**14**	**132**	**557**
Charge for the year	90	33	4	33	160
Disposals/Adjustments	(1)	(6)	(1)	-	(8)
As at March 31, 2022	**348**	**179**	**17**	**165**	**709**
Charge for the year	80	17	3	9	109
Disposals/Adjustments	(1)	(11)	(2)	-	(14)
As at March 31, 2023	**427**	**185**	**18**	**174**	**804**
Net block as at March 31, 2022	**116**	**28**	**4**	**13**	**161**
Net block as at March 31, 2023	**134**	**20**	**2**	**4**	**160**

4. Investment property

Amount in Rs. lakhs

Particulars	Building - Asset given under operating lease
Cost	
As at April 01, 2021	**73**
Additions	-
As at March 31, 2022	**73**
Additions	-
As at March 31, 2023	**73**
Accumulated depreciation	
As at April 01, 2021	8
Charge for the year	2
As at March 31, 2022	**10**
Charge for the year	**1**
As at March 31, 2023	11
Net block as at March 31, 2022	**63**
Net block as at March 31, 2023	**62**

Information regarding income and expenditure of Investment property

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental income derived from investment property	26	23
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	2	1
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	-	-
Profit arising from investment properties before depreciation and indirect expenses	**24**	**22**
Less: Depreciation	(1)	(2)
Profit arising from investment property before indirect expenses	**23**	**20**

Determination of fair values

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	
Investment properties	Market Approach		March 31, 2023	March 31, 2022
		Area of subject unit (sq. ft.)	3,001	3,001
		Adopted market rent per sq.ft. per month	53	53
		Derived unit rate (per sq.ft.)	11,000	10,900
		Estimated rental value (per sq. ft.)	Rs. 61 - 70	Rs. 61 - 70
		Discount rate	12.00%	12.00%

The fair value of investment property has been determined by registered valuer as defined under rule 2 of companies (Registered Valuers and Valuation) Rules, 2017. The registered valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

The registered valuers have considered valuation techniques including direct comparison method and discounted cash flows in arriving at the fair value as at the reporting date. These valuation methods involve certain estimates. The management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The discounted cash flows method involves the estimation of an income stream over a period and discounting the income stream with an expected internal rate of return and terminal yield. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/(lower) fair value of the properties. Significant incerases/(decreases) in long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/ (higher) fair value.

All resulting fair value estimates for investment properties are included in level 3. Refer Note 40.

Reconciliation of fair value

Amount in Rs. lakhs

Particulars	Amount
Opening balance as at April 01, 2021	321
Fair value differences	6
Closing balance as at March 31, 2022	**327**
Fair value differences	3
Closing balance as at March 31, 2023	**330**

5. Intangible assets

Particulars	Computer software
Cost	
As at April 01, 2021	**129**
Additions	-
Disposal/adjustments	-
As at March 31, 2022	**129**
Additions	-
Disposals/Adjustments	-
As at March 31, 2023	**129**
Accumulated amortisation	
As at April 01, 2021	**114**
Charge for the year	10
Disposal/adjustments	-
As at March 31, 2022	**124**
Charge for the year	4
Disposal/adjustments	-
As at March 31, 2023	**128**
Net block as at March 31, 2022	**5**
Net block as at March 31, 2023	**1**

6. Investments - Non-current

Amount in Rs. lakhs, unless otherwise stated

Particulars	As at March 31, 2023	As at March 31, 2022
Un-quoted equity instruments, at cost **Investment in equity instruments- subsidiaries**		
13,000 (March 31, 2022: 13,000) equity shares of USD 1 par value of Mindteck Inc, USA, fully paid, net of impairment provision of Rs. 5,274 lakhs (March 31, 2022: Rs. 5,274 lakhs)	4,096	4,096
2 (March 31, 2022: 2) equity shares of USD 1 par value of Chendle Holdings Limited, fully paid, net of impairment provision of Rs. 64 lakhs (March 31, 2022: Rs. 64 lakhs)	1,890	1,890
1,310,500 (March 31, 2022: 1,310,500) equity shares of SGD 1 par value of Mindteck Singapore Pte Ltd., fully paid, net of impairment provision of Rs. 328 lakhs (March 31, 2022: Rs. 328 lakhs)	524	524
968,408 (March 31, 2022: 968,408) equity shares of GBP 1 par value of Mindteck (UK) Limited, fully paid	153	153
250,000 (March 31, 2022: 250,000) equity shares of MYR 1 par value of Mindteck Software Malaysia SDN. BHD, fully paid	33	33
500 (March 31, 2022: 500) equity shares of BHD 100 par value of Mindteck Middle East WLL, Bahrain, fully paid	18	18
Total	**6,714**	**6,714**
Aggregate amount of unquoted investments in subsidiaries	**12,380**	**12,380**
Aggregate amount of impairment on investments	**(5,666)**	**(5,666)**

7. Loans - Non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Loan to Mindteck Employee Welfare Trust (refer Note 37)	172	172
Unsecured, Credit Impaired		
Loan to Mindteck Employee Welfare Trust	230	230
Provision for impairment of loan (refer Note 29)	(230)	(230)
Total	**172**	**172**

8. Other financial assets - Non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security deposits	236	198
Fixed deposits with bank with remaining maturity of more than 12 months *	1	2,015
Unsecured, Credit Impaired		
Security deposits	51	51
Provision for doubtful deposits	(51)	(51)
Total	**237**	**2,213**

* Includes restricted bank balances of Rs. 1 lakh (March 31, 2022: Rs. 15 lakhs). The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

9. Taxes

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets (net) - Non-current	342	441
Income tax liabilities (net) - Current	-	124

10. Other non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expense	4	11
Total	**4**	**11**

11. Trade receivables - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Trade receivables from other than related parties - billed	1,350	1,061
Trade receivables from related parties - billed (refer Note 37) *	728	758
Trade receivables - Unbilled revenue	984	672
Unsecured, credit impaired		
Trade receivables from other than related parties - billed	53	83
	3,115	**2,574**
Impairment allowance (allowance for expected credit loss)		
Receivables from other than related parties, credit impaired - billed	(53)	(83)
Total	**3,062**	**2,491**

Trade receivables ageing schedule as at March 31, 2023

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables - considered good	**1,740**	**238**	**60**	**40**	**-**	**-**	2,078
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	2	5	5	-		41	53
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total trade receivables - billed	**1,742**	**243**	**65**	**40**	**-**	**41**	**2,131**
Trade trade receivables - unbilled							**984**
Total trade receivables (before impairment allowance)							**3,115**

Trade receivables ageing schedule as at March 31, 2022

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables - considered good	**1,528**	**291**	**-**	**-**	**-**	**-**	1,819
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	2	2	-	18	31	30	83
Disputed Trade receivables considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
Total trade receivables - billed	**1,530**	**293**	**-**	**18**	**31**	**30**	**1,902**
Trade trade receivables - unbilled							**672**
Total trade receivables (before impairment allowance)							**2,574**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, there are no trade or other receivables due from firms or private companies in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer note 37.

Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

12. Cash and cash equivalents - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	1	1
Balances with banks		
in current accounts	365	60
in fixed deposits with original maturity for less than 3 months	1	100
	367	**161**
Other bank balances - Current assets		
Balances with banks		
Fixed deposits with remaining maturity less than 12 months	4,237	2,654
Unpaid dividend account	11	9
	4,248	**2,663**
Total	**4,615**	**2,824**

Cash and cash equivalents and other bank balances as at March 31, 2023 and March 31, 2022 include restricted cash and bank balances of Rs. 260 lakhs and Rs. 209 lakhs, respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees and balances held in unpaid dividend bank accounts.

* Considered for the purpose of the statement of cash flows, cash and cash equivalents.

Changes in liabilities arising from financing activities:

Particulars	As at April 01, 2022	Cash flows	New leases/Others (Refer Note 33)	As at March 31, 2023
Borrowings	-	-	-	-
Lease liabilities	769	(333)	127	563
Total liabilities from financing activities	**769**	**(333)**	**127**	**563**

Particulars	As at April 01, 2021	Cash flows	New leases/Others (Refer Note 33)	As at March 31, 2022
Borrowings *	2	-	(2)	-
Lease liabilities	742	(336)	363	769
Total liabilities from financing activities	**744**	**(336)**	**361**	**769**

13. Other financial assets - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, credit impaired		
Claimable expenses	237	237
Provision for expected losses under service concession arrangement	(237)	(237)
Unsecured, considered good		
Claimable expenses	66	53
Recoverable from related parties (refer Note 37)	33	99
Accrued interest	61	121
Employee advances	35	34
Security deposits	1	31
Total	**196**	**338**
Break up of financial assets carried at amortized cost:		
Security deposits (non-current) (Note 8)	236	198
Loans to Mindteck Employee Welfare Trust (non-current) (Note 7)	172	172
Fixed deposits with bank with remaining maturity of more than 12 months (non-current) (Note 8)	1	2,015
Trade receivable (including unbilled revenue) (current) (Note 11)	3,062	2,491
Cash and cash equivalents (current) (Note 12)	367	161
Other bank balances (current) (Note 12)	4,248	2,663
Security deposits (current) (Note 13)	1	31
Claimable expenses (current) (Note 13)	66	53
Recoverable from related parties (current) (Note 13)	33	99
Accrued interest (current) (Note 13)	61	121
Employee advances (current) (Note 13)	35	34
Total	**8,282**	**8,038**

14. Other current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advances recoverable in cash or kind	17	12
Unbilled revenue - contract asset	100	129
Prepaid expenses	131	122
Balances with government authorities*	399	372
Less: Provision for doubtful input credit receivable	(222)	(225)
Net balance with government authorities	**177**	**147**
Total	**425**	**410**

* Represents amount of service tax input credit receivable and goods and service tax input credit receivable

15. Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised capital		
Equity shares		
28,000,000 (March 31, 2022: 28,000,000) equity shares of Rs. 10 each	2,800	2,800
Preference shares		
500,000 (March 31, 2022: 500,000) cumulative, non-convertible, redeemable preference shares of Rs. 100 each	500	500
Issued, subscribed and paid-up share capital		
25,265,093 (March 31, 2022: 25,713,784) equity shares of Rs 10 each	2,527	2,571
	2,527	**2,571**

Notes:

a. **Mindteck Employees Welfare Trust ('Trust')**
Issued equity shares includes 416,000 equity shares issued to Trust.

b. On April 01, 2008, the Company acquired 100% equity in its fellow subsidiary Chendle Holdings Limited, BVI ('Chendle Holdings') including its wholly owned subsidiary Primetech Solutions Inc., USA at an agreed valuation of USD 6,600,000 (approximately Rs 264,664,741) and the purchase consideration was agreed to be settled by a fresh issue of the equity shares of the Company to the shareholders of Chendle Holdings. The issue of equity shares to discharge the purchase consideration has been recorded at a price of Rs 73.54 per equity share, being the fair value of the equity shares issued as per the valuation carried out by the independent valuer.

Of the total purchase consideration payable, 38,579 equity shares (March 31, 2022: 38,579 equity shares) have been reserved for allotment to certain shareholders of Chendle Holdings, subject to the furnishing of Permanent Account Number ('PAN') and other requirements by these shareholders. The submission of PAN is a pre-requisite to complete the allotment of shares. The Company is in the process of following up with the shareholders of Chendle Holdings to obtain the PAN and upon receiving the PAN, the Company would allot the remaining shares to these shareholders.

c. **Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:**

	As at March 31, 2023		As at March 31, 2022	
Particulars	No. of shares	Amount (Rs. in Lakhs)	No. of shares	Amount (Rs. in Lakhs)
Outstanding at the beginning of the year	2,57,13,784	2,571	2,56,21,898	2,562
Exercise of employee stock options	65,533	7	91,886	9
Buyback of shares	(5,14,224)	(51)	-	-
Outstanding at the end of the year	**2,52,65,093**	**2,527**	**2,57,13,784**	**2,571**

d. **Terms/rights attached to equity and preference shares**
The Company has two class of shares referred to as equity shares having a par value of Rs 10 and cumulative, non-convertible, redeemable preference shares having a par value of Rs 100. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. **Equity shares held by holding company and subsidiary of holding company is given below:**

	As at March 31, 2023		As at March 31, 2022	
Name of the shareholder	**No. of shares**	**%**	**No. of shares**	**%**
Embtech Holdings Limited	1,64,31,604	65.04%	1,64,31,604	63.91%

f. Equity shareholders holding more than 5 percent shares in the Company:

	As at March 31, 2023		As at March 31, 2022	
Name of the shareholder	**No. of shares**	**%**	**No. of shares**	**%**
Embtech Holdings Limited	1,64,31,604	65.04%	1,64,31,604	63.91%
First Asian Investments S.A	13,90,569	5.50%	13,90,569	5.41%

g. Details of Equity shares of Rs. 10 held by promoters as at 31 March 2023

Promoters Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Embtech Holdings Limited	1,64,31,604	-	1,64,31,604	65.04%	1.13%

Details of Equity shares of Rs. 10 held by promoters as at 31 March 2022

Promoters Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of Total shares	% change during the year
Embtech Holdings Limited	1,64,31,604	-	1,64,31,604	63.91%	0%

h. The Company has not allotted any fully paid up equity shares by way of bonus shares.

i. The Board of Directors in their meeting held on August 11, 2022 had approved buy back not exceeding Rs. 1,370 lakhs, from open market through the stock exchange mechanism. The buyback of equity shares commenced on August 24, 2022 and the Company bought back 514,224 equity shares at a volume weighted average buyback price of Rs.139.34 per equity share and extinguished subsequently. In accordance with Section 69 of the Companies Act 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of Rs.51 lakhs equal to the nominal value of the shares bought back as an appropriation from free reserves. Buy-back of the equity shares closed effective from closure of trading hours of January 30, 2023.

j. Shares reserved for issue

Terms attached to stock options granted to employees are described in Note 39 on share based payments. Also, refer Note 15(b) above.

16. Other Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	357	357
Capital redemption reserve	51	-
Securities premium	**9,952**	10,561
Retained earnings	1,562	576
Other component of equity (Share application money pending allotment) (refer Note 15(b))	28	28
Employee stock option reserve account	**106**	**123**
Total	**12,056**	**11,645**

Refer Statement of Changes in Equity for movement.

Notes:

i. Capital reserve

The Company has created capital reserve in the earlier years.

ii. Securities premium

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

iii. Employee stock option reserve account

The Company has established various equity settled share based payment plans for certain categories of employees of the Company and subsidiaries. Refer Note 39 for further details on these plans.

iv. Distribution made and proposed

Particulars	As at March 31, 2023	As at March 31, 2021
Cash dividends on equity shares declared and paid		
Final dividend	**257**	-
Total	**257**	**-**

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Dividend proposed		
Final dividend	253	257
Total	**253**	**257**

On May 19, 2023, the Board of Directors of the Company proposed final dividend of Rs. 1 per equity share for the year ended March 31, 2023 (March 31, 2021 - Rs. 1 per equity share). The total dividend payable amounting to Rs. 253 lakhs (March 31, 2022 - Rs. 257 lakhs) is not recognised as a liability as at March 31, 2023. Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31,2023.

17. Other non-current financial liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Rental deposit	23	23
Total	**23**	**23**

18. Provision - non-current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (refer Note 36)	331	324
Total	**331**	**324**

19. Trade payables - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Dues to micro and small enterprises (refer note below)	23	39
Payable to related parties (refer Note 37)	79	99
Payable to other than related parties	420	668
Total	**522**	**806**

Terms and conditions of the above financial liabilities
- trade payables are non-interest bearing and are normally settled on 30 - 45 day terms.
- for explanations on the Company's credit risk management, refer to Note 42.

The dues to Micro and Small enterprises as defined in "The Micro, Small & Medium Enterprises Development Act, 2006" are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	23	39
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	-	-

Trade payable ageing schedule as at March 31, 2023

Amount in Rs. lakhs

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	22	1	**-**	-	-	23
Total outstanding dues of creditors other than micro enterprises and small enterprises	350	68	80	1	-	-	499
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**350**	**90**	**81**	**1**	**-**	**-**	**522**

Trade payable ageing schedule as at March 31, 2022

Amount in Rs. lakhs

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not due	Less than 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	12	**27**	-	-	-	39
Total outstanding dues of creditors other than micro enterprises and small enterprises	504	172	91	-	-	-	767
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	**504**	**184**	**118**	**-**	**-**	**-**	**806**

20. Other financial liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend	11	9
Other liabilities	128	63
Employee related liabilities	255	217
Total	**394**	**289**
Break up of financial liabilities carried at amortized cost:		
Lease liabilities (non-current) (Note 33)	220	472
Rental deposit (non-current) (Note 17)	23	23
Trade payables (current) (Note 19)	522	806
Lease liabilities (current) (Note 33)	343	297
Unpaid dividend (current) (Note 20)	11	9
Employee related liabilities (current) (Note 20)	255	217
Other liabilities (current) (Note 20)	128	63
Total	**1,502**	**1,887**

21. Provisions - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (refer Note 36)	71	59
Provision for compensated absences	150	138
Total	**221**	**197**

22. Other current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unearned income	59	80
Statutory dues	236	168
Total	**295**	**248**

23. Revenue from contracts with customers

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Sale of services	12,951	11,425
Total	**12,951**	**11,425**

a. Disaggregated revenue information

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue by contract type		
Fixed price	183	726
Time and material	12,768	10,699
Total	**12,951**	**11,425**

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	12,951	11,425
Total	**12,951**	**11,425**

b. Contract balances & performance obligations

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (including unbilled revenue except contract assets)	3,062	2,491
Unbilled revenue	100	129
Unearned income	59	80

c. Set out below is the amount of revenue recognised from

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Amounts included in contract liabilities at the beginning of the year	80	147

d. Remaining performance obligation

As the duration of the contracts for customer and enterprise platform is less than one year, the Company has opted for practical expedient and decided not to disclose the amount of the remaining performance obligations.

24. Other income

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Finance income (includes interest income on deposits for year ended March 31, 2022: Rs. 210 lakhs; March 31, 2022: Rs. 185 lakhs)	251	208
Rental income	26	23
Foreign exchange gain, net	48	-
Other non-operating income*	4	124
Total	**329**	**355**

* Includes gain on termination of lease agreement, service tax refund.

25. Employee benefit expenses

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Salaries and wages	8,600	7,320
Contribution to provident and other funds	343	293
Gratuity (refer Note 36)	108	96
Share-based payment expense (refer Note 41)	8	4
Staff welfare expenses	137	135
Total	**9,196**	**7,848**

26. Finance costs

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense and bank charges	11	3
Interest expense on lease liabilities (refer Note 33)	49	47
Total	**60**	**50**

27. Depreciation and amortisation expense

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment	109	160
Depreciation of right-of-use assets (refer Note 33)	313	293
Depreciation of investment property	1	2
Amortisation of intangible assets	4	10
Total	**427**	**465**

28. Other expenses

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	21	1
Hiring charges	27	9
Directors sitting fees	72	46
Travel expenses	146	87
Power and fuel	86	80
Communication expenses	25	41
Professional charges	252	308
Repairs and maintenance		
-Buildings	1	1
-Others	102	99
Project supply and services	251	507
Rates and taxes	19	26
Insurance	29	29
Remuneration to auditors (refer Note 31)	35	45
Membership and subscription	73	67
Printing and stationery	2	7
Recruitment expenses	106	117
Provision for doubtful debts (net) and loss allowance	(30)	(42)
Contribution towards corporate social responsibility (refer Note 34)	21	18
Loss on sale/disposal of property, plant and equipment, net	-	2
Bad debts written off	-	14
Miscellaneous expenses	15	60
Total	**1,253**	**1,522**

29. Exceptional Item

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Provision for impairment of loan	-	62
Total	**-**	**62**

During the year ended March 31, 2022, the Company has made additional provision of Rs. 62 lakhs towards loan given to Mindteck Employee Welfare Trust (MEWT) pursuant to grant of 3,50,000 options to certain employees of the Company, under the Mindteck Employee Stock Option Scheme 2020, at exercise price of Rs. 10 which will vest as per the vesting conditions approved by the Nomination and Remuneration Committee. As at March 31, 2023, the provision on such loan aggregates to Rs.230 lakhs (March 31, 2022:Rs. 230 lakhs).

30. Contingent liabilities and commitments

Amount in Rs. lakhs

(A) Particulars	As at March 31, 2023	As at March 31, 2022
(i) Income tax matters: The Company is involved in certain tax disputes pertaining to transfer pricing and other adjustments which are pending at various forums. Management is confident that the Company has a good case to defend and such cases are not tenable and no liability is expected in this regard.		
(a) in relation to AY: 2006-07, AY: 2016-17, AY: 2017-18, AY: 2018-19, AY: 2021-22 and AY: 2022-23	335	502
(ii) Company has utilised bank guarantee facilities against the bank guarantees provided to Customers, Customs and Excise Departments for Software Technology Park of India (STPI) bonding facilities.	136	137

(B) The Company had accrued provision for material foreseeable losses for a long term contract with respect to a customer. As at March 31,2023, the Company had assessed the balance revenue amounting to Rs. 12 lakhs (March 31, 2022: Rs. 38 lakhs) and balance costs to be accrued amounting to Rs. 69 lakhs (March 31,2022: Rs. 110 lakhs) for the commitment period, thereby recording provision amounting to Rs. 57 lakhs (March 31, 2022: Rs. 72 lakhs).

31. Auditors' remuneration

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
As auditor		
Audit fees	26	37
Tax audit fees	2	1
Other certification services	4	4
Reimbursement of expenses	3	3
Total	**35**	**45**

32. Earnings per share

Basic earnings/ (loss) per share (EPS) amounts are calculated by dividing the profit/ (loss) for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit/ (loss) attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table sets forth the computation of basic and diluted earnings per share:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net profit for the year attributable to equity shareholders	1,487	1,098
Weighted average number of equity shares of Rs 10 each used for calculation of basic earnings per share (A)	2,55,70,236	2,56,69,744
Earnings per share, basic (in Rs.)	5.82	4.28
Effect of dilutive potential shares		
- Employee stock options	**1,01,758**	1,21,894
- Equity shares reserved for issuance	**38,579**	38,579
Total no. of dilutive potential shares (B)	**1,40,337**	1,60,473
Weighted average number of equity shares outstanding during the year for calculation of diluted earnings per share (A+B)	**2,57,10,573**	2,58,30,217
Earnings per share, diluted (in Rs.)	5.78	4.25

33. Leases

Company as a lessee

During the year ended March 31, 2022, the Company has vacated the existing office premises and have accordingly issued a notice to current lessor to this effect. Consequently, in accordance with Ind AS 116 – Leases, the Company has derecognized the amortized value of existing right-of-use asset of Rs. 199 lakhs and lease liability of Rs. 213 lakhs determined till the completion of notice period and vacation of existing premises and has recognized a net gain of Rs. 14 lakhs as 'Other non operating income'.

Effective April 01, 2020, there was an amendment to Ind AS 116 - Leases. The amendment provides relief to the lessees in treating rent concessions arising as a direct consequence of the COVID-19 pandemic as a lease modification. The Company has applied the practical expedient as per Ind AS 116 – Leases. The impact of such rent concession was Rs. Nil (March 2022 : Rs. 43 lakhs) under lease liabilities for the year ended March 31, 2022.

The details of the right-of-use asset held by the Company is as follows:

Amount in Rs. lakhs

Particulars	Buildings
Gross carrying value	
As at April 1, 2021	1,253
Additions during the year	684
Disposals during the year	(330)
As at March 31, 2022	**1,607**
Additions during the year	**83**
Disposals during the year	**(832)**
As at March 31, 2023	**858**
Depreciation	
As at April 1, 2021	653
Charge for the year	293
Disposals	**(73)**
As at March 31, 2022	**873**
Charge for the year	**313**
Disposals	**(832)**
As at March 31, 2023	**354**
Net block	
Net block As at March 31, 2022	**734**
Net block As at March 31, 2023	**504**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	**769**	**742**
Additions	78	572
Interest on lease liabilities	49	47
Rent concession received during the year	-	(43)
Write off on termination of contract	-	(213)
Payments	(333)	(336)
Balance at the end of the year	**563**	**769**
Current	343	297
Non-current	220	472

The effective interest rate for lease liabilities is 8.13% with maturity between 2022-2024. The maturity analysis of lease liabilities are disclosed in Note 44.

The following are the amounts recognised in profit or loss:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other non-operating income	-	(57)
Depreciation expense of right-of-use assets	313	293
Interest expense on lease liabilities	49	47
Expense relating to short-term leases (included in other expenses)	21	1
Total	**383**	**284**

During the year ended March 31, 2023, the Company had total cash outflows for leases of Rs. 333 lakhs (March 31, 2022: Rs. 336 lakhs). The Company also had non-cash additions to right-of-use assets of Rs. 83 lakhs (March 31, 2022: Rs. 684 lakhs) and lease liabilities of Rs. 79 lakhs (March 31, 2022: Rs. 572 lakhs). There are no future cash outflows relating to leases that have not yet commenced.

The maturity analysis of undiscounted lease liabilities are as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Within 5 years	571	817
More than 5 years	-	-
Total	**571**	**817**

34. Expenditure on corporate social responsibility activities

Amount in Rs. lakhs

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
a. Gross amount required to be spent by the Company during the year		21	18
b. Amount approved by board to be spent during the year		21	18
c. Amount spent during the year ending on March 31, 2023:	In cash	Yet to be paid in cash	Total
i) construction/acquisition of any asset	-	-	-
ii) on the purposes other than (i) above	21	-	21
d. Amount spent during the year ending on March 31, 2022:	In cash	Yet to be paid in cash	Total
i) construction/acquistion of any asset	-	-	-
ii) on the purpose other than (i) above	18	-	18
e. Details related to spent/unspent obligations:			
i) For charitable purpose		21	18

As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility ('CSR') committee has been formed by the Company. The primary function of the Committee is to assist the Board of Directors in formulating the CSR policy and review the implementation and progress of the same from time to time. During the year ended March 31, 2023, the company has spent an amount of Rs. 21 lakhs (March 31 2022: Rs. 18 lakhs) towards educational programms, old age home and other projects as recommended by CSR committee.

35. Income tax

Income tax expense in the statement of profit and loss consists of:

Amount in Rs. lakhs

Statement of profit or loss	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	514	385
Deferred tax charge/(credit)	(19)	10
Income tax expense related to current year	495	**395**
Tax relating to earlier years	(27)	-
Income tax expense reported in the statement of profit and loss	**468**	**395**
Income tax recognised in other comprehensive income/(loss)		
- Tax arising on income and expense recognised in other comprehensive income/(loss)	-	(7)
Total	**-**	**(7)**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian income tax rate to profit before taxes is as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax and exceptional items	1,955	1,555
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense/(credit)	492	391
Impact due to:		
Non-deductible expenses for tax purpose	7	16
Tax relating to earlier years	(27)	-
Others	(4)	(12)
Total income tax expense	**468**	**395**

Deferred tax

Deferred tax relates to the following:

Amount in Rs. lakhs

	Balance sheet		Statement of profit and loss and other comprehensive income/(loss)	
Particulars	**As at March 31, 2023**	**As at March 31, 2022**	**Year ended March 31, 2023**	**Year ended March 31, 2022**
Property, plant and equipment and intangible assets	84	89	(5)	12
Provision for doubtful debts, loss allowance and deposits	26	34	(8)	(14)
Compensated absences	38	35	3	(1)
Gratuity	101	96	5	1
Others	189	165	24	(15)
Net deferred tax assets (net)	**438**	**419**		
Net Deferred tax credit/(charge)			**19**	**(17)**

36. Employee benefits

A. Gratuity

The Company offers Gratuity benefits to employees, a defined benefit plan, Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables set out the funded status of the gratuity plan and the amount recognized in the Company's financial statements as at and for the year ended March 31, 2023 and March 31, 2022:

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Change in benefit obligations		
Benefit obligations at the beginning	402	380
Service cost	78	70
Interest expense	27	25
Actuarial loss/(gain) due to change in financial assumptions	(12)	(2)
Actuarial loss/(gain) due to experience adjustments	9	(26)
Benefits paid	(94)	(45)
Benefit obligations at the end	**410**	**402**
Change in plan assets		
Fair value of plan assets at the beginning	19	2
Contribution	85	65
Interest income	7	3
Administration expenses	(5)	(4)
Return on plan assets excluding amounts included in interest income	(4)	(2)
Benefits paid	(94)	(45)
Fair value of plan assets at the end	**8**	**19**
Reconciliation of fair value of assets and defined benefit obligations		
Present value of obligation as at the end of the year	410	402
Fair value of plan assets as at the end of the year	8	19
Amount recognised in the Balance Sheet	402	**383**
Current	71	**59**
Non-current	331	**324**
	Year ended March 31, 2023	**Year ended March 31, 2022**
Expense recognised in profit or loss		
Current service cost	78	70
Interest expense	27	25
Interest income	(7)	(3)
Administrative expenses	5	4
Others	5	-
	108	**96**
Remeasurement gain/(loss) recognised in other comprehensive income/(loss)		
Actuarial (loss)/ gain due to change in financial assumptions	12	2
Actuarial (loss)/ gain due to experience adjustments	(9)	26
Return on plan assets excluding amounts included in interest income	(4)	(2)
	(1)	**26**

Amount in Rs. lakhs

Particulars	As at March 31, 2022	As at March 31, 2021
Five year pay-outs		
Year 1	78	77
Year 2	65	66
Year 3	56	57
Year 4	58	50
Year 5	51	54
After 5th Year	276	244
Actuarial assumptions		
Discount rate	7.20%	6.50%
Salary growth rate	7.00%	7.00%
Attrition rate	20.00%	20.00%
Retirement age	58 years	58 years

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 Rs. lakhs

	Year ended March 31, 2023		Year ended March 31, 2022	
Particulars	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(17)	18	(16)	17
Salary growth rate (1% movement)	20	(19)	19	(18)
Attrition rate (10% movement)	(5)	5	(5)	5

The Company's Gratuity Fund is managed by Life Insurance Corporation of India (LIC). The plan assets under the fund are deposited under approved securities.

The expected rate of return on assets is based on the expectation of the average long term rate of return on investment of the fund, during the estimated term of obligation.

The expected contribution in next year is Rs. 71 lakhs (March 31, 2022: Rs. 59 lakhs).

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation.

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

B. Contribution to Provident Fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to Rs. 343 lakhs (March 31, 2022: Rs. 293 lakhs).

37. Related party disclosures

(i) Names of related parties and description of relationship:

A. Enterprises who exercise Control

Transcompany Ltd., British Virgin Islands (BVI) - Ultimate holding company
Embtech Holdings Ltd., Mauritius - Holding company

B. Enterprises where control exists - Subsidiaries (including step down subsidiaries)

Mindteck, Inc., USA (formerly Infotech Consulting Inc.)
Mindteck Software Malaysia SDN. BHD, Malaysia
Mindteck Middle East Limited WLL, Kingdom of Bahrain
Mindteck (UK) Limited, United Kingdom
Mindteck Singapore Pte. Limited, Singapore
Mindteck Solutions Philippines Inc. (under closure)
Mindteck Netherlands BV, Netherlands (closed w.e.f. January 14, 2020)
Mindteck Germany GmbH, Germany
Chendle Holdings Ltd, BVI
Mindteck Canada, Inc., Canada
Hitech Parking Solutions Private Limited (Closed w.e.f. November 22, 2021)

C. Enterprises where control exists - Other than subsidiaries

Mindteck Employees Welfare Trust

D. Enterprises in which relative of an Independent Director is a Partner

CounsePro
Keyed Foundation

E. Key management personnel

Meenaz Dhanani	Non-Executive Director
Keyuri Singh	Non-Executive Director (Appointed with effect from October 28, 2021)
Anand Balakrishnan	Managing Director and Chief Executive Officer
Jagdish Malkani	Independent Director
Guhan Subramaniam	Independent Director
Prochie Mukherji	Independent Director (Resigned with effect from August 4, 2021)
Satish Menon	Independent Director
Subhash Bhushan Dhar	Independent Director
Yusuf Lanewala	Chairman
Shivarama Adiga S.	Company Secretary
Ramachandra Magadi	Chief Financial Officer

(ii) Related party transactions:

Amount in Rs. lakhs

	Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2022
a.	**Income from software and IT-enabled services:**		
	Mindteck, Inc.	5,705	5,279
	Mindteck (UK) Limited	1,707	1,604
	Mindteck Singapore Pte. Limited	348	343
	Mindteck Middle East Limited WLL	114	21
	Mindteck Software Malaysia SDN. BHD	448	375
	Mindteck Germany GmbH	122	94
	Total	**8,444**	**7,716**
b.	**Cost of technical sub-contractors:**		
	Mindteck, Inc.	17	64
	Total	**17**	**64**

c.	**Contribution towards corporate social responsibility**		
	Keyed foundation	15	7
	Total	**15**	**7**
d.	**Recovery of expenses from:**		
	Mindteck, Inc.	106	132
	Mindteck (UK) Limited	95	102
	Mindteck Singapore Pte. Limited	6	11
	Mindteck Middle East Limited WLL	103	121
	Mindteck Software Malaysia SDN. BHD	21	12
	Mindteck Germany GmbH	5	3
	Total	**336**	**381**
e.	**Reimbursement of expenses to:**		
	Mindteck, Inc.	152	196
	Mindteck (UK) Limited	23	20
	Mindteck Singapore Pte. Limited	31	11
	Mindteck Germany GmbH	1	-
	Total	**207**	**227**
f.	**Provision for impairment of loan:**		
	Mindteck Employees Welfare Trust	-	62
	Total	**-**	62
g.	**Transactions with the key management persons for the year ended are as follows:**		
	Compensation of key management personnel of the Company		
	Short-term employee benefits*	283	247
	Share-based payment transactions	8	4
	Benefits paid to Non-executive directors/independent directors	87	46
	Total	**378**	**297**

* The remuneration to the key managerial personnel does not include the provision/ accruals made on best estimate basis as they are determined for the Company as a whole.

h. Refer to Note 39(h) for grant of stock options to employees of the subsidiary companies.

(iii) Amounts outstanding as at balance sheet date:

Amount in Rs. lakhs

	Particulars	**As at March 31, 2023**	**As at March 31, 2022**
a.	**Amounts receivable: billed**		
	Mindteck, Inc.	406	516
	Mindteck (UK) Limited	58	126
	Mindteck Singapore Pte. Limited	23	22
	Mindteck Software Malaysia SDN. BHD	19	35
	Mindteck Middle East Limited WLL	28	2
	Mindteck Germany GmbH	194	57
	Total	**728**	**758**
b.	**Financial assets - other receivable:**		
	Mindteck, Inc.	7	72
	Mindteck (UK) Limited	1	-
	Mindteck Singapore Pte. Limited	1	7
	Mindteck Middle East Limited WLL	10	10
	Mindteck Software Malaysia SDN. BHD	7	7
	Mindteck Germany GmbH	7	3
	Total	**33**	**99**

c.	**Amount receivable - unbilled:**		
	Mindteck, Inc.	329	362
	Mindteck (UK) Limited	177	4
	Mindteck Singapore Pte. Limited	5	7
	Mindteck Middle East Limited WLL	8	8
	Mindteck Software Malaysia SDN. BHD	14	18
	Mindteck Germany GmbH	1	6
	Total	**534**	**406**
d.	**Unbilled revenue - contract asset:**		
	Mindteck, Inc.	33	42
	Mindteck (UK) Limited	14	6
	Mindteck Singapore Pte. Limited	**34**	49
	Mindteck Software Malaysia SDN. BHD	-	12
	Mindteck Germany GmbH	-	3
	Total	**81**	**112**
e.	**Amounts payable:**		
	Mindteck, Inc.	74	97
	Mindteck Singapore Pte. Limited	5	2
	Total	**79**	**99**
f.	**Unearned revenue:**		
	Mindteck Inc.	33	80
	Mindteck Software Malaysia SDN. BHD	6	-
	Mindteck Singapore Pte. Limited	14	-
	Total	**53**	**80**
g.	**Claimable expenses:**		
	Mindteck Inc., USA	4	5
	Mindteck UK Limited	2	2
	Mindteck Software Malaysia SDN. BHD	2	-
	Mindteck Singapore Pte. Limited	1	-
	Mindteck Germany GmbH	-	2
	Mindteck Middle East Limited WLL	-	1
	Total	**9**	**10**
h.	**Loans and advances:**		
	Mindteck Employees Welfare Trust (refer Note 29)	172	172
	Total	**172**	**172**

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2023, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2022: INR Nil). 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.

38. Segment information

In accordance with Ind AS 108, Operating segments, segment information has been provided in the consolidated financial statements of the Company and therefore no separate disclosure on segment information is given in these standalone financial statements.

39. Employee stock options

As at March 31, 2023, the Company has the following share-based payment arrangements:

a. Employee Share Incentive Scheme 2000

The Company has an Employee Share Incentive Scheme 2000 ('ESIS 2000') for the benefit of its employees administered through the Mindteck Employees Welfare Trust ('The Trust'). The Trust, which was constituted for this purpose, subscribed to 416,000 equity shares renounced in its favour by the Company's promoters/directors in the Company's earlier rights issue. These shares are to be distributed amongst the employees, based on the recommendations made by the Company's Nomination & Remuneration Committee. No equity shares have been distributed under the ESIS 2000 and therefore, no stock compensation expense has been recorded. The above Scheme has been replaced by Mindteck Employee Stock Option Scheme 2020.

b. Mindteck Employee Stock Option Scheme 2005 (ESOP 2005)

During the year ended March 31, 2006, the Company introduced the 'Mindteck Employees Option Scheme 2005' ('the Option Scheme 2005') for the benefit of the employees of the Company and its subsidiaries, as approved by the Board of Directors in its meeting held on July 04, 2005 and the shareholders meeting held on July 29, 2005. The Option Scheme 2005 provides for the creation and issue of 500,000 options that would eventually convert into equity shares of Rs 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Compensation Committee of the Board of Directors. The options vest annually in a graded manner over a three year period and are exercisable during a maximum period of 5 years from the date of vesting.

During the year ended March 31, 2023 and March 31, 2022, the Company has not granted any options.

c. **Mindteck Employee Stock Option Scheme 2008 (ESOP 2008)**
During the year ended March 31, 2009, the Company introduced 'Mindteck Employees Stock Option Scheme 2008' ('the Option Scheme 2008') for the benefit of the employees of the Company and its subsidiaries, as approved by the Board of Directors in its meeting held on May 27, 2008 and the shareholders meeting held on July 30, 2008. The Option Scheme 2008 provides for the creation and issue of 1,200,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination & Remuneration Committee of the Board of Directors. The options will vest after the expiry of a period of twelve months from the date on which the options are granted. The vesting term and the period over which the options are exercisable is to be decided by the Nomination & Remuneration Committee.

During the year ended March 31, 2023 and March 31, 2022, the Company has not granted any options.

d. **Mindteck Employee Stock Option Scheme 2014 (ESOP 2014)**
During the year ended March 31, 2015, the Company introduced 'Mindteck Employees Stock Option Scheme 2014' ('the Option Scheme 2014') for the benefit of the employees of the Company and its subsidiaries, as approved by the Board of Directors in its meeting held on May 29, 2014 and the shareholders meeting held on August 14, 2014. The Option Scheme 2014 provides for the creation and issue of 2,500,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The options will vest after the expiry of a period of twelve months from the date on which the options are granted. The vesting term and the period over which the options are exercisable is to be decided by the Nomination and Remuneration Committee.

During the year ended March 31, 2023, the Company has granted 250,000 options (March 31,2022: Nil).

e. **Mindteck Employee Stock Option Scheme 2020 (ESOP 2020)**
During the year ended March 31, 2021, the Company introduced 'Mindteck Employees Stock Option Scheme 2020' ('the Option Scheme 2020') for the benefit of its employees administered through the Mindteck Employees Welfare Trust ('The Trust') in lieu of Company's earlier Employee Share Incentive Scheme 2000. The Trust, which was constituted for this purpose, subscribed to 416,000 equity shares renounced in its favour by the Company's promoters/directors in the Company's earlier rights issue. The Scheme was approved by the Board of Directors in its meeting held on December 11, 2020 and by the shareholders through postal ballot held on January 17, 2021. The Option Scheme 2020 provides for the issue of 416,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The option Scheme 2020 shall provide a minimum vesting period of one year from the grant date. The options will vest after as per the expiry of a period of twelve months from the date on which the options are granted. The vesting term and the period over which the options are exercisable is to shall be decided by the Nomination and Remuneration Committee.

During the year ended March 31, 2023, the Company has granted 142,500 options on May 4, 2022 and 7,500 options on May 20, 2022.

During the year ended March 31, 2022, the Company has granted 350,000 options on June 20,2021.

f. Employees' Stock Options details as on the balance sheet date are:

Particulars	2022-23 Option (no.)	2022-23 Weighted average exercise price per stock option (Rs.)	2021-22 Option (no.)	2021-22 Weighted average exercise price per stock option (Rs.)
Options outstanding at the beginning of the year				
ESOP 2005	63,350	56.97	1,06,100	54.32
ESOP 2008	2,32,150	87.56	2,98,451	79.48
ESOP 2014	59,000	34.70	1,00,000	34.70
ESOP 2020	-	-	-	-
Options granted during the year				
ESOP 2005	-	-	-	-
ESOP 2008	-	-	-	-
ESOP 2014	2,50,000	115.65	-	-
ESOP 2020	1,50,000	40.00	3,50,000	10.00
Forfeited, cancelled, surrendered or lapsed during the year				
ESOP 2005	11,000	85.97	17,500	66.62
ESOP 2008	54,116	76.83	40,665	50.39
ESOP 2014	-	-	-	-
ESOP 2020	7,500	40.00	3,50,000	10.00
Exercised during the year on exercise of employee stock options/restricted shares+				
ESOP 2005	3,200	79.95	25,250	39.14
ESOP 2008	33,333	90.75	25,636	52.43
ESOP 2014	29,000	34.70	41,000	34.70
ESOP 2020	-	-	-	-
Options outstanding at the end of the year				
ESOP 2005	49,150	48.98	63,350	56.97
ESOP 2008	1,44,701	90.52	2,32,150	87.56
ESOP 2014	2,80,000	106.98	59,000	34.70
ESOP 2020	1,42,500	40.00	-	-
Options exercisable at the end of the year				
ESOP 2005	49,150	48.98	46,683	64.31
ESOP 2008	1,44,701	90.52	2,32,150	87.56
ESOP 2014	30,000	34.70	59,000	34.70
ESOP 2020	-	-	-	-

g. Details of Weighted average remaining contractual life and range of exercise prices for the options outstanding at the balance sheet date

Particulars	Weighted average remaining contractual life (years)* 2022-23	Weighted average remaining contractual life (years)* 2021-22	Range of exercise prices 2022-23	Range of exercise prices 2021-22	Fair value of options granted during the year 2022-23	Fair value of options granted during the year 2021-22
ESOP 2005	1.42	1.90	36.40 - 81.60	36.4 - 92.10	-	-
ESOP 2008	1.00	0.94	73.60 - 130.80	43.60 - 130.80	-	-
ESOP 2014	5.42	4.47	34.70 - 115.65	34.70	57.49	-
ESOP 2020	-	-	40	10	98.27 & 108.89	61.81

* considering vesting and exercise period

h. Fair value methodology

The following table list the inputs to the models used for the three plans for the year ended March 31, 2023 and March 31, 2022, respectively:

Particulars	March 31, 2023 ESOP 2005	March 31, 2023 ESOP 2008	March 31, 2023 ESOP 2014	March 31, 2023 ESOP 2020	March 31, 2022 ESOP 2005	March 31, 2022 ESOP 2008	March 31, 2022 ESOP 2014	March 31, 2022 ESOP 2020
Risk-free interest rate	-	-	7.33%	5.47	-	-	-	4.16%
Expected volatility of share	-	-	59.35%	57.12	-	-	-	58.36%
Expected dividend yield	-	-	1.63%	1.73	-	-	-	0.00%
Expected life (years)	-	-	4.50	1.23	-	-	-	1.25
Model used	-	-	Black scholes	Black scholes	-	-	-	Black scholes

The expected life of stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome. 150,000 options have been granted during the year ended March 31, 2023 (March 31,2022: 350,000) under scheme ESOP 2020 and 250,000 options have been granted during the year ended March 31,2023 (March 31,2022: Nil) under scheme ESOP 2014.

i. The expense recognised for employee services received during the year is shown in the following table:

Amount in Rs. lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2021
Expense arising from equity-settled share-based payment transactions	8	4
Total expense arising from share-based payment transactions	**8**	**4**

40. Financial instruments

The carrying value of financial instruments by categories is as below:

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets - Non-current (measured at amortized cost)		
Security deposits ^	236	198
Advances to related party #	172	172
Fixed deposits bank with remaining maturity of more than 12 months #	1	2,015
Financial assets - Current (measured at amortized cost)		
Trade receivables #	3,062	2,491
Cash and cash equivalents #	367	161
Other bank balances #	4,248	2,663
Security deposits ^	1	31
Advances to related party #	33	99
Claimable expenses #	66	53
Accrued interest #	61	121
Employee advances #	35	34
Total assets	**8,282**	**8,038**
Financial liabilities - Non-current (measured at amortized cost)		
Lease liabilities ^	220	472
Rental deposit ^	23	23
Financial liabilities - Current (measured at amortized cost)		
Trade payables #	522	806
Lease liabilities ^	343	297
Unpaid dividend #	11	9
Others #	383	280
Total liabilities	**1,502**	**1,887**

Fair value hierarchy

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

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

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

$ The carrying value of this account is measured at fair value through profit & loss and are classified as level 1 of fair value hierarchy.

Management has assessed these carrying balances approximates their fair value largely due to the short term maturities/ liquid nature.

^ These balances are determined by using discounted cash flows using discount rate that reflects the issuer's borrowing rate/ lending rate for the respective financial assets/ liabilities as at the end of the reporting period.

41. Financial risk management

The Company has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- interest risk
- liquidity risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relations to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a. Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) from its financing activities including deposits with banks and financial institutions.

(i) Trade and other receivables:

Credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Expected credit loss (ECL) assessment for corporate customers as at March 31, 2023 and March 31, 2022

The Company's credit period generally ranges from 0-90 days. The credit risk exposure of the Company is as follows:

Amount in Rs. lakhs

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Gross amount**	**Provision and loss allowance**	**Gross amount**	**Provision and loss allowance**
Trade receivables (including unbilled revenue)	3,115	53	2,574	83
Total	**3,115**	**53**	**2,574**	**83**

Reconciliation of provision for doubtful debts and loss allowance:

Amount in Rs. lakhs

Particulars	Amount
Provision and loss allowance on April 01, 2021	**125**
Changes in provision and loss allowance	(42)
Provision and loss allowance on March 31, 2022	**83**
Changes in provision and loss allowance	(30)
Provision and loss allowance on March 31, 2023	**53**

(ii) Other financial assets and deposits with banks:

Credit risk on cash and cash equivalent (including bank balances, fixed deposits and margin money with banks) is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

b. Market risk

Credit risk on cash and cash equivalent (including bank balances, fixed deposits and margin money with banks) is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exchange risk arises from its foreign operations, foreign currency revenues and expenses, primarily in United States Dollars ('USD'). The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company also has exposures to Great Britain Pound ('GBP'), Euro ('EUR), Malaysian Ringgit ('MYR') and Singapore Dollar ('SGD').

Unhedged foreign currency exposure

Foreign currency exposures that have not been hedged by derivative instruments or otherwise are as follows:

Particulars	Currency	As at March 31, 2023 Amount in Rs. lakhs	As at March 31, 2022 Amount in Rs. lakhs
Trade receivables towards services rendered	USD	706	806
	GBP	55	126
	EUR	101	53
	SGD	16	11
Other current assets	USD	429	552
	EUR	1	9
	SGD	39	49
	MYR	11	22
	GBP	185	10
Trade payables for services availed	USD	86	100
	GBP	-	-
	SGD	5	1

Sensitivity analysis

Every 1% increase or decrease of the respective foreign currencies compared to functional currency of the Company would cause the profit before tax in proportion to revenue to increase or decrease respectively by 0.11% (profit before tax for the year ended March 31, 2022 by 0.13%).

c. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to its short term borrowings in nature of working capital loans, which carry floating interest rates. Accordingly, the Company's risk of changes in interest rates relates primarily to the Company's debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on entity's loss before tax due to change in the interest rate/ fair value of financial liabilities are as disclosed below:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Change in interest rate	Effect on profit before tax	Change in interest rate	Effect on profit before tax
Borrowings*	+1%	-	+1%	-
	-1%	-	-1%	-

*Rounded-off to lakhs

d. Liquidity risk

Liquidity is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Company believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

Exposure to liquidity risk

The table below details the Company's remaining contractual maturity for its financial liabilities. The contractual cash flows reflect the cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

Amount in Rs. lakhs

		Contractual cash flows			
Particulars	**Carrying value**	**Total**	**On demand**	**< 1 Yr**	**>1 Yr**
March 31, 2023					
Lease liabilities	563	571	-	373	198
Rental deposit	23	23	-	-	23
Trade payables	522	522	-	522	-
Unpaid dividend	11	11	11	-	-
Employee related liabilities	255	255	-	255	-
Other liabilities	128	128	128	-	-
	1,502	**1,510**	**139**	**1,150**	**221**
March 31, 2022					
Lease liabilities	769	817	-	317	500
Rental deposit	23	23	-	-	23
Borrowings	-	-	-	-	-
Trade payables	806	806	-	806	-
Unpaid dividend	9	9	9	-	-
Employee related liabilities	217	217	-	217	-
Other liabilities	63	63	63	-	-
	1,887	**1,935**	**72**	**1,340**	**523**

*Rounded-off to lakhs

42. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long-term and other strategic investment plans. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Company is equity based with no financing through borrowings. The Company is not subject to any externally imposed capital requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

43. Ratio Analysis and its elements

Sr. No.	Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Change	Reason for variance
1	Current ratio (in times)	Current Assets	Current liabilities	4.67	3.09	51%	Increased due to increase in Trade receivable and Fixed deposits maturing with 12 months
2	Debt-equity ratio (in times)	Total Debt	Shareholder's Equity	NA	NA	NA	-
3	Debt Service coverage ratio (in times)	Earnings for debts service = Net profit after taxes + Non-cash operating expenses + Interest	Debt service = Interest and lease payments+principal repayments	5.75	4.98	15%	-
4	Return on Equity ratio (in %)	Net Profits after taxes-Preference Dividend	Average shareholder's Equity	10%	8%	25%	Increased due to increase in profit for the year
5	Inventory Turnover ratio (in times)	Cost of goods sold	Average Inventory	NA	NA	NA	-
6	Trade Receivable Turnover Ratio (in times)	Net credit sales = Gross credit sales-sales return	Average Trade receivable	4.66	4.47	4%	-
7	Trade Payable Turnover Ratio (in times)	Net credit purchases = Gross credit purchases-purchase return	Average Trade payable	1.93	2	-4%	
8	Net Capital Turnover Ratio (in times)	Net Sales = Total sales - sales return	Working capital=Current assets-Current liabilities	1.99	2.79	-29%	Increase in current assets.
9	Net Profit Ratio (in %)	Net Profit	Net sales=Total sales-sales return	11%	10%	10%	
10	Return on Capital Employed (in %)	Earnings before interest and taxes	CapitalEmployed=Tangible Net Worth + Total Debt + Deferred Tax	14%	11%	27%	Due to increase in Profit
11	Return on Investment Employed (in %)	Income generated from investment funds	Average invested funds in treasury investments	NA	NA	NA	-

44. Other Statutory Information

(i) The company do not have any Benami Property

(ii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iii) The company do not have any transactions with companies struck off

(iv) The company have not traded or invested in Crypto currency or Virtual Currency during the financial year

(v) The company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company have 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:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

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

45. The Company has entered into 'International transactions' with 'Associated Enterprises' which are subject to Transfer Pricing regulations in India. The Company is in the process of carrying out transfer pricing study for the year ended March 31, 2023 in this regard, to comply with the requirements of the Income Tax Act, 1961. The management of the Company is of the opinion that such transactions with Associated Enterprises are at arm's length and hence in compliance with the aforesaid legislation. Consequently, this will not have any impact on the standalone financial statements, particularly on account of tax expense and that of provision for taxation.

46. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
ICAI Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala
Chairman
DIN - 01770426

Anand Balakrishnan
Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Independent Auditor's Report

To the Members of Mindteck (India) Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Mindteck (India) Limited (hereinafter referred to as "the Holding Company" or the 'Company'), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income/(Loss), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("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 March 31, 2023, their consolidated profit including other comprehensive income/(loss), their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2023. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of Goodwill (as described in Note 6 of the consolidated financial statements)	
The Company had recognised goodwill of INR 8481 Lakhs on consolidation of subsidiaries in the past, and impaired the same. The net amount carried in the financial statements, after impairment, as of March 31, 2023, is INR 2815 Lakhs (no change as compared to the previous year). The same is tested for impairment, if any, by evaluating the recoverable amount of the cash generating unit (CGU) based on forecast cash flow of the unit. The amount of loss/impairment, if any, is measured as the difference between the CGU's carrying amount and the recoverable amount. The accounting for goodwill on consolidation is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement and estimates. The key inputs and judgements involved in the impairment/ fair valuation assessment of these unquoted investments include: ▪ Forecast cash flows including assumptions on growth rates. ▪ Allocation of asset and liability values to the CGU. ▪ Discount rates. ▪ Terminal growth rate. ▪ Economic and entity specific factors incorporated in the valuation.	Our audit procedures included the following, amongst others: ▪ Obtained an understanding from the management, assessed, and tested the design and operating effectiveness of the Company's key controls over the impairment testing model used. ▪ Assessed the competency and objectivity of the expert used by the management. ▪ Reviewed the key assumptions and sensitivities for allocations of assets to the CGU and determination of recoverable amount as used by an independent expert appointed by the management. ▪ Evaluated the cash flow forecasts (with underlying economic and past growth rate). ▪ Test checked the mathematical accuracy of the impairment model. ▪ Assessed the sensitivity analysis and evaluated the impact on impairment of any reasonably foreseeable changes in assumptions. ▪ Evaluated the adequacy of the disclosures made in the Consolidated Financial Statement.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Corporate Governance Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors and management are responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income/ (loss), Consolidated cash flows and consolidated statement of changes in equity 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 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.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal 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 Consolidated Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

Consolidated Financial Statements. We communicate with those charged with governance of the 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2023, and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by 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, based on our audit, we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

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

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income/(Loss), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

   d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

   f. With respect to the adequacy and the operating effectiveness of the internal financial controls with reference to these Consolidated Financial Statements of the Holding Company, refer to our separate Report in "Annexure 2" to this report.

   g. In our opinion, the managerial remuneration for the year ended March 31, 2023, has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act.

   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group – Refer Note 29 to the Consolidated Financial Statements.

   ii. The Group has made a provision, as required under the applicable law or accounting standards, for material foreseeable losses, on long-term contracts including derivative contracts - Refer Note 29 to the Consolidated Financial Statements.

   iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company during the year ended March 31, 2023.

   iv. a) The management of the Holding Company have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of its subsidiaries to or in any other persons or entities, 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 its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

   b) The managements of the Holding Company have represented to us, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of its subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of its subsidiaries 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; and

   c) Based on the audit procedures that have 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 the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

   v. As stated in note 15 to the Consolidated Financial Statements (i) the final dividend proposed in the previous year was declared and paid by the Holding Company during the year and is in accordance with Section 123 of the Act (ii) the Board of Directors of the Holding Company, have proposed final dividend for the year which is subject to the approval of the shareholders of the Holding Company at the ensuing Annual General Meeting. The proposed dividend is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company 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.

Other Matters

The Consolidated Financial Statements of the Company for the previous financial year ended March 31, 2022 have been audited by S R Batliboi & Associates, the erstwhile auditors whose report dated May 20, 2022, expressed an unmodified opinion. The same has been relied upon by us and our opinion is not qualified in respect of this matter.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W / W-100010

Rajesh Maniar
Partner
Membership Number: 040833
UDIN: 23040833BGXWOP1912

Place: Bengaluru
Date: May 19, 2023

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the Consolidated Financial Statements of Mindteck (India) Limited

Statement on the matters specified in paragraph 3(xxi) of Companies (Auditor's Report) Order, 2020 ("the Order")

There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W / W-100010

Rajesh Maniar
Partner
Membership Number: 040833
UDIN: 23040833BGXWOP1912

Place: Bengaluru
Date: May 19, 2023

Annexure 2 referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the Consolidated Financial Statements of Mindteck (India) Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Mindteck (India) Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, as of that date.

Management's Responsibility for Internal Financial Controls

The Management of the Holding Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to these Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls With Reference to these Consolidated Financial Statements

A company's internal financial controls with reference to these Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to these Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to these Consolidated Financial Statements

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

Opinion

In our opinion, the Holding Company have in all material respects, adequate internal financial controls with reference to these Consolidated Financial Statements and such internal financial controls with reference to these Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company, considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W / W-100010

Rajesh Maniar
Partner
Membership Number: 040833
UDIN: 23040833BGXWOP1912

Place: Bengaluru
Date: May 19, 2023

Consolidated Balance Sheet as at March 31, 2023

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	201	177
Investment property	4	62	63
Right-of-use assets	32	504	753
Intangible assets	5	1	5
Goodwill on consolidation	6	2,815	2,815
Financial assets			
Other financial assets	7	279	2,254
Deferred tax assets (net)	34	438	419
Income tax assets (net)	8	414	483
Other non-current assets	9	4	11
Total non-current assets		**4,718**	**6,980**
Current assets			
Financial assets			
Trade receivables	10	8,586	7,262
Cash and cash equivalents	11	4,143	5,028
Other bank balances	11	5,891	2,663
Other financial assets	12	214	268
Other current assets	13	721	733
		19,555	**15,954**
Total assets		**24,273**	**22,934**

Consolidated Balance Sheet as at March 31, 2023 (cont'd.)

All amounts in Rs. lakhs unless otherwise stated

	Notes	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	14	2,486	2,530
Other equity	15	16,578	15,020
Total Equity		**19,064**	**17,550**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	32	220	472
Other financial liabilities	16	23	23
Provisions	17	331	324
Total non-current liabilities		**574**	**819**
Current liabilities			
Financial liabilities			
Trade and other payables	18	1,559	1,832
Lease liabilities	32	343	314
Other financial liabilities	19	1,236	997
Provisions	20	414	413
Income tax liabilities (net)	8	70	197
Other current liabilities	21	1,013	812
Total current liabilities		**4,635**	**4,565**
Total liabilities		**5,209**	**5,384**
Total equity and liabilities		**24,273**	**22,934**
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala
Chairman
DIN - 01770426

Anand Balakrishnan
Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Consolidated Statement of Profit and Loss for the year ended March 31, 2023

All amounts in Rs. lakhs unless otherwise stated

	Notes	Year ended March 31, 2023	Year ended March 31, 2022
INCOME			
Revenue from operations	22	33,673	29,878
Other income	23	443	507
Total income		**34,116**	**30,385**
EXPENSES			
Cost of technical sub-contractors		7,295	6,368
Employee benefit expenses	24	21,129	18,890
Finance costs	25	101	92
Depreciation and amortisation expense	26	453	502
Other expenses	27	2,540	2,543
Total expenses		**31,518**	**28,395**
Profit before tax and exceptional items		**2,598**	**1,990**
Exceptional item	28		
Benefit under Paycheck Protection Program		-	1,818
Total exceptional item		**-**	**1,818**
Profit before tax		**2,598**	**3,808**
Tax expense (net):	34		
Current tax		567	467
Tax relating to earlier years		(27)	-
Deferred tax charge/(credit)		(19)	10
Total tax expense		**521**	**477**
Profit for the year		**2,077**	**3,331**
Other comprehensive income, net of tax			
Items that will be reclassified subsequently to profit or loss			
Net exchange difference on translation of foreign operation		**553**	**174**
Items that will not be reclassified subsequently to profit or loss			
Re-measurement gain/(loss) on defined benefit plan		(1)	26
Income tax relating to items that will not be reclassed to profit or loss		-	(7)
Other comprehensive income/(loss) for the year, (net of tax)		**552**	**193**
Total comprehensive income for the year attributable to equity holders of the parent		**2,629**	**3,524**
Earnings per share (equity shares, par value Rs. 10 each) (March 31, 2022: Rs. 10 each) attributable to equity holders of the parent	31		
Basic (in Rs.)		8.26	13.19
Diluted (in Rs.)		8.08	12.90
Corporate information and significant accounting policies	1 & 2		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of Mindteck (India) Limited

Yusuf Lanewala
Chairman
DIN - 01770426

Anand Balakrishnan
Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

A. Equity share capital

All amounts in Rs. lakhs unless otherwise stated

Particulars	Number	Amount
Balance as at April 01, 2021	**2,52,05,898**	**2,521**
Changes in equity share capital during the year: 2021-22	91,886	9
Balance as at March 31, 2022	**2,52,97,784**	**2,530**
Changes in equity share capital during the year: 2022-23	(4,48,691)	(44)
Balance as at March 31, 2023	**2,52,30,679**	**2,486**

B. Other equity

All amounts in Rs. lakhs unless otherwise stated

Particulars	Share application money pending allotment	Reserves & Surplus					Foreign currency translation reserve	Total other equity
		Capital reserve	Capital redemption reserve	Securities premium	Retained earnings	Employee stock options reserve		
Balance as at April 01, 2021	**28**	**798**	**-**	**10,156**	**(897)**	**147**	**1,232**	**11,464**
Add: Profit for the year	-	-	-	-	3,331	-	-	3,331
Add: Changes in remeasurement of defined benefit plan through other comprehensive income/(loss), net of taxes	-	-	-	-	19	-	-	19
Add: Exchange difference on translating the financial statement of foreign operations	-	-	-	-	-	-	174	174
Add/ (less): Additions during the year on exercise of employee stock options	-	-	-	43	-	(15)	-	28
Add/(Less): Transfer to retained earnings upon expiry or lapse of employee stock options after vesting	-	-	-	-	13	(13)	-	-
Add: Employee share-based expense (refer Note 38)	-	-	-	-	-	4	-	4
Balance as at March 31, 2022	**28**	**798**	**-**	**10,199**	**2,466**	**123**	**1,406**	**15,020**
Add: Profit for the year	-	-	-	-	2,077	-	-	2,077
Add: Changes in remeasurement of defined benefit plan through other comprehensive income/(loss), net of taxes	-	-	-	-	(1)	-	-	(1)
Add: Exchange difference on translating the financial statement of foreign operations	-	-	-	-	-	-	553	553
Less: Cash dividend	-	-	-	-	(253)	-	-	(253)
Add/ (less): Additions during the year on exercise of employee stock options	-	-	-	56	-	(20)	-	36
Add/(Less): Transfer to retained earnings upon expiry or lapse of employee stock options after vesting	-	-	-	-	5	(5)	-	-
Add: Employee share-based expense (refer Note 38)	-	-	-	-	-	8	-	8
Less: Buyback of Equity shares	-	-	-	(665)	-	-	-	(665)
Add/(less): Transfer to capital redemption reserve on buyback	-	-	51	-	(51)	-	-	-
Less: Administrative expenditure incurred for Buyback	-	-	-	-	(42)	-	-	(42)
Less: Tax on Buyback of Equity shares	-	-	-	-	(155)	-	-	(155)
Balance as at March 31, 2023	**28**	**798**	**51**	**9,590**	**4,046**	**106**	**1,959**	**16,578**

Corporate information and significant accounting policies (refer Notes 1 & 2)

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of Mindteck (India) Limited

Yusuf Lanewala
Chairman
DIN - 01770426

Anand Balakrishnan
Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Consolidated Statement of Cash Flows for the year ended March 31, 2023

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2023	Year ended March 31, 2022
Operating activities		
Profit before tax	2,598	3,808
Adjustments to reconcile profit/(loss) before tax to net cash flows:		
Depreciation and amortization expense	453	502
Finance costs	49	49
Interest income	(287)	(208)
Unrealised exchange differences	37	40
Loss on sale of assets	-	3
Provision for doubtful debts (net) (including unbilled revenue) and loss allowance	17	(132)
Share based payment expenses	8	4
Benefits under paycheck protection program	-	(1,828)
Other non-operating income	(1)	(85)
Changes in operating assets and liabilities		
(Increase)/Decrease in trade receivables	(987)	(178)
(Increase)/Decrease in loans and advances and other assets	200	128
Increase/(Decrease) in liabilities and provisions	(217)	452
Net cash from operating activities before taxes	**1,870**	**2,555**
Income taxes paid (net of refunds)	(598)	(390)
Net cash from operating activities (A)	**1,272**	**2,165**

Consolidated Statement of Cash Flows for the year ended March 31, 2023 (cont'd.)

All amounts in Rs. lakhs unless otherwise stated

	Year ended March 31, 2023	Year ended March 31, 2022
Investing activities		
Purchase of property, plant and equipment, intangible assets	(136)	(113)
Proceeds from sale of assets	-	3
Movement in fixed deposits and other bank balances (net)	(1,215)	(1,996)
Interest income received	311	106
Net cash used in investing activities (B)	**(1,040)**	**(2,000)**
Financing activities		
Proceeds from exercise of share options	43	37
Repayment of principal portion of lease liabilities	(303)	(323)
Finance cost on lease liabilities	(49)	(49)
Buyback of shares	(716)	-
Tax on buyback of shares	(155)	-
Administrative expenditure incurred for Buyback	(42)	-
Dividends paid (including distribution tax and unpaid dividend)	(251)	(1)
Net cash from/(used in) financing activities (C)	**(1,473)**	**(336)**
Net increase/(decrease) in cash and cash equivalents (D)=(A)+(B)+(C)	**(1,241)**	**(171)**
Cash and cash equivalents at the beginning of the period (E)	5,028	5,060
Effect of exchange difference on translation of foreign currency cash and cash equivalents (F)	356	139
Cash and cash equivalents at the end of the year (refer Note 11) (G)=(D)+(E)+(F)	**4,143**	**5,028**

Corporate information and significant accounting policies (refer Notes 1 & 2)

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala
Chairman
DIN - 01770426

Anand Balakrishnan
Managing Director and CEO
DIN - 05311032

Jagdish Malkani
Director
DIN - 00326173

Ramachandra M S
Chief Financial Officer

Shivarama Adiga S
Company Secretary

Place: Bengaluru
Date: May 19, 2023

Notes to Consolidated Financial Statements for the year ended March 31, 2023

1. Corporate Information

Mindteck (India) Limited ('Mindteck' or 'the Company' or 'parent') with its subsidiaries, set out below, collectively, referred to as 'the Group', is a public limited company incorporated in 1991, a provider of complete range of Information Technology ('IT') services to a wide range of Fortune 500 companies, multinationals and small and medium enterprises worldwide. The Company renders engineering and IT services to customers spanning across various industry verticals in specific service horizontals. Mindteck's core offerings are in Product Engineering, Application Software, Electronic Design, Testing, IT Infrastructure & Managed Services, R&D Services, Energy Management Software Solutions and Enterprise Business services.

The Group's clientele constitutes varied industry verticals, including Public Sector (Government), High Technology (such as Semiconductor, Data Storage, Cloud Services), Smart Energy and Product Engineering (such as Life Sciences and Analytical Instruments, Industrial Systems, Medical Systems).

The Company has its registered office in Bengaluru, India and the Group has two global delivery centers located in India (Bengaluru and Kolkata) and has seventeen offices across India, the United States, Canada, United Kingdom, Germany, Bahrain, Singapore, Philippines (under closure) and Malaysia.

Mindteck has subsidiaries (including step-down subsidiaries) in the United States of America, Canada, Singapore, Philippines (under closure), Malaysia, Bahrain, United Kingdom, Germany and India (closed w.e.f. November 11, 2021). Mindteck is the flagship Group and is listed in India on the Mumbai Stock Exchange and National Stock Exchange.

List of subsidiaries with percentage holding

Subsidiaries	Country of incorporation and other particulars	Percentage of ultimate holding company (%) as at March 31, 2023 & March 31, 2022
Chendle Holdings Limited ('Chendle')	A subsidiary of Mindteck from April 01, 2008, incorporated under the laws of British Virgin Islands	100
Mindteck (UK) Limited ('Mindteck UK')	A subsidiary of Mindteck from April 01, 2008, incorporated under the laws of the United Kingdom	100
Mindteck Germany GmbH ('Mindteck Germany')	A subsidiary of Mindteck UK from April 02, 2008, incorporated under the laws of Germany	100
Mindteck Singapore Pte Ltd. ('Mindteck Singapore')	A subsidiary of Mindteck from April 01, 2008, incorporated under the laws of Singapore	100
Mindteck Inc., USA *	A subsidiary of Mindteck incorporated under the laws of the Commonwealth of Pennsylvania, USA	100
Mindteck Software Malaysia SDN. BHD ('Mindteck Malaysia')	A subsidiary of Mindteck incorporated under the laws of Malaysia	100
Mindteck Middle East Ltd WLL, Kingdom of Bahrain ('Mindteck Middle East')	A subsidiary of Mindteck incorporated under the laws of the Kingdom of Bahrain	100
Mindteck Solutions Philippines Inc. (Mindteck Philippines - under closure)	A subsidiary of Mindteck Singapore Pte Ltd. from March 08, 2016, incorporated under the laws of Philippines	99.99
Mindteck Canada Inc.	A subsidiary of Mindteck Inc. USA from January 10, 2018 incorporated under Canadian law.	100

*Including shares held through Chendle Holdings Limited.

The Group had created an Employee Welfare Trust for providing share-based payments to it employees. The balances of the trust have been appropriately consolidated in the Company's consolidated financial statements.

These consolidated financial statements for the year ended March 31, 2023 comprise financial statements of Mindteck Limited and its subsidiaries (collectively hereafter referred to as "the Group").

These consolidated financial statements for the year ended March 31, 2023 are approved by the Board of Directors on May 19, 2023.

2. Basis of Preparation and Significant accounting policies:

2.1. Basis of preparation

The consolidated financial statements of the Company have been prepared and presented in accordance with accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III).

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value at the end of each reporting period, as explained further in the accounting policies below.

- Certain financial assets and liabilities that is measured at fair value / amortized cost
- Defined benefit plans - plan assets measured at fair value

- Employee stock option contracts – measured at grant date fair value, and
- Investment property – fair value for disclosure purpose

The consolidated financial statements are presented in Rs. and all the values are rounded off to the nearest lakhs (Rs. 00,000) except when otherwise indicated.

2.2. Summary of significant accounting policies

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

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

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

b. Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the accompanying disclosures, and the disclosure of contingent assets and contingent liabilities on the date of the consolidated financial statements and the reported amounts of revenues and expenses for the year reported. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and future periods are affected.

Key source of estimation of uncertainty as at the date of 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 the following:

Revenue recognition:

The Group uses the percentage of completion method in accounting for revenue from implementation and customization projects. Use of the percentage of completion method requires the Group to estimate the efforts to date as a proportion of the total efforts. Efforts have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become probable based on the expected contract estimates at the reporting date.

Employee stock options plan:

The Group initially measures the cost of equity-settled transactions with employees using a Black Scholes model to determine the fair value of the liability incurred. Estimating fair value for share-based payment transactions requires determination of the 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 the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 38.

Leases:

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Group's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Group has concluded that no changes are required to lease period relating to the existing lease contracts Refer Note 32.

Defined benefit plans (gratuity and other employee benefits):

The Group's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 35.

Fair value measurement of financial instruments:
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow ('DCF') model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements 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. Refer Note 39 for further disclosures.

Impairment of non-financial assets:
Impairment exists when the carrying value of an asset or cash generating unit ('CGU') (including goodwill, where applicable) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on DCF model. The cash flows are derived from the budget for future years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. Also, refer Note 2.2(j).

Impairment of financial assets:
The Group assesses impairment of financial assets ('Financial instruments') and recognizes expected credit losses in accordance with Ind AS 109. Also, refer Note 2.2(e).

The Group assesses for impairment of investment in subsidiaries. Impairment exists when there is a diminution in value of the investment and the recoverable value of such investment is lower than the carrying value of such investment.

c. Basis of consolidation
The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as disclosed in Note 1. Control exists when the parent has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

Consolidation procedure:

(i) Combine like items of assets, liabilities, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. The excess of cost to the Company of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the date on which the investment in the subsidiaries were made, is recognized as 'Goodwill' being an intangible asset in the consolidated financial statements and is tested for an impairment on an annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Company, it is recognized as 'Capital Reserve' and shown in Other equity, in the consolidated financial statements. The 'Goodwill' is determined separately for each subsidiary company and such amounts are not set off between different entities.

(iii) Eliminate in full intragroup assets and liabilities, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as fixed assets, are eliminated in full).

Profit or loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the parent of the Group.

d. Fair value measurement
The Group measures financial instrument such as investments at fair value at each balance sheet date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability - or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

e. Financial instruments

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

i. Financial assets:

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in four broad categories:

- Debt instruments assets at amortized cost
- Financial assets at fair value through OCI ('FVTOCI')
- Financial assets at fair value through profit and loss ('FVTPL')
- Equity instruments measured at fair value through other comprehensive income ('FVTOCI')

When assets are measured at fair value, gains and losses are either recognized entirely in the consolidated statement of profit and loss (i.e. fair value through profit and loss),or recognized in other comprehensive income (i.e. fair value through other comprehensive income).

Debt instruments at amortized cost:

A Debt instrument is measured at amortized cost (net of any write down for impairment) if both of the following conditions are met:

- the asset is held to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes) and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI') on the principal amount outstanding.

Such financial assets are subsequently measured at amortized cost using the effective interest rate ('EIR') method. Amortized 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 amortization is included in finance income in the consolidated statement of profit and loss. The losses arising from impairment are recognized in the consolidated statement of profit and loss..

Financial assets at fair value through OCI ('FVTOCI'):

A financial asset that meets the following two conditions is measured at fair value through OCI unless the asset is designated at fair value through profit and loss under fair value option.

- The financial asset is held both to collect contractual cash flows and to sell.
- 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

Instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through profit and loss ('FVTPL'):

FVTPL is a residual category for Group's investment instruments. Any instruments which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

All investments (except investment in subsidiary) included within the FVTPL category are measured at fair value with all changes recognized in the consolidated statement of Profit and Loss.

In addition, the Group may elect to designate an instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency.

Derecognition:
When the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; it evaluates if and to what extent it has retained the risks and rewards of ownership.

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- Based on above evaluation, either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflect the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets:
The Group assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial instruments') requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ii. Financial liabilities:

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss or at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, lease obligations, and other payables.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost
After initial recognition, interest-bearing loans and borrowings and other payables are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the consolidated statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the consolidated statement of profit and loss.

Derecognition:
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 in the respective carrying amounts is recognized in the consolidated statement of profit and loss.

iii. Offsetting of financial instruments:
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

iv. Reclassification of financial assets:
The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively

from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognized gains, losses (including impairment gains or losses) or interest.

f. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant if the recognition criteria are met.

Capital work in progress is stated at cost. Capital work-in-progress comprises of expenditure incurred for construction of leasehold improvements. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the plant and equipment to its working condition for the intended use and cost of replacing part of the plant and equipment.

Property, plant and equipment are eliminated from financial statements, either on disposal or when no future economic benefits are expected from its use or disposal. Losses arising in case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the consolidated statement of profit and loss in the year of occurrence.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

g. Depreciation and amortization

Depreciation on property, plant and equipment with finite useful lives is calculated on a straight-line basis over the useful lives of the assets estimated by the management.

The group, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year and adjusted prospectively, if appropriate. The range of useful lives of the property, plant and equipment are as follows:

Property, plant and equipment	Useful lives estimated by the management (years)
Furniture and fixtures	5 years
Computer equipment	3 years
Office equipment	5 years
Vehicles	5 years

Leasehold improvements are amortized over the period of lease term or the estimated useful life of assets, whichever is lower.

h. Investment property

i. Recognition and measurement:

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses (if any).

Initial direct costs incurred by the Group in negotiating and arranging an operating lease are added to the carrying amount of the respective Investment property and are amortized over the lease term on the same basis as the lease income.

Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes (Refer Note 4). Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

ii. Depreciation:

Depreciation on investment properties is provided on the straight-line method as per the useful life estimated by the management.

The estimated useful life of building classified as an investment property is 58 years. The estimated useful life is different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the asset is likely to be used.

i. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The Group uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Group amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the CGU level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern and are treated as changes in accounting estimates.

The estimated useful lives of the amortizable intangible assets are as follows:

Category	Useful life
Computer software	3 years

An intangible asset is derecognized upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

j. Impairment of non-financial assets

Non-financial assets including property, plant and equipment, right of use assets and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the consolidated statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

k. Leases

The Group assesses at contract inception whether a contract is/ contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group 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.

(i) Right-of-use assets:

The Group recognizes right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer Note 2.2(j) Impairment of non-financial assets.

(ii) Lease liabilities:

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

During the year ended March 31,2021, there was an amendment to Ind AS 116 due to COVID related rent concessions. The amendment provides relief to the lessees in treating rent concessions arising as a direct consequence of the COVID-19 pandemic as a lease modification. The amendments are applicable for annual reporting periods beginning on or after the April 01, 2020. The amendment had an impact of Rs. 43 lakhs on the consolidated financial statements.

(iii) Short-term leases and leases of low-value assets:

The Group applies the short-term lease recognition exemption to its short-term leased assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leased assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Group as a lessor:
Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

l. Business combination and goodwill
Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, Goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually as at March 31 or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the consolidated statement of profit and loss. An impairment loss recognized is not reversed in subsequent periods.

m. Revenue recognition
i. Revenue from contracts with customers:
The Group derives its revenues from software service.

The Group derives its revenues from software service.

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Group expect to receive in exchange for those services.

The following specific recognition criteria must also be met before revenue is recognized:

Revenue from software services provided on a time-and-material basis is recognized upon performance of services and at the agreed contractual rates. Revenue from fixed price contracts is recognized over the period of the contracts using the percentage completion method determined by relating the actual cost incurred to date to the estimated total cost of the contract.

In case of multiple element arrangements for sale of software license, related implementation and maintenance services, the Group applies the guidance in Ind AS 115, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements generally meet the criteria for considering the sale of software license, related implementation and maintain services as distinct performance obligation. For allocating the consideration, the Group has measured the revenue in respect of each distinct performance obligation of a transaction at its standalone selling price, in accordance with principles given in Ind AS 115. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In cases where the Group is unable to determine the standalone selling price, the Group has used a residual method to allocate the arrangement consideration. In these cases, the balance of the consideration, after allocating the standalone selling price of undelivered components of a transaction has been allocated to the delivered components for which specific standalone selling price do not exist.

Provisions for estimated losses on contracts are recorded in the period in which such losses become probable based on the current contract estimates. The Company classifies the right to consideration in exchange for deliverables as Trade receivable (including unbilled revenue). A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of billing is classified as Unbilled revenue while billing in excess of revenue is classified as Deferred revenue. Unbilled revenue where there is unconditional right to consideration, and only passage of time is required as per contractual terms is classified as financial assets. Revenue recognition for fixed-price consulting contracts is based on percentage-of-completion method. Invoicing to the customers is based on milestones as defined in the contract. This would result in the timing of revenue recognition being different from the timing of billing the customers. Unbilled revenue for fixed-price development contracts is classified as contract asset (non-financial asset) as the contractual right to consideration is dependent on completion of contractual milestones.

The Group collects goods and services tax and other taxes as applicable in the respective tax jurisdictions where the Group operates, on behalf of the government and therefore it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue.

Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis.

Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized and adjustments for currency.

ii. Other income:

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date. The right to receive dividend is generally established when shareholders approve the dividend.

Interest income is recognized as it accrues in the consolidated statement of profit and loss using effective interest rate method.

iii. Service concession arrangement (SCA):

The Group implements or upgrades infrastructure (implementation or upgrade services) used to provide the smart/IoT-based parking service and maintains that infrastructure (operation service) for a specified period of time. This arrangement may include infrastructure used in a service concession arrangement for its entire useful life.

Under Appendix D – Service Concession Arrangement to Ind AS 115 –Revenue from contracts with customers, the arrangement is accounted for based on the nature of the consideration. The intangible asset model is used to the extent that the operator receives a right (i.e. a concessionaire) to charge users of the public service. The financial model is used when the operator has an unconditional contract¬ual right to receive cash or other financial assets from or at the direction of the grantor for the construction/implementation service. When the unconditional right to receive cash covers only part of the service, the two models are combined to account separately for each component. If the operator performs more than one service (i.e. construction, implementation, upgrade services and operation services) under a single contract or arrangement, consideration received or receivable is allocated by reference to the relative fair values of the service delivered, when the amount are separately identifiable.

The intangible assets model recognizes the asset to the extent of cost incurred or to be incurred (including certain obligations arising out the arrangement) towards getting the right to charge users of the public service. The intangible asset is amortized over the concession period i.e. 10 years, from the date they are available for use.

An asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal.

The Group recognizes a financial asset to the extent that it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor.

Provisions for estimated losses on contracts are recorded in the period in which such losses become probable based on the current contract estimates.

n. Foreign currency translation and transactions:

Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian currency ('Rs.'), which is the Group's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the period end exchange rates are recognized in the consolidated statement of profit and loss.

Assets and liabilities of entities with functional currency other than presentation currency have been translated to the presentation currency using exchange rates prevailing on the balance sheet date. The statement of profit and loss have been translated using average exchange rates. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the consolidated statement of profit and loss.

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

o. Taxes

Tax expense comprises of current and deferred tax.

Current income tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and the carry forward of any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside profit and loss is recognized outside the consolidated statement of profit and loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

p. Provisions, contingent liabilities, contingent assets and commitments

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, 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. The expense relating to a provision is presented in the consolidated statement of profit and loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events and whose existence 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; or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

A contingent asset is disclosed, where an inflow of economic benefits is probable.

q. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

r. Employee stock compensation cost

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments in form of employee stock options, whereby employees render services as consideration for equity instruments (equity-settled transactions).

The Group measures compensation cost relating to employee stock options plans using the fair valuation method in accordance with Ind AS 102, Share-Based Payment.

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using the Black Scholes valuation model. That cost is recognized in employee benefits expense, together with a corresponding increase in Stock Option Outstanding reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired (net of forfeitures) and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and is recognized in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share..

s. Segment reporting

Ind AS 108 establishes standards for the way that public business enterprises report information about operating segments and related disclosures about services, geographic areas and major customers.

The Group identifies primary segments based on the dominant source, nature of risks and returns, internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/ loss amounts are evaluated regularly by the Executive Management in deciding how to allocate resources and in assessing performance. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to the segments on the basis of their relationship to the operating activities of the segment.

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under 'unallocated revenue/expenses/assets/liabilities.

t. Retirement and other employee benefits

Employee benefits include contribution to provident and other funds, gratuity and compensated absences.

Defined contribution plans:

Contributions payable to recognized provident and other funds, which are defined contribution schemes, are charged to the consolidated statement of profit and loss.

Contributions payable to the recognized provident fund, employee pension and social security schemes in certain

overseas subsidiaries, which are defined contribution schemes are charged to the statement of profit and loss.

Defined benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Group recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/ (asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognized in OCI are not to be subsequently reclassified to the consolidated statement of profit and loss. As required under Ind AS compliant Schedule III, the Group transfers it immediately to 'surplus/ (deficit) in the consolidated statement of profit and loss'.

The Group has an employees' gratuity fund managed by the Life Insurance Corporation of India ('LIC'). Provision for gratuity liabilities, pending remittance to the fund, is carried in the balance sheet. The Group also provides certain additional post employment healthcare benefits to employees in the United States. These healthcare benefits are unfunded.

Short-term employee benefits:

Short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. Compensated absences, which are expected to be utilized within the next 12 months, are treated as short-term employee benefits. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Long-term employee benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employees render the related services are treated as long-term employee benefits for measurement purpose. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year end, less the fair value of the plan assets out of which the obligations are expected to be settled. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

The Group presents the entire compensated absences balance as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

u. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and cash on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Consolidated statement of cash flow

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

v. Cash dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. Final dividends on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

w. Corporate Social Responsibility ('CSR') expenditure

CSR expense is recognized as it is incurred by the Group or when Group has entered into any legal or constructive obligation for incurring such an expense.

x. Government grants

The Group recognizes Government grants where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Accordingly, the Group has chosen to present grants related to an expense item as other operating income in the consolidated statement of profit and loss.

The Group recognizes Government grants as a loan when loans or similar assistance are provided by governments or related institutions. The loan is measured as per the accounting policy applicable to financial liabilities.

2.3. Standards issued but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2023 dated March 23, 2023 to amend the following Ind AS which are effective from April 1, 2023.

a) Amendment to Ind AS 1, Preparation of Financial Statements

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The Group has evaluated the amendment and impact of the amendment is insignificant in the consolidated financial statement.

b) Amendment to Ind AS 8, Accounting policies, Changes in Accounting Estimates and Errorss

This amendment has introduced a definition of 'accounting estimates' and include amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

c) Amendments to Ind AS 12, Income taxes

The amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual period beginning on or after April 1, 2023. The Group has evaluated the amendment and there is no impact on its consolidated financial statements.

3. Property, plant and equipment

Amount in Rs. lakhs

Particulars	Computer equipment	Office equipment	Furniture and fixtures	Vehicles	Leasehold improvement	Total
Cost						
As at April 01, 2021	**302**	**224**	**57**	**1**	153	**737**
Additions	113	-	-	-	-	113
Disposals/Adjustments	(3)	(11)	(1)	-	-	(15)
Foreign exchange difference	4	1	5	-	-	10
As at March 31, 2022	**416**	**214**	**61**	**1**	**153**	**845**
Additions	102	15	7	-	16	140
Disposals/Adjustments	(26)	(19)	(160)	(1)	-	(206)
Foreign exchange difference	10	1	12		-	23
As at March 31, 2023	**502**	**211**	**(80)**	**-**	**169**	**802**
Accumulated depreciation						
As at April 01, 2021	**193**	**156**	**45**	**1**	**110**	**505**
Charge for the year	93	33	4	-	33	163
Disposals/Adjustments	(3)	(7)	(1)	-	-	(11)
Foreign exchange difference	4	1	6	-	-	11
As at March 31, 2022	**287**	**183**	**54**	**1**	**143**	**668**
Charge for the year	85	18	3	-	10	116
Disposals/Adjustments	(25)	(15)	(160)	(1)	-	(201)
Foreign exchange difference	6		12	-	-	18
As at March 31, 2023	**353**	**186**	**(91)**	**-**	**153**	**601**
Net block as at March 31, 2022	**129**	**31**	**7**	**-**	**10**	**177**
Net block as at March 31, 2023	**149**	**25**	**11**	**-**	**16**	**201**

4. Investment property

Amount in Rs. lakhs

Particulars	Building - Asset given under operating lease
Cost	
As at April 01, 2021	**73**
Additions	-
As at March 31, 2022	**73**
Additions	-
As at March 31, 2023	**73**
Accumulated depreciation	
As at April 01, 2021	**8**
Charge for the year	2
As at March 31, 2022	**10**
Charge for the year	1
As at March 31, 2023	**11**
Net block as at March 31, 2022	**63**
Net block as at March 31, 2023	**62**

Information regarding income and expenditure of Investment property

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rental income derived from investment property	26	23
Less: Direct operating expenses from property that generated rental income (including repairs and maintenance)	2	1
Less: Direct operating expenses from property that did not generate rental income (including repairs and maintenance)	-	-
Profit arising from investment properties before depreciation and indirect expenses	**24**	**22**
Less: Depreciation	(1)	(2)
Profit arising from investment property before indirect expenses	**23**	**20**

Determination of fair values

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Significant unobservable inputs	Range (weighted average)	
Investment properties	Market Approach		March 31, 2023	March 31, 2022
		Area of subject unit (sq. ft.)	3,001	3,001
		Adopted market rent per sq.ft. per month	53	53
		Derived unit rate (per sq.ft.)	11,000	10,900
		Estimated rental value (per sq. ft.)	Rs. 61 - 70	Rs. 61 - 70
		Discount rate	12.00%	12.00%

The fair value of investment property has been determined by registered valuer as defined under rule 2 of companies (Registered Valuers and Valuation) Rules, 2017. The registered valuers have appropriate recognised professional qualifications and recent experience in the location and category of the properties being valued.

The registered valuers have considered valuation techniques including direct comparison method and discounted cash flows in arriving at the fair value as at the reporting date. These valuation methods involve certain estimates. The management has exercised its judgement and is satisfied that the valuation methods and estimates are reflective of the current market conditions.

The direct comparison method involves the analysis of comparable sales of similar properties and adjusting the sale prices to that reflective of the investment properties. The discounted cash flows method involves the estimation of an income stream over a period and discounting the income stream with an expected internal rate of return and terminal yield. The valuation model considers the present value of net cash flows to be generated from the property, taking into account the expected rental growth rate, vacant periods, occupancy rate, lease incentive costs such as rent-free periods and other costs not paid by tenants. The expected cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.

Significant increases/(decreases) in estimated rental value and rent growth per annum in isolation would result in a significantly higher/(lower) fair value of the properties. Significant increases/(decreases) in long-term vacancy rate and discount rate (and exit yield) in isolation would result in a significantly lower/ (higher) fair value.

All resulting fair value estimates for investment properties are included in level 3. Refer note 39.

Reconciliation of fair value

Amount in Rs. lakhs

Particulars	Amount
Opening balance as at April 1, 2021	321
Fair value differences	6
Closing balance as at March 31, 2022	**327**
Fair value differences	3
Closing balance as at March 31, 2023	**330**

5. Intangible assets

Amount in Rs. lakhs

Particulars	Computer software
Cost	
As at April 01, 2021	**120**
Disposals/Adjustments	-
Foreign exchange difference	-
As at March 31, 2022	**120**
Additions	-
Disposals/Adjustments	-
Foreign exchange difference	-
As at March 31, 2032	**120**
Accumulated amortisation	
As at April 01, 2021	**105**
Charge for the year	10
Disposals/Adjustments	-
Foreign exchange difference	-
As at March 31, 2022	**115**
Charge for the year	4
Disposals/Adjustments	-
Charge for the year	-
As at March 31, 2023	**119**
Net block as at March 31, 2022	**5**
Net block as at March 31, 2023	**1**

* Also, refer Note 6.

6. Goodwill on consolidation

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Following is the movement of carrying value of goodwill:		
Balance at the beginning of the year	2,815	2,815
Add/(less): Impairment during the year	-	-
Balance at the end of the year	**2,815**	**2,815**

Below is the Cash Generating Unit ('CGU') wise break-up of Goodwill:

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Mindteck, Inc., USA	2,447	2,447
Mindteck Singapore Pte. Ltd	25	25
Mindteck UK Limited	259	259
Mindteck Middle East Limited WLL	84	84
Total Goodwill	**2,815**	**2,815**

Goodwill impairment testing:

The Group tests whether goodwill has suffered any impairment on an annual basis as at each reporting date. The recoverable amount of a CGU is determined based on value-in-use calculations which require the use of several assumptions. The calculations use cash flow projections (based on financial budgets approved by the management), revenue/ earning multiples. An average of the range of each assumption used is mentioned below:

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Growth rate	1% to 20%	2% to 27%
Operating margin	5% to 10%	8% to 12%
Discount rate	18% to 26%	14% to 22%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU. These estimates are likely to differ from future actual results of operations and cash flows. Management believes that any reasonable possible changes in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Based on the above testing, provision for impairment amounting to Rs. NIL (March 31, 2022 : Rs. NIL (including impairment of goodwill on acquisition of business in Singapore amounting to Rs. NIL (March 31, 2022 : Rs. NIL)) was recorded as at March 31, 2023.

7. Other financial assets - Non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Security deposits	239	201
Fixed deposits with bank with remaining maturity of more than 12 months*	40	2,053
Unsecured, credit impaired		
Security deposits	51	51
Provision for doubtful deposits	(51)	(51)
Total	**279**	**2,254**

*Includes restricted bank balances of Rs. 1 lakhs (March 31, 2022: Rs. 15 lakhs). The restrictions are primarily on account of bank balances held as margin money deposits against guarantees.

8. Taxes

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets (net) - Non-current	414	483
Income tax liabilities (net) - Current	**70**	197

Also, refer Note 34 for further details.

9. Other non-current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expense	4	11
Total	**4**	**11**

10. Trade receivables - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good		
Trade receivables from other than related parties	6,432	5,422
Unsecured, credit impaired		
Trade receivables from other than related parties	252	230
Unbilled revenue	2,154	1,840
	8,838	**7,492**
Impairment allowance (allowance for expected credit loss)		
Receivables from other than related parties, credit impaired	(252)	(230)
Total	**8,586**	**7,262**

Trade receivables ageing schedule as at March 31, 2023

Amount in Rs. lakhs

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables - considered good	**5,246**	**1,070**	**116**	**-**	**-**	**-**	6,432
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	2	5	47	9	-	41	104
Disputed Trade receivable considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-		-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	148	148
Total trade receivables - billed	**5,248**	**1,075**	**163**	**9**	**-**	**189**	**6,684**
Trade trade receivables - unbilled							**2,154**
Total trade receivables							**8,838**

Trade receivables ageing schedule as at March 31, 2022

Amount in Rs. lakhs

Particulars	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	
Undisputed Trade Receivables - considered good	**4,578**	**837**	**7**	**-**	**-**	**-**	5,422
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	2	2	1	20	32	29	86
Disputed Trade receivable considered good	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-		-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	144	144
Total trade receivables - billed	**4,580**	**839**	**8**	**20**	**32**	**173**	**5,652**
Trade trade receivables - unbilled							**1,840**
Total trade receivables							**7,492**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Further, there are no trade or other receivables due from firms or private companies in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer note 36.

Trade receivables are non-interest bearing and are generally on terms of 0 to 120 days.

11. Cash and cash equivalents - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	2	2
Balances with banks		
- in current accounts	3,822	4,924
- in fixed deposits with original maturity for less than 3 months	319	102
	4,143	**5,028**
Other bank balances		
Balances with banks		
- Fixed deposits with remaining maturity less than 12 months	5,880	2,654
- unpaid dividend account	11	9
	5,891	**2,663**
Total	**10,034**	**7,691**

Cash and cash equivalents and other bank balances as at March 31, 2023 and March 31, 2022 include restricted cash and bank balances of Rs. 260 lakhs and Rs. 209 lakhs respectively. The restrictions are primarily on account of bank balances held as margin money deposits against guarantees and balances held in unpaid dividend bank accounts.

Changes in liabilities arising from financing activities:

Amount in Rs. lakhs

Particulars	As at April 01, 2022	Cash flows	New leases/Others (Refer Note 32)	As at March 31, 2023
Borrowings*	-	-	-	-
Lease liabilities	786	(352)	129	563
Total liabilities from financing activities	**786**	**(352)**	**129**	**563**

Changes in liabilities arising from financing activities:

Amount in Rs. lakhs

Particulars	As at April 01, 2021	Cash flows	New leases/Others (Refer Note 32)	As at March 31, 2022
Borrowings *	1,808	-	(1,808)	-
Lease liabilities	793	(372)	365	786
Total liabilities from financing activities	**2,601**	**(372)**	**(1,443)**	**786**

*Rounded-off to lakhs

12. Other financial assets - Current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, credit impaired		
Claimable expenses	237	237
Provision for expected losses under service concession arrangement (refer Note 40)	(237)	(237)
	-	-
Unsecured, considered good		
Claimable expenses	67	34
Accrued interest	82	121
Employee advances	41	55
Security deposits	24	58
Total	**214**	**268**
Break up of financial assets carried at amortised cost:		
Security deposits (non-current) (Note 7)	239	201
Fixed deposits with bank with remaining maturity of more than 12 months (non-current) (Note 7)	40	2,053
Trade receivables (including unbilled revenue) (current) (Note 10)	8,586	7,262
Cash and cash equivalents (current) (Note 11)	4,143	5,028
Other bank balances (current) (Note 11)	5,891	2,663
Security deposits (current) (Note 12)	24	58
Claimable expenses (current) (Note 12)	67	34
Accrued interest (current) (Note 12)	82	121
Employee advances (current) (Note 12)	41	55
Total	**19,113**	**17,475**

13. Other current assets

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Advances recoverable in cash or kind	19	38
Unbilled revenue - contract assets	115	192
Balances with government authorities*	555	415
Less: Provision for doubtful input credit receivable	(222)	(225)
Net balance with government authorities	**333**	**190**
Prepaid expenses	254	313
Total	**721**	**733**

* Represents amount of service tax input credit receivable and goods and service tax input credit receivable.

14. Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised capital		
Equity shares		
28,000,000 (March 31, 2022: 28,000,000) equity shares of Rs. 10 each	2,800	2,800
Preference shares		
500,000 (March 31, 2022: 500,000) cumulative, non-convertible, redeemable preference shares of Rs. 100 each	500	500
Issued, subscribed and paid-up share capital		
25,265,093 (March 31, 2022: 25,713,784) equity shares of Rs. 10 each	2,527	2,571
Less: 416,000 (March 31, 2022: 416,000) equity shares of Rs. 10 each fully paid-up held by the Mindteck Employees Welfare Trust	41	41
Total	**2,486**	**2,530**

Notes:

a. **Consolidation of the Mindteck Employees Welfare Trust ('Trust')**

The investment in the equity shares of the Company held by the Trust has been reduced from the share capital and securities premium account. Further, the opening retained earnings of the Trust has been included in the Company's opening retained earnings. Balances, after inter-company eliminations, have been appropriately consolidated in the Company's financial statements on a line-by-line basis.

b. On April 01, 2008, the Company acquired 100% equity in its fellow subsidiary Chendle Holdings Limited, BVI ('Chendle Holdings') including its wholly owned subsidiary Primetech Solutions Inc., USA, at an agreed valuation of USD 6,600,000 (approximately Rs. 264,664,741) and the purchase consideration was agreed to be settled by a fresh issue of the equity shares of the Company to the shareholders of Chendle Holdings. The issue of equity shares to discharge the purchase consideration has been recorded at a price of Rs. 73.54 per equity share, being the fair value of the equity shares issued as per the valuation carried out by the independent valuer.

Of the total purchase consideration payable, 38,579 equity shares (March 31, 2021: 38,579 equity shares) have been reserved for allotment to certain shareholders of Chendle Holdings, subject to the furnishing of Permanent Account Number ('PAN') and other requirements by these shareholders. The submission of PAN is a pre-requisite to complete the allotment of shares. The Company is in the process of following up with the shareholders of Chendle Holdings to obtain the PAN and upon receiving the PAN, the Company would allot the remaining shares to these shareholders.

c. **Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year is as given below:**

	As at March 31, 2023		As at March 31, 2022	
Particulars	No. of shares	Amount (Rs. in Lakhs)	No. of shares	Amount (Rs. in Lakhs)
Outstanding at the beginning of the year	2,52,97,784	2,530	2,52,05,898	2,521
Exercise of employee stock options	65,533	7	91,886	9
Buyback of shares	(5,14,224)	(51)	-	-
Outstanding at the end of the year	**2,48,49,093**	**2,486**	**2,52,97,784**	**2,530**

d. **Terms/rights attached to equity and preference shares**

The Company has two class of shares referred to as equity shares having a par value of Rs. 10 and cumulative, non-convertible, redeemable preference shares having a par value of Rs. 100. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholders meeting, is entitled to one vote in respect of each share held for all matters submitted to vote in the shareholders meeting.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

e. Equity shares held by holding company and subsidiary of holding company is given below:

	As at March 31, 2023		As at March 31, 2022	
Name of the shareholder	**No. of shares**	**%**	**No. of shares**	**%**
Embtech Holdings Limited	1,64,31,604	65.04%	1,64,31,604	63.90%

f. Equity shareholders holding more than 5 percent shares in the Company:

	As at March 31, 2023		As at March 31, 2022	
Name of the shareholder	**No. of shares**	**%**	**No. of shares**	**%**
Embtech Holdings Limited	1,64,31,604	65.04%	1,64,31,604	63.90%
First Asian Investments S.A	13,90,569	5.50%	13,90,569	5.41%

g. Details of Equity shares of Rs. 10 held by promoters as at March 31, 2023

Promoters Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total shares	% change during the year
Embtech Holdings Limited	1,64,31,604	-	1,64,31,604	65.04%	1.14%

Details of Equity shares of Rs. 10 held by promoters as at March 31, 2022

Promoters Name	No of shares at the beginning of the year	Change during the year	No of shares at the end of the year	% of Total shares	% change during the year
Embtech Holdings Limited	1,64,31,604	-	1,64,31,604	63.90%	0%

h. The Company has not allotted any fully paid up equity shares by way of bonus shares.

i. The Board of Directors in their meeting held on August 11, 2022 had approved buy back not exceeding Rs. 1,370 lakhs, from open market through the stock exchange mechanism. The buyback of equity shares commenced on August 24, 2022 and the Company bought back 514,224 equity shares at a volume weighted average buyback price of Rs.139.34 per equity share and extinguished subsequently. In accordance with Section 69 of the Companies Act 2013, as at March 31, 2023, the Company has created 'Capital Redemption Reserve' of Rs.51 lakhs equal to the nominal value of the shares bought back as an appropriation from free reserves. Buy-back of the equity shares closed effective from closure of trading hours of January 30, 2023.

j. Shares reserved for issue
Terms attached to stock options granted to employees are described in Note 38 on share based payments. Also, refer Note 14(b) above.

15. Other Equity

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Capital reserve	798	798
Capital redemption reserve	51	-
Securities premium	9,590	10,199
Retained earnings	4,046	2,466
Other component of equity (Share application money pending allotment)	28	28
Employee stock options reserve	106	123
Foreign currency translation reserve	1,959	**1,406**
Total	**16,578**	**15,020**

Refer Statement of Changes in Equity for movement.

Notes:

i. Capital reserve

The Group has created capital reserve in the earlier years.

ii. Securities premium

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

iii. Employee stock option reserve account

The Group has established various equity settled share based payment plans for certain categories of employees of the Company and subsidiaries. Refer Note 38 for further details on these plans.

iv. Distribution made and proposed

Particulars	As at March 31, 2023	As at March 31, 2022
Cash dividends on equity shares declared and paid		
Final dividend	257	-
Total	**257**	**-**

Particulars	As at March 31, 2023	As at March 31, 2022
Dividend proposed		
Final dividend	253	257
Total	**253**	**257**

On May 19, 2023, the Board of Directors of the Company proposed final dividend of Rs. 10 per equity share for the year ended March 31, 2023 (March 31, 2021 - Rs. 10 per equity share). The total dividend payable amounting to Rs. 253 lakhs (March 31, 2022 - Rs. 257 lakhs) is not recognised as a liability as at March 31, 2023. Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2023.

16. Other non-current financial liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Rental deposit	23	23
Total	**23**	**23**

17. Provision - Non-current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (refer note 35)	331	324
Total	**331**	**324**

18. Trade payables - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Dues to micro and small enterprises (refer note below)	23	39
Others	1,536	1,793
Total	**1,559**	**1,832**

Terms and conditions of the above financial liabilities

- trade payables are non-interest bearing and are normally settled on 30-45 day terms.
- for explanations on the Company's credit risk management, refer to Note 40.

The dues to Micro and Small enterprises as defined in "The Micro, Small & Medium Enterprises Development Act, 2006" are as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	23	39
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid.	-	-

Trade payable ageing schedule as at March 31, 2023

Amount in Rs. lakhs

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 1 year	1 -2 years	2 - 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	22	1	-	-	23
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,097	404	34	1	-	1,536
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**1,097**	**426**	**35**	**1**	**-**	**1,559**

Trade payable ageing schedule as at March 31, 2022

Amount in Rs. lakhs

Particulars	Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 1 year	1 -2 years	2 - 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	-	12	**27**	-	-	39
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,227	491	75	-	-	1,793
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	**1,227**	**503**	102	**-**	**-**	**1,832**

19. Other financial liabilities - Current

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unpaid dividend	11	9
Other liabilities	128	63
Employee related liabilities	1,097	925
Total	**1,236**	**997**
Break up of financial liabilities carried at amortised cost:		
Lease liabilities (non-current) (Note 32)	220	472
Rental deposit (non-current) (Note 16)	23	23
Trade and other payables (current) (Note 18)	1,559	1,832
Lease liability (current) (Note 32)	343	314
Unpaid dividend (current) (Note 19)	11	9
Employee related liabilities (current) (Note 19)	1,097	925
Other liabilities (current) (Note 19)	128	63
Total	**3,381**	**3,638**

20. Provisions - Current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (refer Note 35)	71	59
Provision for compensated absences	343	354
Total	**414**	**413**

21. Other current liabilities

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Unearned income	161	164
Statutory dues	852	648
Total	**1,013**	**812**

22. Revenue from contracts with customers

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Sale of services	33,673	29,878
Total	**33,673**	**29,878**

a. Disaggregated revenue information

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Revenue by contract type		
Fixed price	1,284	1,065
Time and material	32,389	28,813
Total	**33,673**	**29,878**

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Timing of revenue recognition		
Services transferred at a point in time	-	-
Services transferred over time	33,673	29,878
Total	**33,673**	**29,878**

b. Contract balances & performance obligations

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	8,586	7,262
Unbilled revenue	115	192
Unearned income	161	164

c. Set out below is the amount of revenue recognised from

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Amounts included in contract liabilities at the beginning of the year	164	188

d. Remaining performance obligation

As the duration of the contracts for customer and enterprise platform is less than one year, the Company has opted for practical expedient and decided not to disclose the amount of the remaining performance obligations.

23. Other income

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Finance income (includes interest income on deposits for year ended March 31, 2022: Rs. 247 lakhs; March 31, 2021: Rs. 184 lakhs)	288	208
Rental income	26	23
Liabilities written back	-	22
Gain on sale of assets	1	-
Other non-operating income*	128	254
Total	**443**	**507**

* Includes grant received, gain on termination of lease agreement and service tax refund

24. Employee benefit expense

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries and wages	19,484	17,307
Contribution to provident and other funds	1,034	938
Gratuity (refer Note 35)	108	96
Share-based payment expense (refer Note 38)	8	4
Staff welfare expenses	495	545
Total	**21,129**	**18,890**

25. Finance costs

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expense and bank charges	52	43
Interest expense on lease liabilities (refer Note 32)	49	49
Total	**101**	**92**

26. Depreciation and amortisation expense

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment	116	163
Depreciation of right-of-use assets (refer Note 32)	332	327
Depreciation of investment property	1	2
Amortisation of intangible assets	4	10
Total	**453**	**502**

27. Other expenses

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Rent	98	63
Hiring charges	34	14
Directors sitting fees	72	46
Travel expenses	438	314
Foreign exchange loss, net	28	-
Power and fuel	88	82
Communication expenses	62	86
Professional charges	638	613
Repairs and maintenance		
- Buildings	1	1
- Others	118	117
Project supply and services	343	538
Rates and taxes	31	38
Insurance	56	59
Remuneration to auditors (refer Note 30)	39	52
Membership and subscription	261	241
Printing and stationery	7	11
Recruitment expenses	166	281
Provision for doubtful debts (net) (including unbilled revenue) and loss allowance	17	(132)
Contribution towards corporate social responsibility (refer Note 33)	21	18
Loss on sale of fixed assets	-	3
Bad debts written off	-	47
Miscellaneous expenses	22	51
Total	**2,540**	**2,543**

28. Exceptional Items

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Benefit under Paycheck Protection Program	-	1,818
Total	**-**	**1,818**

a. The US Federal government in the wake of COVID 19 pandemic provided support to business through Paycheck Protection Program (PPP). Mindteck Inc. obtained a benefit under this scheme for Rs. 1,818 Lakhs during April 2020. During the year ended March 31, 2022, Mindteck Inc. has received complete waiver/forgiveness of the loan amount from Small Business Administration, United States government agency and accordingly the aforesaid loan forgiveness has been shown as income under exceptional item.

29. Contingent liabilities and commitments

Amount in Rs. lakhs

(A) Particulars	As at March 31, 2023	As at March 31, 2022
(i) Income tax matters: The Company is involved in certain tax disputes pertaining to transfer pricing and other adjustments which are pending at various forums. Management is confident that the Company has a good case to defend and such cases are not tenable and no liability is expected in this regard.		
(a) in relation to AY: 2006-07, AY: 2016-17, AY: 2017-18, AY: 2018-19, AY: 2021-22 and AY: 2022-23	335	502
(ii) Company has utilised bank guarantee facilities against the bank guarantees provided to customers, Customs and Excise Departments for Software Technology Park of India (STPI) bonding facilities.	136	137

(B) The Group had accrued provision for material foreseeable losses for a long term contract with respect to a customer. As at March 31, 2023, the Group had assessed the balance revenue amounting to Rs. 12 lakhs (March 31, 2022: Rs. 38 lakhs) and balance costs to be accrued amounting to Rs. 69 lakhs (March 31,2022: Rs. 110 lakhs) for the commitment period, thereby recording provision amounting to Rs. 57 lakhs (March 31, 2022: Rs. 72 lakhs).

30. Auditors' remuneration

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
As auditor		
Audit fees	30	44
Tax audit fees	2	1
Other certification services	4	4
Reimbursement of expenses	3	3
Total	**39**	**52**

33. Earnings/(Loss) per share

The following table sets forth the computation of basic and diluted earnings per share:

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Net profit/ (loss) for the year attributable to equity shareholders	2,077	3,331
Weighted average number of equity shares of Rs. 10 each used for calculation of basic earnings per share (A)	2,51,54,236	2,52,53,744
Earnings/(loss) per share, basic (in Rs.)	**8.26**	13.19
Effect of dilutive potential shares		
- Employee stock options	1,01,758	1,21,894
- Equity shares reserved for issuance	**38,579**	38,579
- Equity shares held by Mindteck Employees Welfare Trust (reduced for calculation of basic earnings per share)	**4,16,000**	4,16,000
Total no. of dilutive potential shares (B)	**5,56,337**	5,76,473
Weighted average number of equity shares outstanding during the year for calculation of diluted earnings per share (A+B) *	2,57,10,573	2,58,30,217
Earnings/(loss) per share, diluted (in Rs.)	8.08	12.90

*The above potentional shares are anti-dilutive in nature for the year ended March 31, 2023 and accordingly was not considered for the purpose of calculation of diluted EPS.

32. Leases

Group as a lessee

During the year ended March 31, 2022, the Group has vacated the existing office premises and have accordingly issued a notice to current lessor to this effect. Consequently, in accordance with Ind AS 116 – Leases, the Group has derecognized the amortized value of existing right-of-use asset of Rs. 199 lakhs and lease liability of Rs. 213 lakhs determined till the completion of notice period and vacation of existing premises and has recognized a net gain of Rs. 14 lakhs as 'Other non operating income'.

Effective April 01, 2020, there was an amendment to Ind AS 116 - Leases. The amendment provides relief to the lessees in treating rent concessions arising as a direct consequence of the COVID-19 pandemic as a lease modification. The Group has applied the practical expedient as per Ind AS 116 – Leases. The impact of such rent concession was Rs. NIL lakhs (March 31, 2022: 43 lakhs) under lease liabilities for the year ended March 31, 2023.

The details of the right-of-use asset held by the Group is as follows:

Amount in Rs. lakhs

Particulars	Buildings
Gross carrying value	
As at April 1, 2021	1,337
Additions during the year	684
Disposals during the year	(330)
Exchange differences	1
As at March 31, 2022	**1,692**
Additions during the year	**83**
Disposals during the year	(917)
As at March 31, 2023	**858**
Depreciation	
As at April 1, 2021	687
Charge for the year	327
Disposals	(73)
Exchange differences	(2)
As at March 31, 2022	939
Charge for the year	**332**
Disposals	**(917)**
Exchange differences	**-**
As at March 31, 2023	**354**
Net block As at March 31, 2022	**753**
Net block As at March 31, 2023	**504**

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Balance at the beginning of the year	786	793
Additions	79	572
Interest on lease liabilities	49	49
Payments	(352)	(372)
Write-back on termination of contract	-	(213)
Rent concession received during the year	-	(43)
Exchange differences	1	-
Balance at the end of the year	**563**	**786**
Current	343	314
Non-current	220	472

The maturity analysis of lease liabilities are disclosed in Note 40.
The effective interest rate for lease liabilities is 8.13% with maturity between 2022-2024.

The following are the amounts recognised in profit or loss:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Other non-operating income	-	(57)
Depreciation expense of right-of-use assets	332	327
Interest expense on lease liabilities	49	49
Expense relating to short-term leases (included in other expenses)	98	63
Total	**479**	**382**

During the year ended March 31, 2023, the Group had total cash outflows for leases of Rs. 352 lakhs (March 31, 2022: Rs. 372 lakhs). The Group also had non-cash additions to right-of-use assets of Rs. 83 lakhs (March 31, 2022: Rs. 684 lakhs) and lease liabilities of Rs. 79 lakhs (March 31, 2022: Rs. 572 lakhs). There are no future cash outflows relating to leases that have not yet commenced.

The maturity analysis of undiscounted lease liabilities are as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Within 5 years	571	835
More than 5 years	-	-
Total	571	**835**

33. Expenditure on corporate social responsibility activities

Amount in Rs. lakhs

Particulars		Year ended March 31, 2023	Year ended March 31, 2022
a. Gross amount required to be spent by the Group during the year		21	18
b. Amount approved by board to be spent during the year		21	18
c. Amount spent during the year ending on March 31, 2023:	In Cash	Yet to be paid in cash	Total
i) construction acquisition of any asset	-	-	-
ii) on the purpose other than (i) above	21	-	21
d. Amount spent during the year ending on March 31, 2022:	In Cash	Yet to be paid in cash	Total
i) construction/ acquisition of any asset	-	-	-
ii) on the purpose other than (i) above	18	-	18
e. Details related to spent/unspent obligations:	-	-	-
i) For charitable purpose	-	21	18

* As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility ('CSR') committee has been formed by the Company. The primary function of the Committee is to assist the Board of Directors in formulating the CSR policy and review the implementation and progress of the same from time to time. During the year ended March 31,2023, the group has spent an amount of Rs. 21 lakhs (March 31, 2022: Rs. 18 lakhs) towards educational programms, old age home and other projects as recommended by CSR committee.

34. Income tax

Income tax expense in the statement of profit and loss consists of:

Amount in Rs. lakhs

Statement of profit or loss	Year ended March 31, 2023	Year ended March 31, 2022
Current tax	567	467
Deferred tax charge/(credit)	(19)	10
Income tax expense related to current year	548	**477**
Tax relating to earlier years	(27)	-
Income tax expense reported in the statement of profit or loss	**521**	**477**
Income tax recognised in other comprehensive income/(loss)		
Tax arising on income and expense recognised in other comprehensive income/(loss)	-	(7)
Total	**-**	**(7)**

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Profit before tax	2,598	1,990
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense/(credit)	654	501
Impact due to:		
Non-deductible expenses for tax purpose	7	16
Tax relating to earlier years	(27)	-
Impact due to differential overseas effective tax rates	(62)	(28)
Others	(51)	(12)
Total income tax expense	**521**	**477**

Deferred tax

Deferred tax relates to the following:

Amount in Rs. lakhs

Particulars	Balance sheet		Statement of profit and loss and other comprehensive income/(loss)	
	As at March 31, 2023	As at March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Property, plant and equipment and intangible assets	84	89	(5)	12
Provision for doubtful debts, loss allowance and deposits	26	34	(8)	(14)
Compensated absences	38	35	3	(1)
Gratuity	101	96	5	1
Others	189	165	24	(15)
Net deferred tax assets (net)	**438**	**419**		
Net deferred tax credit/(charge)			**19**	**(17)**

35. Employee benefits

A. Gratuity

The Company offers Gratuity benefits to employees, a defined benefit plan, Gratuity plan is governed by the Payment of Gratuity Act, 1972. Under gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure @15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables set out the funded status of the gratuity plan and the amount recognized in the Company's financial statements as at and for the year ended March 31, 2023 and March 31, 2022':   :

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Change in benefit obligations		
Benefit obligations at the beginning	402	380
Service cost	78	70
Interest expense	27	25
Actuarial loss/(gain) due to change in financial assumptions	(12)	(2)
Actuarial loss/(gain) due to experience adjustments	9	(26)
Benefits paid	(94)	(45)
Benefit obligations at the end	**410**	**402**
Change in plan assets		
Fair value of plan assets at the beginning	19	2
Contribution	85	65
Interest income	7	3
Administration expenses	(5)	(4)
Return on plan assets excluding amounts included in interest income	(4)	(2)
Benefits paid	(94)	(45)
Fair value of plan assets at the end	**8**	**19**
Reconciliation of fair value of assets and defined benefit obligations		
Present value of obligation as at the end of the year	410	402
Fair value of plan assets as at the end of the year	8	19
Amount recognised in the Balance Sheet	402	**383**
Current	71	59
Non-current	331	324

Expense recognised in profit or loss		
Current service cost	78	70
Interest expense	27	25
Interest income	(7)	(3)
Administrative expenses	5	4
Others	5	-
	108	**96**
Remeasurement gain/(loss) recognised in other comprehensive income/(loss)		
Actuarial gain/(loss) due to change in financial assumptions	12	2
Actuarial gain/(loss) due to experience adjustments	(9)	26
Return on plan assets excluding amounts included in interest income	(4)	(2)
	(1)	**26**

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Five year pay-outs		
Year 1	78	77
Year 2	65	66
Year 3	56	57
Year 4	58	50
Year 5	51	54
After 5th Year	276	244
Actuarial assumptions		
Discount rate	7.20%	6.50%
Salary growth rate	7.00%	7.00%
Attrition rate	20.00%	20.00%
Retirement age	58 years	58 years

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 Rs. lakhs

	Year ended March 31, 2023		Year ended March 31, 2022	
Particulars	**Increase**	**Decrease**	**Increase**	**Decrease**
Discount rate (1% movement)	(17)	18	(16)	17
Salary growth rate (1% movement)	20	(19)	19	(18)
Attrition rate (10% movement)	(5)	5	(5)	5

The Group's Gratuity Fund is managed by Life Insurance Corporation of India (LIC). The plan assets under the fund are deposited under approved securities.

The expected rate of return on assets is based on the expectation of the average long term rate of return on investment of the fund, during the estimated term of obligation.

The expected contribution in next year is Rs. 71 lakhs (March 31, 2022: Rs. 59 lakhs).

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation.

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

B. Contribution to provident fund

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund for the year aggregated to Rs. 343 lakhs (March 31, 2022: Rs. 293 lakhs).

36. Related party disclosures

(i) Names of related parties and description of relationship:

A. Enterprises who exercise Control

Transcompany Ltd., British Virgin Islands (BVI) - Ultimate holding company

Embtech Holdings Ltd., Mauritius - Holding company

B. Enterprises in which relative of an Independent Director is a Partner

CounsePro

Keyed foundation

C. Key management personnel

Meenaz Dhanani	Non-Executive Director
Keyuri Singh	Non-Executive Director (Appointed with effect from October 28, 2021)
Anand Balakrishnan	Managing Director and Chief Executive Officer
Jagdish Malkani	Independent Director
Guhan Subramaniam	Independent Director
Prochie Mukherji	Independent Director (Resigned with effect from August 4, 2021)
Satish Menon	Independent Director
Subhash Bhushan Dhar	Independent Director
Yusuf Lanewala	Chairman
Sanjeev Kathpalia	Non-Executive Director (Ceased to be Managing Director and Chief Executive Officer w.e.f. March 01, 2020 and continued to remain on the Board as a Non-Executive Director. Subsequently, resigned with effect from March 12, 2020)
Shivarama Adiga S.	Company Secretary
Ramachandra Magadi	Chief Financial Officer

(ii) Related party transactions:

Amount in Rs. lakhs

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
a.	**Contribution towards corporate social responsibility**		
	Keyed foundation	15	7
	Total	**15**	**7**
b.	**Transactions with the key management persons for the year ended are as follows:**		
	Compensation of key management personnel of the Group		
	Short-term employee benefits *	461	397
	Share-based payment transactions	8	4
	Benefits paid to non-executive directors/independent directors	87	46
	Total	**556**	**447**

* The remuneration to the key managerial personnel does not include the provision/ accruals made on best estimate basis as they are determined for the Group as a whole.

37. Segment information

A. Description of segments and principal activities

The Mindteck Group's operations predominantly relate to The Mindteck Group's operations predominantly relate to providing software services to external customers and providing IT-enabled services to subsidiaries within the Group.

Since IT-enabled services are rendered to subsidiaries which are consolidated, the disclosure of a separate IT-enabled services segment as a separate primary segment is not applicable. The Group is therefore considered to constitute a single primary business segment and accordingly primary segment disclosures have not been presented.

Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker also evaluates the Group performance and allocates resources based on an analysis of various performance indicators by geographical areas. Accordingly, information has been presented in respect of such geographical segments.

The accounting principles consistently used in the preparation of the consolidated financial statements are also consistently applied to record income and expenditure in the individual segments.

B. Geographical Segments

Amount in Rs. lakhs

Revenue	Year ended March 31, 2023	Year ended March 31, 2022
United States of America	15,979	14,263
India	4,440	3,708
Rest of the world	13,254	11,907
Total	**33,673**	**29,878**

Revenue from one customer amounted to more than 10% of the total revenue of the Group amounting to Rs. 3,370 lakhs for the year ended March 31, 2023 (March 31, 2022 : Rs. 3,611 lakhs).

Amount in Rs. lakhs

Carrying amount of segment assets	Year ended March 31, 2023	Year ended March 31, 2022
United States of America	6,632	6,613
India	8,672	8,738
Rest of the world	6,154	4,768
Unallocated Corporate asset - Goodwill on consolidation	2,815	2,815
Total	**24,273**	**22,934**

Amount in Rs. lakhs

Cost to acquire tangible and intangible fixed assets	Year ended March 31, 2023	Year ended March 31, 2022
United States of America	2	5
India	107	98
Rest of the world	31	10
Total	**140**	**113**

38. Employee stock options

As at March 31, 2023, the Company has the following share-based payment arrangements:

a. Employee Share Incentive Scheme 2000

The Company has an Employee Share Incentive Scheme 2000 ('ESIS 2000') for the benefit of its employees administered through the Mindteck Employees Welfare Trust ('The Trust'). The Trust, which was constituted for this purpose, subscribed to 416,000 equity shares renounced in its favour by the Company's promoters/directors in the Company's earlier rights issue. These shares are to be distributed amongst the employees, based on the recommendations made by the Company's Nomination & Remuneration Committee. No equity shares have been distributed under the ESIS 2000 and therefore, no stock compensation expense has been recorded. The above Scheme has been replaced by Mindteck Employee Stock Option Scheme 2020.

b. Mindteck Employees Stock Option Scheme 2005 (ESOP 2005)

During the year ended March 31, 2006, the Company introduced the 'Mindteck Employees Option Scheme 2005' ('the Option Scheme 2005') for the benefit of the employees of the Group, as approved by the Board of Directors in its meeting held on July 4, 2005 and the shareholders meeting held on July 29, 2005. The Option Scheme 2005 provides for the creation and issue of 500,000 options that would eventually convert into equity shares of Rs 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Compensation Committee of the Board of Directors. The options vest annually in a graded manner over a three year period and are exercisable during a maximum period of 5 years from the date of vesting.

During the year ended March 31, 2023 and March 31, 2022, the Company has not granted any options.

c. Mindteck Employees Stock Option Scheme 2008 (ESOP 2008)

During the year ended March 31, 2009, the Company introduced 'Mindteck Employees Stock Option Scheme 2008' ('the Option Scheme 2008') for the benefit of the employees of the Group, as approved by the Board of Directors in its meeting held on May 27, 2008 and the shareholders meeting held on July 30, 2008. The Option Scheme 2008 provides for the creation and issue of 1,200,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination & Remuneration Committee of the Board of Directors. The options will vest after the expiry of a period of twelve months from the date on which the options are granted. The vesting term and the period over which the options are exercisable is to be decided by the Nomination & Remuneration Committee.

During the year ended March 31, 2022 and March 31, 2021, the Company has not granted any options.

d. Mindteck Employees Stock Option Scheme 2014 (ESOP 2014)

During the year ended March 31, 2015, the Company introduced 'Mindteck Employees Stock Option Scheme 2014' ('the Option Scheme 2014') for the benefit of the employees of the Group, as approved by the Board of Directors in its meeting held on May 29, 2014 and the shareholders meeting held on August 14, 2014. The Option Scheme 2014 provides for the creation and issue of 2,500,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The options will vest after the expiry of a period of twelve months from the date on which the options are granted. The vesting term and the period over which the options are exercisable is to be decided by the Nomination and Remuneration Committee.

During the year ended March 31, 2023 , the Company has granted 250000 options (March 31,2022 : Nil).

e. Mindteck Employee Stock Option Scheme 2020 (ESOP 2020)

During the year ended March 31, 2021, the Company introduced 'Mindteck Employees Stock Option Scheme 2020' ('the Option Scheme 2020') for the benefit of its employees administered through the Mindteck Employees Welfare Trust ('The Trust') in lieu of Company's earlier Employee Share Incentive Scheme 2000. The Trust, which was constituted for this purpose, subscribed to 416,000 equity shares renounced in its favour by the Company's promoters/directors in the Company's earlier rights issue. The Scheme was approved by the Board of Directors in its meeting held on December 11, 2020 and by the shareholders through postal ballot held on January 17, 2021. The Option Scheme 2020 provides for the issue of 416,000 options that would eventually convert into equity shares of Rs. 10 each in the hands of the employees. The options are to yet to be granted to the eligible employees at the discretion of and at the exercise price determined by the Nomination and Remuneration Committee of the Board of Directors. The option Scheme 2020 shall provide a minimum vesting period of one year from the grant date. The options will vest after as per the expiry of a period of twelve months from the date on which the options are granted. The vesting term and the period over which the options are exercisable is to shall be decided by the Nomination and Remuneration Committee..

During the year ended March 31, 2023, the Company has granted 142,500 options on May 4, 2022 and 7,500 options on May 20, 2022.

During the year ended March 31, 2022, the Company has granted 350,000 options on June 20, 2021.

f. Employees' Stock Options details as on the balance sheet date are:

	2022-23		2021-22	
Particulars	**Option (no.)**	**Weighted average exercise price per stock option**	**Option (no.)**	**Weighted average exercise price per stock option**
Options outstanding at the beginning of the year				
ESOP 2005	63,350	56.97	1,06,100	54.32
ESOP 2008	2,32,150	87.69	2,98,451	79.48
ESOP 2014	59,000	34.70	1,00,000	34.70
ESOP 2020	-	-	-	-
Options granted during the year				
ESOP 2005	-	-	-	-
ESOP 2008	-	-	-	-
ESOP 2014	2,50,000	115.65	-	-
ESOP 2020	1,50,000	40.00	3,50,000	10.00
Forfeited, cancelled, surrendered or lapsed during the year				
ESOP 2005	11,000	85.97	17,500	66.62
ESOP 2008	54,116	76.83	40,665	50.39
ESOP 2014	-	-	-	-
ESOP 2020	7,500	40.00	3,50,000	10.00
Exercised during the year on exercise of employee stock options/restricted shares				
ESOP 2005	3,200	79.95	25,250	39.14
ESOP 2008	33,333	90.75	25,636	52.43
ESOP 2014	29,000	34.70	41,000	34.70
ESOP 2020	-	-	-	-
Options outstanding at the end of the year				
ESOP 2005	49,150	48.98	63,350	56.97
ESOP 2008	1,44,701	90.52	2,32,150	87.69
ESOP 2014	2,80,000	106.98	59,000	34.70
ESOP 2020	1,42,500	40.00	-	-
Options exercisable at the end of the year				
ESOP 2005	49,150	48.98	46,683	64.31
ESOP 2008	1,44,701	90.52	2,32,150	87.69
ESOP 2014	30,000	34.70	59,000	34.70
ESOP 2020	-	-	-	-

g. Details of Weighted average remaining contractual life and range of exercise prices for the options outstanding at the balance sheet date

	Weighted average remaining contractual life (years)*		Range of exercise prices		Fair value of options granted during the year	
Particulars	**2022-23**	**2021-22**	**2022-23**	**2021-22**	**2022-23**	**2021-22**
ESOP 2005	1.42	1.90	36.40 - 81.60	36.4-92.10	-	-
ESOP 2008	1.00	0.94	73.60 - 130.80	43.60 - 130.80	-	-
ESOP 2014	5.42	4.47	34.70 - 115.65	34.70 - 34.70	57.49	-
ESOP 2020	-	-	40	10 - 10	98.27 & 108.89	61.81

* considering vesting and exercise period

h. Fair value methodology

The following table list the inputs to the models used for the three plans for the year ended March 31, 2023 and March 31, 2022, respectively:

	March 31, 2023				March 31, 2022			
Particulars	**ESOP 2005**	**ESOP 2008**	**ESOP 2014**	**ESOP 2020**	**ESOP 2005**	**ESOP 2008**	**ESOP 2014**	**ESOP 2020**
Risk-free interest rate	-	-	7.33%	5.47	-	-	-	4.16%
Expected volatility of share	-	-	59.35%	57.12	-	-	-	58.36%
Expected dividend yield	-	-	1.63%	1.73	-	-	-	0.00%
Expected life (years)	-	-	4.50	1.23	-	-	-	1.25
Model used	-	-	Black scholes	Black scholes	-	-	-	Black scholes

The expected life of stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may also not necessarily be the actual outcome. 150,000 options have been granted during the year ended March 31, 2023 (March 31,2022: 350,000) under scheme ESOP 2020 and 250,000 options have been granted during the year ended March 31,2023 (March 31,2022: Nil) under scheme ESOP 2014.

i. The expense recognised for employee services received during the year is shown in the following table:

Amount in Rs. lakhs

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Expense arising from equity-settled share-based payment	8	4
Total expense arising from share-based payment	**8**	**4**

39. Financial instruments

The carrying value of financial instruments by categories is as below:

Amount in Rs. lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets - Non-current (measured at amortized cost)		
Security deposits ^	239	201
Fixed deposits bank with remaining maturity of more than 12 months #	40	2,053
Financial assets - Current (measured at fair value through profit & loss)		
Financial assets - Current (measured at amortized cost)		
Trade receivables #	8,586	7,262
Cash and cash equivalents #	4,143	5,028
Other bank balances #	5,891	2,663
Security deposits ^	24	58
Claimable expenses #	67	34
Accrued interest #	82	121
Employee advances #	41	55
Total assets	**19,113**	**17,475**
Financial liabilities - Non-current (measured at amortized cost)		
Lease liabilities ^	220	472
Rental deposit ^	23	23
Financial liabilities - Current (measured at amortized cost)		
Trade payables #	1,559	1,832
Lease liabilities ^	343	314
Unpaid dividend #	11	9
Others #	1,225	988
Total liabilities	**3,381**	**3,638**

Fair value hierarchy

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

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

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

Management has assessed these carrying balances approximates their fair value largely due to the short term maturities/ liquid nature.

^ These balances are determined by using discounted cash flows using discount rate that reflects the issuer's borrowing rate/ lending rate for the respective financial assets/ liabilities as at the end of the reporting period.

40. Financial risk management

The Group has exposure to following risks arising from financial instruments-

- credit risk
- market risk
- interest risk
- liquidity risk

a. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Company's audit committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relations to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

b. Credit risk

Credit risk is the risk that counter party will not meet its obligations under a financial instruments or customer contract leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables and unbilled revenue) from its financing activities including deposits with banks and financial institutions.

i) Trade and other receivables:

Credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

The impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogeneous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security.

Expected credit loss (ECL) assessment for corporate customers as at March 31, 2023 and March 31, 2022

The Company's credit period generally ranges from 0-90 days. The credit risk exposure of the Company is as follows:

Amount in Rs. lakhs

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Gross amount**	**Provision and loss allowance**	**Gross amount**	**Provision and loss allowance**
Trade receivables and unbilled revenue	8,838	252	7,492	230
Total	**8,838**	**252**	**7,492**	**230**

Reconciliation of provision for doubtful debts and loss allowance:

Amount in Rs. lakhs

Particulars	Amount
Provision and loss allowance on April 01, 2021	**325**
Changes in provision and loss allowance	(95)
Provision and loss allowance on March 31, 2022	**230**
Changes in provision and loss allowance	22
Provision and loss allowance on March 31, 2023	**252**

ii) Other financial assets and deposits with banks:

Credit risk on cash and cash equivalent (including bank balances, fixed deposits and margin money with banks) is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

c. Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect the Group's income and its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exchange risk arises from its foreign operations, foreign currency revenues and expenses, (primarily in United States Dollars ('USD'). The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. The Group also has exposures to Great Britain Pound ('GBP') and Singapore Dollar ('SGD').

Unhedged foreign currency exposure

Foreign currency exposures that have not been hedged by derivative instruments or otherwise are as follows:

		As at March 31, 2023	As at March 31, 2022
Particulars	**Currency**	**Amount in Rs. lakhs**	**Amount in Rs. lakhs**
Trade receivables towards services rendered	USD	277	208
Other current assets	SGD	8	-
	EUR	8	-
Trade payables for services availed	USD	38	34
	USD	18	13
	QAR	6	10

Sensitivity analysis

Every 1% increase or decrease of the respective foreign currencies compared to functional currency of the Group would cause the profit before tax in proportion to revenue to increase or decrease respectively by NIL% (profit before tax for the year ended March 31, 2022 by NIL%).

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to its short term borrowings in nature of working capital loans, which carry floating interest rates. Accordingly, the Group's risk of changes in interest rates relates primarily to the Group's debt obligations with floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant. The impact on entity's loss before tax due to change in the interest rate/ fair value of financial liabilities are as disclosed below:

Amount in Rs. lakhs

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	Change in interest rate	Effect on profit before tax	Change in interest rate	Effect on profit before tax
Borrowings	+1%	-	+1%	-
	-1%	-	-1%	-

d. Liquidity risk

Liquidity is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing the liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The Group believes that the cash and cash equivalents is sufficient to meet its current requirements. Accordingly no liquidity risk is perceived.

Exposure to liquidity risk

"The table below details the Group's remaining contractual maturity for its financial liabilities. The contractual cash flows reflect the cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

Amount in Rs. lakhs

Particulars	Carrying value	Contractual cash flows			
		Total	On demand	< 1 Yr	>1 Yr
March 31, 2023					
Lease liabilities	563	571	-	373	198
Rental deposit	23	23	-	-	23
Trade payables	1,559	1,559	-	1,559	-
Unpaid dividend	11	11	11	-	-
Employee related liabilities	1,097	1,097	-	1,097	-
Other liabilities	128	128	128	-	-
	3,381	**3,389**	**139**	**3,029**	**221**
March 31, 2022					
Lease liabilities	786	835	-	335	500
Rental deposit	23	23	-	-	23
Borrowings*	-	-	-	-	-
Trade payables	1,832	1,832	-	1,832	-
Unpaid dividend	9	9	9	-	-
Employee related liabilities	925	925	-	925	-
Other liabilities	63	63	63	-	-
	3,638	**3,687**	**72**	**3,092**	**523**

* Rounded-off to lakhs.

41. Capital management

"For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans and long-term and other strategic investment plans. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares. The current capital structure of the Group is equity based with no financing through borrowings. The Group is not subject to any externally imposed capital requirements."

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

42. Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

A. Contribution of net assets/(liability) in the consolidated financial statements:

Amount in Rs. lakhs

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Amount**	**% of total**	**Amount**	**% of total**
Parent				
Mindteck (India) Limited	9,266	49%	8,955	51%
Foreign entities				
Mindteck, Inc.	5,627	29%	5,181	30%
Mindteck Singapore Pte Ltd.	1,313	7%	1,069	6%
Mindteck Software Malaysia SDN. BHD	958	5%	949	5%
Mindteck UK Limited	763	4%	654	4%
Mindteck Middle East Ltd WLL, Kingdom of Bahrain	325	2%	198	1%
Mindteck Canada, Inc.	239	1%	295	2%
Mindteck Germany GmbH	535	3%	211	1%
Indian entities				
Mindteck Employee Welfare Trust	38	0%	38	0%
Total	**19,064**	**100%**	**17,550**	**100%**
Adjustments arising out of consolidation	-	0%	-	0%
Total	**19,064**	**100%**	**17,550**	**100%**

B. Contribution of profit/(loss) in the consolidated financial statements:

Amount in Rs. lakhs

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Amount**	**% of total**	**Amount**	**% of total**
Parent				
Mindteck (India) Limited	1,487	72%	1,098	33%
Foreign entities				
Mindteck, Inc.	134	6%	1,349	40%
Mindteck Singapore Pte Ltd.	232	11%	102	3%
Mindteck Software Malaysia SDN. BHD	35	2%	122	4%
Mindteck UK Limited	9	0%	430	13%
Mindteck Middle East Ltd WLL, Kingdom of Bahrain	72	3%	102	3%
Mindteck Canada, Inc.	(47)	-2%	78	2%
Mindteck Germany GmbH	156	8%	(13)	0%
Indian entities				
Mindteck Employee Welfare Trust	6	0%	1	0%
Total	**2,084**	**100%**	**3,269**	**98%**
Adjustments arising out of consolidation	**(7)**	0%	62	2%
Total	**2,077**	**100%**	**3,331**	**100%**

C. Share in other comprehensive income:

Amount in Rs. lakhs

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Amount**	**% of total**	**Amount**	**% of total**
Parent				
Mindteck (India) Limited	(1)	0%	19	10%
Foreign entities				
Mindteck, Inc.	409	74%	111	58%
Mindteck Singapore Pte Ltd.	118	21%	29	15%
Mindteck Software Malaysia SDN. BHD	28	5%	18	9%
Mindteck UK Limited	12	2%	(9)	-5%
Mindteck Middle East Ltd WLL, Kingdom of Bahrain	10	2%	3	2%
Mindteck Canada, Inc.	-	0%	10	5%
Mindteck Germany GmbH	(24)	-4%	12	6%
Indian entities				
Mindteck Employee Welfare Trust	-	0%	-	0%
Total	**552**	**100%**	**193**	**100%**
Adjustments arising out of consolidation	-	0%	-	0%
Total	**552**	**100%**	**193**	**100%**

D. Share in total comprehensive income:

Amount in Rs. lakhs

	As at March 31, 2023		As at March 31, 2022	
Particulars	**Amount**	**% of total**	**Amount**	**% of total**
Parent				
Mindteck (India) Limited	1,486	57%	1,117	32%
Foreign entities				
Mindteck, Inc.	543	21%	1,460	41%
Mindteck Singapore Pte Ltd.	350	13%	131	4%
Mindteck Software Malaysia SDN. BHD	63	2%	140	4%
Mindteck UK Limited	21	1%	421	12%
Mindteck Middle East Ltd WLL, Kingdom of Bahrain	82	3%	105	3%
Mindteck Canada, Inc.	(47)	-2%	88	2%
Mindteck Germany GmbH	132	5%	(1)	0%
Indian entities				
Mindteck Employee Welfare Trust	6	0%	1	0%
Total	**2,636**	**100%**	**3,462**	**98%**
Adjustments arising out of consolidation	**(7)**	0%	**62**	2%
Total	**2,629**	**100%**	**3,524**	**100%**

43. Other Statutory Information

(i) The Group do not have any Benami Property

(ii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,

(iii) The Group do not have any transactions with companies struck off

(iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year

(v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

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

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

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

44. The Company has entered into 'International transactions' with 'Associated Enterprises' which are subject to Transfer Pricing regulations in India. The Company is in the process of carrying out transfer pricing study for the year ended March 31, 2023 in this regard, to comply with the requirements of the Income Tax Act, 1961. The management of the Company is of the opinion that such transactions with Associated Enterprises are at arm's length and hence in compliance with the aforesaid legislation. Consequently, this will not have any impact on the consolidated financial statements, particularly on account of tax expense and that of provision for taxation.

45. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

46. Events after reporting date

There are no significant events after the reporting period.

As per our report of even date
For Suresh Surana & Associates LLP
Chartered Accountants
Firm Registration Number:
121750W/W-100010

per Rajesh Maniar
Partner
Membership Number: 040833

Place: Bengaluru
Date: May 19, 2023

for and on behalf of the Board of Directors of
Mindteck (India) Limited

Yusuf Lanewala	**Anand Balakrishnan**	**Jagdish Malkani**
Chairman	*Managing Director and CEO*	*Director*
DIN - 01770426	DIN - 05311032	DIN - 00326173
Ramachandra M S	**Shivarama Adiga S**	
Chief Financial Officer	*Company Secretary*	

Place: Bengaluru
Date: May 19, 2023

Notice of the Annual General Meeting

(CIN: L30007KA1991PLC039702)

NOTICE is hereby given that the **THIRTY SECOND ANNUAL GENERAL MEETING** of the Members of Mindteck (India) Limited will be held on Friday, August 11, 2023, at 12:00 Noon through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM), to transact the following business:

AS ORDINARY BUSINESS:

1. Adoption of Financial Statements.

To receive, consider and adopt the Audited Financial Statements, including the Consolidated Financial Statements of the Company, for the financial year ended March 31, 2023, together with the Board's Report and Auditor's Report thereon.

2. Declaration of Dividend.

To declare dividend of Re. 1/- per Equity Share for the financial year ended March 31, 2023.

3. Re-Appointment of Mr. Meenaz Dhanani who Retires by Rotation.

To appoint a Director in place of Mr. Meenaz Dhanani (DIN: 06705048), who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS:

4. Approval for payment of profit related commission to Non-Executive Directors including Independent Directors of the Company for the FY 2022-23

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 Section 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder and Regulation 17(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or any amendment(s) thereto, or any substitution(s) or any re-enactment(s) made thereof, for the time being in force) and based on the recommendation of the Nomination & Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded for the payment of remuneration by way of profit related commission to the Non-Executive Directors including Independent Directors of the Company for the financial year ended March 31, 2023, not exceeding one (1) percent of the net profits of the Company in aggregate.

RESOLVED FURTHER THAT the aforesaid remuneration to the Non-Executive Directors including Independent Directors of the Company will be in addition to the payment of sitting fees and reimbursement of expenses to the Directors for attending the meetings of the Board of Directors and Committees thereof.

RESOLVED FURTHER THAT the Managing Director & CEO and the Company Secretary of the Company be and are hereby severally authorised to take such steps, actions and do things, deeds, matters, including the filing of necessary forms with the Ministry of Corporate Affairs and intimation to Stock Exchanges, if any, as may be required so as to give proper effect to this Resolution.

Registered Office

A. M. R. Tech Park
Block-1, 3rd Floor
#664, 23/24
Hosur Main Road
Bommanahalli
Bengaluru-560068 India

May 19, 2023

BY ORDER OF THE BOARD

for Mindteck (India) Limited

Shivarama Adiga S.
Vice President
Legal and Company Secretary

NOTES:

1. In the light of the continuing COVID-19 pandemic and the requirement of social distancing, the Ministry of Corporate Affairs ("MCA") vide Circular No. 10/2022 dated December 28, 2022 in continuation to its earlier Circular No. 20/2020 dated May 05, 2020 (collectively referred to as "MCA Circulars") has authorised all the Companies whose Annual General Meetings (AGM) are due to be held in the year 2023 to conduct their AGMs before September 30, 2023 through VC/OAVM. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred as SEBI (LODR) Regulations] and above MCA Circulars, the AGM of the Company will be held through VC/OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only.

2. Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business, is annexed hereto.

3. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast votes for the Members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

4. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (LODR) Regulations 2015, as amended from time to time, and as per the above MCA Circulars, the Company is providing the facility of remote e-voting to its Members in respect of all the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as an authorised e-voting agency. The facility of casting votes by a Member using remote e-voting, as well as the e-voting system on the date of the AGM, will be directly provided by CDSL.

5. Members may join the AGM through VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility for participating at the AGM through VC/OAVM will be made available to 1000 Members on a first come, first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship

Committee, Auditors etc. who are allowed to attend the AGM without any restriction on account of the first come, first serve basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

7. Pursuant to Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Register shall remain closed from August 05, 2023 to August 11, 2023 (both days inclusive) for the purpose of AGM and payment of dividend.

8. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM, will be paid within a period of 30 days from the date of declaration to those Members whose names appear on the Register of Members as on August 04, 2023.

9. The dividend once approved by the shareholders in the ensuing AGM will be paid electronically through various online transfer modes to those shareholders who have updated their bank account details. For shareholders who have not updated their bank account details, dividend warrants/demand drafts will be sent to their address registered with the Company/Depository Participants (DP). To avoid delay in receiving the dividend, shareholders are requested to update their bank details with their DP (shares held in dematerialised mode) and with the Company's Registrar and Share Transfer Agent (shares held in physical mode) to receive the dividend directly into their bank account within a period of 30 days from the date of declaration.

   The Company is obliged to print bank details on the dividend warrants/demand drafts as furnished by the DPs and the Company cannot entertain any request for deletion/change of bank details already printed on the dividend warrant(s)/demand draft(s) based on the information received from the concerned DPs, without confirmation from them. In this regard, Members are advised to contact their DPs and furnish them the particulars of any change desired, if not already provided.

10. The Company will deduct tax at source (TDS) at the prescribed rates on the dividend paid to its shareholders. The TDS rate would vary depending on the residential status of the shareholders and the documents submitted by them and accepted by the Company. Accordingly, the above referred dividend will be paid after deducting TDS. The Company has sent out individual communication to the shareholders who have registered their email IDs with the Company/RTA. Kindly refer FAQ on TDS (https://www.mindteck.com/assets/investor_pdf/FAQs-on-Tax-Deducted-at-Source.pdf) for information on relevant documents to be submitted to the Company, TDS rates etc. The documents have to be submitted to **mindtecktds@unisec.in** on or before August 04, 2023 in order to enable the Company to determine and deduct appropriate TDS/withholding tax rate. The shareholders are requested to update their PAN with the RTA (shares held in physical mode) and with DP (shares held in demat mode).

    In case where shares are held by intermediaries/ stock brokers and TDS is to be applied by the Company in the PAN of the beneficial shareholders, then intermediaries/stock brokers will have to provide the details of such beneficial shareholders along with self-declaration that the shareholders are the beneficial owners on or before August 04, 2023, accordingly the TDS will be credited to the beneficiary PAN.

    The Primary shareholder can request the Company to provide the credit of Tax Deducted at Source on the dividend pay-outs by the Company, separately in the case of joint shareholders (beneficiary shareholder) of the said shares by submitting the declaration as per Rule 37BA of the Income Tax Rules, 1962 on or before the aforementioned date.

11. **It is mandatory vide SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 to update PAN, Address, Email ID, Bank account details (KYC details) and Nomination details of shareholders, who have not updated the same with RTA in case of physical shareholding and with DP in case of Demat shareholding. Henceforth, RTA will attend to all service requests of the shareholders with respect to transmission, dividend, etc., only after updating the above details in the records.**

    Non-updation of KYC - Wherein any one of the above cited details/documents (i.e. PAN, Bank Details, Nomination) are not available on or after April 01, 2023, the folios shall be frozen by the RTA as per above SEBI circular.

    The securities in the frozen folios shall be:

    a) eligible to lodge grievance or avail service request from the RTA only after furnishing the complete documents/details as aforesaid.

    b) eligible for any payment including dividend only through electronic mode and an intimation from the RTA to the shareholder that the aforesaid payment is due and shall be made electronically upon complying with the requirements.

    c) referred by the RTA/the Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on December 31, 2025.

    The RTA shall revert the frozen folios to normal status upon:

    a) receipt of all the aforesaid documents/details.

    b) dematerialisation of all the securities in such folios.

12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, and the relevant documents referred to in the Notice will be available electronically for inspection by the Members from August 08, 2023, 9:00 a.m. onwards, till the conclusion of the AGM. Members may log into the CDSL website (www.evotingindia.com) with their respective credentials and inspect the above referred documents and registers which will be made available under the Company's EVSN.

13. Members holding shares in dematerialised mode are requested to intimate any changes pertaining to their name, address, email IDs, bank details, Electronic Clearing Service (ECS) or National Electronic Clearing Service (NECS) compliant bank account numbers, mandates, nominations, Power of Attorney, etc., to their respective DP. Changes intimated to the DP will be automatically reflected in the Company's records that will help the Company and its RTA to provide efficient and better services to Members. Members holding shares in physical mode are requested to intimate such changes to the RTA, Universal Capital Securities Private Limited at C 101, 247 Park, LBS Road,

Vikhroli West, Mumbai – 400083, Contact No.: 022-4918 6178-79, Fax No.: 022-4918 6060, Email ID: gamare@unisec.in. For Members holding shares in physical mode, the formats to update your ECS and email IDs are made available as part of the Annual Report.

14. AS PER SEBI CIRCULAR NO. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 DATED APRIL 20, 2018, ANY MEMBERS STILL HOLDING THEIR SHARES IN PHYSICAL MODE ARE REQUESTED TO SUBMIT THE PARTICULARS OF THEIR PAN NUMBER AND BANK ACCOUNT, i.e. BANK ACCOUNT NUMBER, NAME OF THE BANK, ADDRESS OF THE BRANCH, IFSC, MICR CODE OF THE BRANCH AND TYPE OF ACCOUNT, TO THE COMPANY'S RTA AT UNIVERSAL CAPITAL SECURITIES PRIVATE LIMITED AT C 101, 247 PARK, LBS ROAD, VIKHROLI WEST, MUMBAI – 400083, CONTACT NO.: 022-4918 6178-79, FAX NO.: 022-4918 6060, EMAIL ID: gamare@unisec.in, IN RESPECT OF WHICH SEPARATE COMMUNICATIONS HAVE ALREADY BEEN SENT TO SUCH SHAREHOLDERS BY THE COMPANY IN LINE WITH SEBI REQUIREMENTS.

15. AS PER REGULATION 40 OF SEBI (LODR) REGULATIONS, AS AMENDED FROM TIME TO TIME, SECURITIES OF LISTED COMPANIES CAN BE TRANSFERRED ONLY IN DEMATERIALIZED MODE WITH EFFECT FROM, APRIL 01, 2019, EXCEPT IN CASE OF REQUEST RECEIVED FOR TRANSMISSION OR TRANSPOSITION AND RE-LODGED TRANSFERS OF SECURITIES. FURTHER, SEBI VIDE ITS CIRCULAR NO. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 DATED DECEMBER 02, 2020 HAD FIXED MARCH 31, 2021 AS THE CUT-OFF DATE FOR RE-LODGEMENT OF TRANSFER DEEDS AND THE SHARES THAT ARE RE-LODGED FOR TRANSFER SHALL BE ISSUED IN DEMAT MODE ONLY.

16. MEMBERS HOLDING SHARES IN PHYSICAL MODE ARE REQUESTED TO CONVERT THEIR HOLDING TO DEMATERIALISED MODE TO ELIMINATE ANY KIND OF RISKS ASSOCIATED WITH THE PHYSICAL SHARES AND FOR EASE IN PORTFOLIO MANAGEMENT, SINCE PHYSICAL SHARE TRANSFERS ARE PROHIBITED BY SEBI FROM APRIL 01, 2019.

17. MEMBERS ARE REQUESTED TO NOTE THAT, IF THE DIVIDENDS ARE NOT ENCASHED FOR A CONSECUTIVE PERIOD OF SEVEN (7) YEARS FROM THE DATE OF TRANSFER TO THE UNPAID DIVIDEND ACCOUNT OF THE COMPANY, IT SHALL BE TRANSFERRED TO THE INVESTOR EDUCATION AND PROTECTION FUND ("IEPF"). THE SHARES IN RESPECT OF SUCH UNCLAIMED DIVIDENDS, SHALL ALSO BE TRANSFERRED TO THE DEMAT ACCOUNT OF THE IEPF AUTHORITY. IN THIS REGARD, MEMBERS ARE REQUESTED TO CLAIM THEIR DIVIDENDS FROM THE COMPANY. MEMBERS WHOSE UNCLAIMED DIVIDENDS/SHARES ARE ALREADY TRANSFERRED TO IEPF MAY CLAIM THE SAME BY MAKING AN ONLINE APPLICATION TO THE IEPF AUTHORITY THROUGH E-FORM NO. IEPF-5 WHICH IS AVAILABLE ON WWW.IEPF.GOV.IN. MEMBERS ARE REQUESTED TO CLAIM ANY OUTSTANDING DIVIDENDS BY WRITING TO THE COMPANY SECRETARY AT shivarama.adiga@mindteck.com OR TO THE COMPANY'S RTA AT gamare@unisec.in. MEMBERS' ATTENTION IS PARTICULARLY DRAWN TO THE "CORPORATE GOVERNANCE REPORT" OF THE ANNUAL REPORT IN RESPECT OF UNCLAIMED DIVIDENDS ON **PAGE NUMBER 42**.

18. Pursuant to MCA and SEBI Circulars, the Notice of the AGM along with the Annual Report for FY 2022-23 is sent only through electronic mode to those Members whose email IDs are registered with the Company/Depositories. Members may note that the AGM Notice and Annual Report for FY 2022-23 will also be available on the Company's website at www.mindteck.com and websites of the Stock Exchanges: BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM) at www.evotingindia.com. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with above mentioned Circulars.

19. Members requiring any information or copies of financials of the Subsidiaries may refer the same on the website of the Company under the Investors Section.

20. Since the AGM will be held through VC/OAVM, the Route Map, Proxy form and Attendance Slip are not annexed to this Notice.

21. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 44 of SEBI (LODR) Regulations, Members are provided with the facility to cast their vote electronically through the e-voting services provided by CDSL on all resolutions set forth in this Notice.

A. Instructions for shareholders voting electronically are as under:

(i) The voting period begins on August 08, 2023 (9.00 a.m.) and ends on August 10, 2023 (5.00 p.m.). During this period, shareholders of the Company, holding shares either in physical mode or in dematerialised mode, as on the cut-off date (record date) of August 04, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date shall not be entitled to vote on the meeting date.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, and under the Regulation 44 of SEBI LODR Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level. Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 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.

Pursuant to aforesaid SEBI Circular, Login Method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are *https://web.cdslindia.com/myeasinew/Home/Login* or visit *www.cdslindia.com* and click on Login icon and select New System Myeasi. 2. After successful login, the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting the vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at *https://web.cdslindia.com/myeasinew/Registration/EasiRegistration*. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser and type the following URL: *https://eservices.nsdl.com* either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS". Portal or click at *https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp*. • Visit the e-Voting website of NSDL. Open web browser and type the following URL: *https://www.evoting.nsdl*.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.
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. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issues in login can contact CDSL helpdesk by sending a request at helpdesk. *evoting@cdslindia.com* or contact at 022- 23058738 and 022-23058542-43
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issues in login can contact NSDL helpdesk by sending a request at *evoting@nsdl.co.in* or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

(v) **Login method for e-Voting and joining virtual meeting for physical shareholders and shareholders other than individuals holding shares in demat mode:**

a. Log on to the e-voting website www.evotingindia.com.

b. Click on "Shareholders" module.

c. Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical mode should enter Folio Number registered with the Company.

d. Next enter the Image Verification as displayed and Click on Login.

e. If you are holding shares in Demat mode and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is required to be used.

f. If you are a first-time user follow the steps provided below:

For Members holding shares in Demat mode (other than individuals) and Physical mode	
PAN	• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) • If you have not updated your PAN with the Company/Depository Participant, you are requested to use the sequence number sent by Company/RTA or contact Company/RTA. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Example: if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY format) as recorded in your Demat account or in the Company records in order to login. • If both the details are not recorded with the Depository or Company please enter the Member ID/Folio number in the Dividend Bank details field as mentioned in instruction (v)(c).

(vi) After entering the above details appropriately, click on "SUBMIT" tab.

(vii) If you hold shares in physical mode, you will directly reach the Company selection screen. However, if you hold shares in Demat mode, you will reach 'Password Creation' menu wherein you are required to mandatorily enter your login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting on resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) If you hold shares in physical mode, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for Mindteck (India) Limited on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, that have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a printout of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a Demat account holder has forgotten the login password, then enter the User ID and the image verification code and click on "Forgot Password", and enter the details as prompted by the system.

(xvi) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**

a. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to *www.evotingindia.com* and register themselves in the 'Corporates' module.

b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.

c. After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

d. The list of accounts linked in the login should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.

e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

f. Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory who is authorised to vote, to the Scrutinizer and to the Company at the email address viz; **shivarama.adiga@mindteck.com**, if they have voted from individual tab and have not uploaded the same in the CDSL e-voting system for scrutinizer's verification.

Process for those Shareholders whose Email ID/Mobile No. are not Registered with the Company/Depositories:

1. *For Physical shareholders:* please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAAR (self attested scanned copy of Aadhaar Card) by email to Company/RTA.
2. *For Demat Shareholders (other than Individuals)* – Please update your email IDs and Mobile No. with your respective Depository Participants (DP).
3. *For Individual Demat shareholders* – Please update your email ID and Mobile No. with your respective Depository Participants (DP) which is mandatory for e-Voting and joining virtual meeting through Depository.

Instructions to Shareholders attending the AGM through VC/ OAVM and E-voting during the meeting are as under:

1. The procedure for attending the meeting and e-voting on the day of the AGM is same as per the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend the AGM will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. The above link shall be open 15 minutes before the scheduled AGM time i.e. 11.45 A.M. on Friday, August 11, 2023.
5. Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
6. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
7. 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.
8. Shareholders who would like to express their views/ ask any questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to the meeting mentioning their name, demat account number/folio number, email ID, mobile number at shivarama.adiga@mindteck.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance, 7 days prior to meeting mentioning their name, demat account number/folio number, email ID, mobile number at shivarama.adiga@mindteck.com. These queries will be replied by the Company suitably by email.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are present at 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 available during the AGM.
11. **If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.**

In case you have any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting System, you can write an email to **helpdesk.evoting@cdslindia.com** or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Senior Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to **helpdesk.evoting@cdslindia.com** or call on 022-23058542/43.

B. Other Instructions:

i. The remote e-voting period commences on August 08, 2023 (9:00 a.m.) and ends on August 10, 2023 (5:00 p.m.). During this period, Members of the Company holding shares either in physical mode or in dematerialized mode, as on August 04, 2023 (cut-off date), may cast their vote electronically.

ii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on August 04, 2023 **(cut-off date).**

iii. Those investors who became shareholders of the Company after dispatch of the AGM Notice and holding shares as of August 04, 2023 **(cut-off date)** may obtain the login ID and password by sending a request at **helpdesk.evoting@cdslindia.com** or **shivarama.adiga@mindteck.com**.

iv. Mr. Gopalakrishnaraj H H., Practicing Company Secretary (Membership No. FCS 5654), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

v. The Scrutinizer shall, within a period not exceeding two (2) working days from the conclusion of the AGM, unblock all the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

vi. The results declared, along with the Scrutinizer's Report, shall be placed on the Company's website *(www.mindteck.com)* and on the website of CDSL *(www.evotingindia.com)* within two (2) working days of the passing of the Resolutions at the Thirty-Second AGM of the Company on August 11, 2023 and shall be communicated to the Stock Exchanges, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4: Approval for payment of profit related commission to Non-Executive Directors including Independent Directors of the Company for the FY 2022-23

The Board of Directors recommended the payment of profit related commission for the FY 2022-23 to Non-Executive Directors including Independent Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The Board recommends the payment of profit related commission to its Non-Executive Directors including Independent Directors, not exceeding 1% of the net profits of the Company, in aggregate, as per Section 197 and 198 and any other relevant provisions of the Companies Act, 2013.

The profit related commission will be in addition to the payment of sitting fees and reimbursement of expenses to the Directors for attending the meetings of the Board of Directors and Committees thereof.

With the exception of Mr. Anand Balakrishnan, Managing Director and CEO, Mr. Meenaz Dhanani, Non-Executive Director and the Key Managerial Personnel of the Company, all other Non-Executive Directors including Independent Directors of the Company and their relatives are concerned or interested in the resolution set out at Item No. 4 of the Notice.

The Board recommends the resolution for the approval of the Members.

Information as per Secretarial Standards:

Name	Mr. Yusuf Lanewala	Mr. Guhan Subramaniam
Age	69 years	69 years
Date of first appointment on the Board	February 13, 2013	May 20, 2016
Qualifications	Bachelor of Commerce degree from St. Xavier’s College, Kolkata and an MBA from the State University of New York. Attended an Executive Education Program in Change Management at the Harvard Business School.	Bachelor’s degree in Economics from Nowrosjee Wadia College of the University of Pune (India). A postgraduate programme in Business Management at the University’s Symbiosis Institute of Management.
Experience	Over 40 years	Over 40 years
Remuneration last drawn	No remuneration was drawn except sitting fees for attending the Board and Committee Meetings as approved by the Board and profit-related commission as approved by Members of the Company.	No remuneration was drawn except sitting fees for attending the Board and Committee Meetings as approved by the Board and profit-related commission as approved by Members of the Company .
Shareholding in the Company	63,038 shares	NIL
Relationship with other Directors/KMP of the Company	NIL	NIL
Number of Board Meetings attended during the FY 2022-23	Four (4) Board Meetings	Four (4) Board Meetings
Directorships in other Companies (including Section 8 Company)	NIL	Keyed Foundation
Chairman/Member of the Committee(s) of Board of Directors in other Companies in which he/she is a Director	NIL	NIL
Terms and Conditions of appointment/ re-appointment	NA	NA

Name	Mr. Satish Menon	Mr. Subhash Bhushan Dhar
Age	65 years	57 years
Date of first appointment on the Board	May 14, 2018	May 29, 2018
Qualifications	B.Com and Fellow Member of The Institute of Company Secretaries of India	PGDM from IIM Bangalore and Bachelor's in Computer Science from the Birla Institute of Technology, Mesra.
Experience	Over 40 years	Over 25 years
Remuneration last drawn	No remuneration was drawn except sitting fees for attending the Board and Committee Meetings as approved by the Board and profit-related commission as approved by Members of the Company.	No remuneration was drawn except sitting fees for attending the Board and Committee Meetings as approved by the Board and profit-related commission as approved by Members of the Company.
Shareholding in the Company	NIL	NIL
Relationship with other Directors/KMP of the Company	NIL	NIL
Number of Board Meetings attended during the FY 2022-23	Four (4) Board Meetings	Four (4) Board Meetings
Directorships in other Companies (including Section 8 Company)	NIL	1. Enterprise Nube Services Private Limited 2. Commence Mint Ventures Private Limited
Chairman/Member of the Committee(s) of Board of Directors in other Companies in which he/she is a Director	NIL	NIL
Terms and Conditions of appointment/ re-appointment	NA	NA

Name	Mr. Jagdish Dayal Malkani	Ms. Keyuri Singh
Age	67 years	64 years
Date of first appointment on the Board	August 08, 2013	October 28, 2021
Qualifications	Master of Science degree in Management from Stanford Graduate School of Business in California where he was a Sloan Fellow. MBA with specialization in Finance from the Indian Institute of Management, Calcutta.	B.Com and CA degrees from Institutions in Mumbai, India.
Experience	Over 40 years	Over 40 years
Remuneration last drawn	No remuneration was drawn except sitting fees for attending the Board and Committee Meetings as approved by the Board and profit-related commission as approved by Members of the Company.	No remuneration was drawn except sitting fees for attending the Board and Committee Meetings as approved by the Board and profit-related commission as approved by Members of the Company.
Shareholding in the Company	NIL	NIL
Relationship with other Directors/KMP of the Company	NIL	NIL
Number of Board Meetings attended during the FY 2022-23	Four (4) Board Meetings	Four (4) Board Meetings
Directorships in other Companies (including Section 8 Company)	1. Jagvin Financial Services Private Limited 2. Jagvin Investments Private Limited 3. Senbonzakura Consultancy Private Limited	NIL
Chairman/Member of the Committee(s) of Board of Directors in other Companies in which he/she is a Director	NIL	NIL
Terms and Conditions of appointment/ re-appointment	NA	NA

Registered Office
A. M. R. Tech Park Block-1, 3rd Floor
#664, 23/24, Hosur Main Road, Bommanahalli
Bengaluru-560068 India

May 19, 2023

BY ORDER OF THE BOARD

for Mindteck (India) Limited
Shivarama Adiga S.
Vice President
Legal and Company Secretary

ANNEXURE TO THE NOTICE

INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS.

Name of the Director	Mr. Meenaz Dhanani
Appointment/Re-appointment	Re-appointment of Director liable to retire by rotation
Brief Resume and nature of expertise in specific functional	Meenaz Dhanani, a Non-Executive Director of Mindteck (India) Limited, serves as President of Mindteck, Inc. He manages the Company's operations in the US and Canada, and also oversees the region's IT Talent business. Meenaz is a 30-plus year investment banking veteran with deep knowledge and expertise in international credit, trade and project finance, corporate finance, real estate, private equity, and venture capital investments. Prior to joining Mindteck in 2013, Meenaz headed the investment advisory subsidiary of Bahrain-based TAIB Bank where he managed the firm's portfolio of US real estate and technology investments. He holds a B.A. from Bernard M. Baruch College, where he majored in Finance and Investment Analysis.
List of other Listed Companies in which Directorship is held	NIL
Chairman/Member of the Committee(s) of Board of Directors of other Listed Companies in which he/she is a Director	NIL
Shareholding/Stock Options in the Company	66,667 Stock Options
Relationship with other Directors/ KMP of the Company	NIL

FORM FOR REGISTERING EMAIL ID

FOR SHARES HELD IN PHYSICAL MODE

Please complete this form and send it to:
Shivarama Adiga S.
VP- Legal and Company Secretary
Mindteck (India) Limited
A. M. R. Tech Park, Block-1, 3rd Floor #664
23/24, Hosur Main Road Bommanahalli
Bengaluru-560068

E-mail: shivarama.adiga@mindteck.com

SHAREHOLDERS HOLDING SHARES IN DEMAT MODE

Please inform your respective Depository Participant

Dear Sir,

I hereby request the Company to register my e-mail address as given below and give my consent for service of documents including the Notice of Shareholders' Meeting & Postal Ballot, Balance Sheet, Profit & Loss Account, Auditor's Report, Board's Report etc., through e-mail:

1. Folio No.
2. Name of the 1st Registered Holder
3. E-mail address

Signature of the first registered holder as per the specimen signature with the Company

Name

Place

Date _ /_ /____

ECS MANDATE FORM

FOR SHARES HELD IN PHYSICAL MODE
Please complete this form and send it to:

Shivarama Adiga S.
VP-Legal & Company Secretary
Mindteck (India) Limited
A. M. R. Tech Park, Block-1, 3rd Floor
#664, 23/24, Hosur Main Road, Bommanahalli
Bengaluru - 560068

E mail: shivarama.adiga@mindteck.com

SHAREHOLDERS HOLDING SHARES IN DEMAT MODE
Please inform your respective Depository Participant

Dear Sir,
I hereby declare to have the amount of dividend on my equity shares through the Electronic Clearing Service (ECS).
The particulars are as under:

1) Folio No. ______________________________
2) Name of the 1st Registered Holder ______________________________
3) E-mail ID of the 1st Registered Holder ______________________________
4) Bank Details

- Name of the Bank ______________________________
- Full Address of the Branch ______________________________
____
- Complete Account Number ______________________________
- Account Type: (Please tick the relevant box for Savings Account or Current Account

☐ Savings Account	☐ Current Account

- Nine-Digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank
(Please attach a cancelled or photocopy of cheque)

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed because of incomplete or incorrect information, I will not hold the Company responsible.

____
Signature of the first registered holder as per the specimen signature with the Company

Date:__/__/____

Name: ______________________________

Address: ______________________________

Note:
1. This form is meant for shareholders holding shares in physical mode.
2. Shareholders holding shares in Demat mode should register their ECS particulars with their Depository Participants (DPs).

INFORMATION AT A GLANCE

Particulars	Details
Date and time of AGM	Friday, August 11, 2023 at 12:00 Noon
Mode	Video Conferencing (VC) or Other Audio-Visual Means (OAVM)
Participation through Video Conferencing	*https://www.evotingindia.com*
Helpline number for VC participation	1800225533
AGM Transcript*	*https://www.mindteck.com/investors*
Cut-off date for e-voting	Friday, August 04, 2023
Remote e-Voting start time and date	Tuesday, August 08, 2023 at 9:00 a.m.
Remote e-Voting end time and date	Thursday, August 10, 2023 at 5.00 p.m.
FAQs on TDS	*https://www.mindteck.com/assets/investor_pdf/FAQs-on-Tax-Deducted-at-Source.pdf*
E-voting website of CDSL	*https://www.evotingindia.com*
Name, address and contact details of e-voting service provider	**Contact name:** Mr. Rakesh Dalvi, *Manager* **Central Depository Services (India) Limited** A Wing, 25th Floor, Marathon Futurex Mafatlal Mills Compound, N.M. Joshi Marg Lower Parel (E) Mumbai – 400013, India **Contact details:** Email ID: **helpdesk.evoting@cdslindia.com** Contact number: 91 22 23058542/ 1800225533
Name, address and contact details of Registrar and Transfer Agent.	**Contact name:** Mr. Santosh Gamare **Universal Capital Securities Private Limited** C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400083, India **Contact details:** Email ID: **gamare@unisec.in** Contact number: 91 22 49186178-79

*The AGM Transcript will be available for Shareholders' review after 48 hours from the conclusion of the AGM.

BSE Scrip Code: 517344
NSE: MINDTECK

Global Locations

INDIA

Bengaluru
(Global Headquarters)
A. M. R. Tech Park
Block-1, 3rd Floor
#664, 23/24
Hosur Main Road
Bommanahalli
Bengaluru - 560068
Tel: 91 80 4154 8000
Fax: 91 80 4112 5813

Kolkata
Millennium Towers
Unit: T-2 9C
Tower II, Level IX
Plot No: 62, Block DN
Sector V, Salt Lake
Kolkata - 700091
Tel: 91 33 2367 4337/8
Fax: 91 33 2367 4336

Mumbai
T-361, 6th Floor
Tower No. 8
Belapur Station Building
CBD Belapur
Navi Mumbai - 400614

SINGAPORE

7B Keppel Road
#05-09 PSA Tanjong
Pagar Complex
Singapore 089055
Tel: 65 6225 4516,
65 6372 0067
Fax: 65 6225 4517

MALAYSIA

Galleria@Cyberjaya Unit 16-5
Jalan Tecknokrat 6, Cyber 5
63000 Cyberjaya
Selangor Darul Ehsan,
Malaysia
Tel: 603 8325 1365
Fax: 603 8325 1364

Suite 451, L3A-2, Level 3A
SPICE Arena 180
Jalan Tun Dr. Awang
11900 Relau
Pulau Pinang, Malaysia
Tel: 604 6158 029

BAHRAIN

Office #44, 3rd Floor
Suhail Center, Building 81
Road 1702, Block 317
Diplomatic Area
PO Box 10795, Manama
Kingdom of Bahrain
Tel: 973 1753 4469
Fax: 973 1753 6332

UNITED STATES

Florida
(US Headquarters)
5150 North Tamiami Trail
Suite 200 Naples
Florida 34103
Tel: 1 239-990-2417

California
39899 Balentine Drive
Suite 200
Newark, CA 94560
Tel: 1 510 490 1905
Fax: 1 717 732 2927

CANADA

Ontario
2-215 Traders Boulevard East
Mississauga, ON L4Z 3K5

GERMANY

Herriotstrasse 1
60528 Frankfurt am Main
Germany
Tel: 49 (0) 696 7733 488
Fax: 49 (0) 696 7733 200

UNITED KINGDOM

4 Imperial Place
Maxwell Road,
Borehamwood
Hertfordshire WD6 1JN
United Kingdom
Tel: 44 (0) 208 213 3121
Fax: 44 (0) 208 213 3001

Mindteck is a global engineering and technology solutions company devoted to delivering knowledge that matters to help clients compete, innovate and propel forward along the digital continuum. The company's legacy expertise in embedded systems, enterprise applications and testing are a powerful complement to competencies in data services, such as AI/ML, and cloud, cybersecurity, and IoT. Since its establishment in 1991, Mindteck's clientele has included top-tier Fortune 1000 companies, start-ups, leading universities, and government entities. The company is publicly traded on the BSE Limited (BSE: 517344) and the National Stock Exchange of India Limited (NSE: MINDTECK). Founding Member: 'The Atlas of Economic Complexity' for the Center for International Development (CID) at Harvard University. Appraised at Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)®. Development Centres: Kolkata and Bengaluru, India

MTAR-071723