

V SAHAI TRIPATHI & CO
CHARTERED ACCOUNTANTS

8-E, Hansalaya, 15 Barakhamba Road,
Connaught Place, New Delhi - 110001
Tel. : +91-11-23319596, 23352449,
+91-11-23324045
E-Mail : vst@sahaitripathi.com

INDEPENDENT AUDITOR'S REPORT

To
The Members Of
SOUTHERN INFOSYS LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of SOUTHERN INFOSYS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matter paragraph, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, "Ind AS" and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

Gratuity Provision is required in respect of employees as required under Payment of Gratuity Act, 1972 by following independent actuarial valuations as at the balance sheet date by using the project unit cost method as mandated by Ind AS 19, "Employee Benefits" prescribed under Companies (Indian Accounting Standards) Rules, 2015. The Company has not made any provision for Gratuity and the same is in contravention of Ind AS 19, Employee Benefits. We are unable to ascertain the financial implication of the same. The net profit for the year and cumulative net profits are overstated and the provisions are understated to that extent.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have



fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention to the responsibility of the Company to arrange balance confirmations in respect of Accounts Receivable, Accounts Payable and other receivables/payables. Balance confirmations have not been received from the said parties up to the date of signing of financials. The balances of such parties have been incorporated in the financial statements at the value as per the books of account. The company, to the extent stated, has considered them as good and no provisions have been made in respect of debtors/ advances. Accordingly, Accounts Receivables and Payables balances and other receivables/ payables are subject to confirmation and reconciliation. To that extent, we are unable to ascertain financial implication of same in the financial statements. Our report is not modified in respect of the matter.

Key Audit Matters

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

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises Board's Report including Annexure to Board's 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 the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibilities for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting



records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.



However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

- (1) As required by 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 Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (2) As required by section 143 (3) of the Act, based on our audit we report that:
 - a. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matter Paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matter Paragraph, in our opinion, proper



books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- c. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matter Paragraph, the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph and Emphasis of Matter Paragraph, in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rule 2015, as amended.
- e. On the basis of written representations received from the directors as on March 31, 2023, and taken on record by the Board of Directors, none of the directors are 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its director during the year is in accordance with the provisions of section 197 of the Act 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations as at March 31, 2023 which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The company has neither declared nor paid any dividend during the year ending March 31, 2023. Also, no dividend has been proposed by the Board for the year ending March 31, 2023. Accordingly, reporting under Rule 11(f) is not applicable.



- 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.
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For V Sahai Tripathi & Co.
Chartered Accountants
FRN -000262N



Vishwas Tripathi

Vishwas Tripathi
Partner
Membership No. 086897

Place: New Delhi
Date: 30th May, 2023

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

- i. In respect of Property, Plant and Equipment and Intangible Assets:
 - (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 no intangible assets. Accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable.
 - (b) The company has a phased program of physical verification of its Property, Plant and Equipment which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. In accordance with such program, the management has physically verified its Property, Plant and Equipment. during the year and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The company does not have any immovable properties. Accordingly, reporting under clause 3(i)(c) of the Order is not applicable.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988, as amended, and rules made thereunder.
- ii.
 - (a) The company does not have any inventory and hence reporting under clause 3(ii)(a) of the order is not applicable.
 - (b) The company has not been sanctioned any working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has made investments in, but not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year.
 - (a) The company has not provided any loans or advances in the nature of loans or provided any guarantee or security to any other entities during the year. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable.
 - (b) In our opinion, the investments made by the company during the year and loans granted by the Company in earlier years are, prima facie, not prejudicial to the Company's interest.



- (c) In respect of loans granted by the Company in earlier years, the schedule of repayment of principal and payment of interest has been stipulated and as per the information and explanations provided and on the basis of records examined by us, the repayments of principal and interests have been regular.
- (d) In respect of loans granted by the Company in earlier years, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) No loans granted by the Company which has fallen due during the current year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (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 during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.
- iv. The Company has not made any transactions in respect of loans, investments, guarantees and securities covered under section 185 of the Act during the year. In respect of investments covered under section 186 of the Companies Act, 2013, the provisions of the said section 186 have been duly complied with.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of statutory dues that are in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the company examined by us, there were no statutory dues which have not been deposited on account of any dispute as at March 31, 2023.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. In respect of loans and borrowings:
- (a) The company has not taken any loans or borrowings from any lender and hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



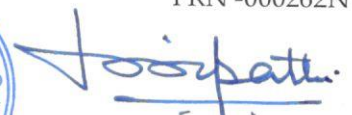
- (c) The Company has not taken any term loan during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
 - (d) On an overall examination of the standalone financial statements of the Company, no funds have been raised on short term basis by the company during the year and hence, reporting under clause 3(ix)(d) of the Order is not applicable.
 - (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person during the year on account of or to meet the obligations of its associate.
 - (f) The company has not raised any loans during the year on the pledge of securities held in its associates and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. In respect of IPO / FPO and Private Placement / Preferential Allotment:
- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. In respect of fraud and whistle blower complaints:
- (a) No fraud by the Company and no fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act 2013, to the extent applicable, with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. In respect of Internal Audit System:
- (a) In our opinion the Company has established internal audit system but it needs to be improved to make it commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit report for the year under audit, in determining the nature, timing and extent of our audit procedures.



- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. In respect of registration with RBI and reporting for Core Investment Company:
- (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion, section 135 of the Companies Act 2013 is not applicable to the company. Accordingly, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

For V Sahai Tripathi & Co.
Chartered Accountants
FRN -000262N




Vishwas Tripathi
Partner
Membership No. 086897

Place: New Delhi
Date: 30th May, 2023

ANNEXURE- "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls over financial reporting of **SOUTHERN INFOSYS LIMITED** (the "Company") as of March 31, 2023 in conjunction with our audit of standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Management of the Company 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention and timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting 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 ICAI.

For V Sahai Tripathi & Co.
Chartered Accountants
FRN -000262N



Vishwas Tripathi
Vishwas Tripathi
Partner
Membership No. 086897

Date: 30th May, 2023
Place: New Delhi

SOUTHERN INFOSYS LIMITED
Standalone Balance Sheet as at March 31, 2023

(Amount in Lakhs)

Particulars		Note No.	As at March 31, 2023	As at March 31, 2022
I	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	1	54.25	59.74
	(b) Financial Assets			
	(i) Investments	2	281.00	209.19
	(ii) Loans	3	-	169.96
	(iii) Others	4	105.75	105.75
	(c) Other Non Current Assets	5	22.22	34.47
2	Current assets			
	(a) Inventories(Work in Progress,Software)		378.00	-
	(b) Financial Assets			
	(i) Trade receivables	6	1,827.91	1,549.51
	(ii) Cash and Cash Equivalents	7	18.25	60.21
	(iii) Other Bank Balances	8	6.62	6.32
	(iv) Loans	3	120.74	-
	(b) Other Current Assets	9	58.69	32.11
	TOTAL ASSETS		2,873.43	2,227.26
II	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	10	502.00	502.00
	(b) Other Equity	11	30.87	24.82
2	Liabilities			
A	Non-current liabilities			
	Deferred tax liabilities (Net)	12	2.55	0.77
B	Current liabilities			
	(a) Financial Liabilities			
	(i) Trade Payables	13	2,320.98	1,696.19
	(ii) Other Financial Liabilities	14	9.52	3.48
	(b) Other Current Liabilities	15	7.51	-
	TOTAL EQUITY AND LIABILITIES		2,873.43	2,227.26

Notes forming part of the standalone financial statements

This is the Standalone Balance Sheet referred to in our report of even date

For V Sahai Tripathi & Co.

Chartered Accountants

Firm Regn No. 000262N

Vishwas Tripathi

Vishwas Tripathi

Partner

Membership No. 086897

Place : New Delhi

Date : May 30, 2023



Siddharth Sharma
(Siddharth Sharma)
Director
DIN: 07401382

Deepali Sharma
(Deepali Sharma)
Director
DIN: 05133382

Deepika
(Deepika)
Chief Finance Officer

Shivani Mehra
(Shivani Mehra)
Company Secretary

SOUTHERN INFOSYS LIMITED

Standalone Statement of Profit and Loss for the period ended 31st March 2023

(Amount in Lakhs)

	Particulars	Note No.	For the year ending 31st March 2023	For the year ending 31st March 2022
I.	Revenue From Operations	16	1,064.34	1,488.23
II.	Other Income	17	36.75	18.96
III.	Total Revenue (I + II)		1,101.09	1,507.19
IV.	Expenses:			
	Purchase of Stock-in Trade of Goods & Services	18	943.37	1,406.41
	Employee Benefits Expense	19	38.25	25.19
	Finance Costs	20	1.31	0.65
	Depreciation and Amortization Expense	1	8.75	7.20
	Other Expenses	21	99.40	58.17
	Total Expenses		1,091.08	1,497.62
V.	Profit before exceptional items and tax (III-IV)		10.01	9.57
VI.	Exceptional Item		10.01	9.57
VII.	Profit before tax (V - VI)			
VIII.	Tax expense:		2.29	1.80
	(1) Current Tax		0.64	0.86
	(2) Deferred Tax		(0.12)	0.51
	(3) Earlier Year Tax Adjustment		1.15	
	(4) MAT Credit Written off		6.05	6.40
IX.	Profit (Loss) for the period			
X.	Other Comprehensive income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	- Remeasurements of the defined benefit plans			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and Other Comprehensive Income for the period)		6.05	6.40
XI.	Total Comprehensive Income for the period (X+XI) (Comprising profit (loss) and Other Comprehensive Income for the period)			
XII.	Earnings per equity share (for continuing operation):			
	- Basic		0.12	0.13
	- Diluted		0.12	0.13

Notes forming part of the standalone financial statements

This is the Standalone Statement of Profit & Loss referred to in our report of even date

For V. Sahai Tripathi & Co.
Chartered Accountants
Firm Regn No. 000262N

V. Sahai Tripathi

Vishwas Tripathi
Partner
Membership No. 086897



Place : New Delhi
Date : May 30, 2023

Siddharth Sharma
(Siddharth Sharma)
Director
DIN: 07401382

Sharma
(Deepali Sharma)
Director
DIN: 05133382

Deepika
(Deepika)
Chief Finance Officer

Shivani Mehra
(Shivani Mehra)
Company Secretary

SOUTHERN INFOSYS LIMITED

Standalone Statement of Cash Flow for the period ended 31st March 2023

(Amount in Lakhs)

	Particulars	March 31, 2023	March 31, 2022
(A)	Cash flow from Operating Activities		
	Profit Before Tax	10.01	9.57
Add:	Depreciation	8.75	7.20
	Interest Received	(7.85)	(11.93)
	(Profit)/Loss on sale of Investments	(0.90)	(0.57)
	Profit on Fair Valuation of Investment	(6.03)	(1.19)
	Operating Profits before working Capital changes	3.98	3.08
	Adjustment for:		
	Change in Trade Payable	624.80	(12.47)
	Change in Other Liabilities	15.34	(1.11)
	Change in Inventories	(378.00)	-
	Change in Trade receivable	(278.41)	90.06
	Change in Loans & Advances	-	8.65
	Change in Non Current Assets	12.25	-
	Change in Current Assets	(26.58)	(30.17)
	Cash generation from Operating Activities	(26.62)	58.05
Less:	Income Tax	3.95	(15.78)
	Net Cash generation from Operating Activities	(30.57)	73.83
(B)	Cash Flow from Investing Activities		
	Interest Income	7.85	11.93
	Purchase of Fixed Assets	(3.26)	(21.07)
	Purchase of Investment	(182.90)	(223.01)
	Change in Loans	49.22	-
	Sale of Investment	118.00	186.15
	Movement in Deposits	(0.30)	(0.33)
	Net Cash from Investing Activities	(11.39)	(46.33)
(C)	Cash Flow from Financing Activities		
	Interest Paid	-	-
	Net Cash flow in Financing Activities	-	-
	Net increase decrease in cash & cash equaivalants	(41.96)	27.50
	Cash and Cash equivalents (Opening Balance)	60.21	32.71
	Cash and Cash equivalents (Closing Balance)	18.25	60.21

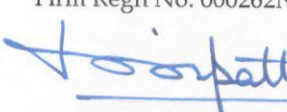

Notes forming part of the standalone financial statements

This is the Standalone Statement of Cash Flow referred to in our report of even date

For V. Sahai Tripathi & Co.

Chartered Accountants

Firm Regn No. 000262N

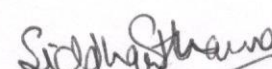
Vishwas Tripathi

Partner

Membership No. 086897


Place : New Delhi

Date : May 30, 2023


(Siddharth Sharma)

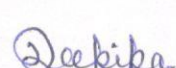
Director

DIN: 07401382

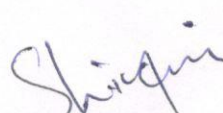

(Deepali Sharma)

Director

DIN: 05133382


(Deepika)

Chief Finance Officer



(Shivani Mehra)
Company Secretary

SOUTHERN INFOSYS LIMITED
Standalone Statement of Changes in Equity as at March 31, 2023

(Amount in Lakhs)

Equity Share Capital	As at 31st March 2023	As at 31st March 2022
Particulars		
Balance at the beginning of the year	502.00	502.00
Changes in Equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	502.00	502.00
Changes in equity share capital during the current year	-	-
Balance at the end of the year	502.00	502.00

Other Equity

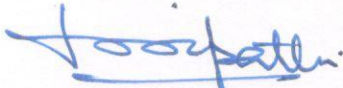
(Amount in Lakhs)

Other equity consist of following :

Particulars	Retained Earnings	Total
As at 1st April, 2021	18.42	18.42
Total comprehensive income for the year	6.40	6.40
As at 31st March, 2022	24.82	24.82
As at 1st April, 2022	24.82	24.82
Total comprehensive income for the year	6.05	6.05
As at 31st March, 2023	30.87	30.87

Notes forming part of the standalone financial statements
This is the Standalone Statement of Changes in Equity referred to in our report of even date

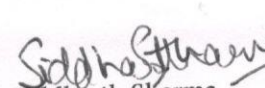
For V. Sahai Tripathi & Co.
Chartered Accountants
Firm Regn No. 000262N

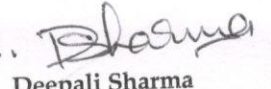



Vishwas Tripathi
Partner
Membership No. 086897



Place : New Delhi
Date : May 30, 2023


Siddharth Sharma
Director
DIN: 07401382


Deepali Sharma
Director
DIN: 05133382


Deepika
Chief Finance Officer


Shivani Mehra
Company Secretary

1 Property, Plant and Equipment

Property, plant and equipment consist of the following :

(Amount in Lakhs)

Particulars	Computers And Data Processing Units	Data processing machine	Air conditioner	Furniture & fixture	Software	Vehicle	Total
Year ended 31 March 2023							
<i>Opening gross carrying amount</i>	0.11	0.24	8.57	1.65	0.11	60.70	71.38
Additions	-	-	3.26	-	-	-	3.26
Disposals	-	-	-	-	-	-	-
<i>Closing gross carrying amount as at March 31, 2023</i>	0.11	0.24	11.83	1.65	0.11	60.70	74.64
Opening accumulated depreciation	0.05	0.20	0.49	1.31	0.11	9.48	11.64
Depreciation charged during the year 2022-23	-	-	1.45	0.08	-	7.22	8.75
Depreciation on Disposals	-	-	-	-	-	-	-
Adjustment/ Reversal of Depreciation	-	-	-	-	-	-	-
<i>Closing accumulated depreciation as at March 31, 2023</i>	0.05	0.20	1.94	1.39	0.11	16.70	20.39
<i>Net carrying amount as at March 31, 2023</i>	0.07	0.03	9.90	0.25	-	44.00	54.25
Year ended 31, March 2022							
<i>Opening gross carrying amount</i>	0.11	0.24	0.05	1.65	0.11	48.15	50.31
Additions	-	-	8.52	-	-	12.55	21.07
Disposals	-	-	-	-	-	-	-
<i>Closing gross carrying amount as at March 31, 2022</i>	0.11	0.24	8.57	1.65	0.11	60.70	71.38
Opening accumulated depreciation	0.05	0.20	-	1.23	0.11	2.85	4.45
Depreciation charged during the year 2021-22	-	-	0.49	0.08	-	6.62	7.20
Depreciation on Disposals	-	-	-	-	-	-	-
Adjustment/ Reversal of Depreciation	-	-	-	-	-	-	-
<i>Closing accumulated depreciation as at March 31, 2022</i>	0.05	0.20	0.49	1.31	0.11	9.48	11.64
<i>Net carrying amount as at March 31, 2022</i>	0.07	0.03	8.08	0.33	-	51.22	59.74



2 Investments (Non-current)

Investments consist of the following :

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Investment Carried at Fair Value through Profit & Loss - Investments in Equity Shares (Refer 2A)	0.27	0.13
Investment Carried at Fair Value through Profit & Loss - Investments in DSP Liquidity Mutual Fund	149.34	77.67
Investment Carried at amortised cost - Investments in Equity Shares -Unquoted	131.39	131.39
TOTAL	281.00	209.19

2A Investments in Equity

Investment in Equity Shares	As at 31st March 2023	As at 31st March 2022
Quoted		
Arcee Industries Ltd.	0.06	0.08
Bandaram Pharma Packtech Ltd. (Earlier, Shiva Medicare Ltd.)	0.19	0.01
Pasupati Acrylon Ltd.	0.02	0.03
Arcotech Ltd.	0.00	0.01
TOTAL	0.27	0.13

3 Loans

Loans consist of the following :

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Loans (unsecured, considered good) (Refer 3A)*		
Non- Current	-	169.96
Current**	120.74	-
TOTAL	120.74	169.96

3A

Particulars	As at 31st March 2023	As at 31st March 2022
Loans to Related Parties	-	-
Loans to Others	120.74	169.96
TOTAL	120.74	169.96

*Loan balances are inclusive of interest receivable as at March 31, 2023/2022.

** Loans are classified into current as at 31 March 2023, as the company expects their realisations within 12 months from the Balance Sheet date.

4 Other Financial Assets (Current)

Other Financial Assets consist of the following :

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposit - Deposit for Rented Premises	105.75	105.75
TOTAL	105.75	105.75



5 Other Non Current Assets

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
TDS Recoverable (Net of Provision) (Refer 5A)	22.22	34.47
TOTAL	22.22	34.47

5A Status as at 31st March, 2023

Particulars	As at 31st March 2023	As at 31st March 2022
TDS recoverable/tax deducted at source	24.52	38.86
Less: Provision for tax	(2.30)	(4.39)
Other Non Current Assets	22.22	34.47

6 Trade Receivables

Trade receivables consist of the following:

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Undisputed - Considered good; Doubtful	1,827.91	1,549.51
Total	1,827.91	1,549.51
Less: Allowance for expected credit loss	-	-
TOTAL	1,827.91	1,549.51

The company applies the simplified and lifetime approach to provide for expected credit loss prescribed by Ind AS 109, which permits the use of expected loss provision for all trade receivables. The company uses expected credit loss model to assess the impairment loss and make allowance on doubtful debts using expected credit loss model on case to case basis.

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(1) Undisputed Trade receivables - considered good	937.02	583.15	-	307.74	-	1,827.91
(2) Undisputed Trade Receivables - which have significant increase in credit risk	680.56	293.32	307.74	71.61	196.28	1,549.51
(3) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(4) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Unbilled	-	-	-	-	-	-
Total Trade Receivables	937.02	583.15	-	307.74	-	1,827.91
	680.56	293.32	307.74	71.61	196.28	1,549.51



7 Cash and Cash Equivalent

Cash and cash equivalents consist of the following at amortised cost: (Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
(a) Cash in Hand	2.42	19.98
(b) Balances with banks - In Current Accounts	15.83	40.23
TOTAL	18.25	60.21

8 Other Bank Balances

Other Bank Balances consist of the following at amortised cost: (Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
(a) Bank deposit <i>(deposits with original maturity more than 3 month having remaining maturity less than 12 months form Reporting date)</i>	6.62	6.32
TOTAL	6.62	6.32

9 Other Current Assets

Other Current Assets consist of the following : (Amount in Lakhs)

Particulars	As at 31st March 2022	As at 31st March 2022
Advance to Suppliers	-	25.65
Advance to staff	0.31	2.56
Advance for Consultancy	-	2.75
Prepaid Expense	0.46	0.92
Input Tax Credit	57.92	0.23
TOTAL	58.69	32.11

10 Share Capital

The authorised, issued, subscribed and fully paid up share capital of equity shares having a par value of Rs10 each as follows:

Share Capital	As at 31st March 2023		As at 31st March 2022	
Authorised				
Equity Shares of Rs 10 each	60,00,000	600.00	60,00,000	600.00
	60,00,000	600.00	60,00,000	600.00
Issued, Subscribed & Fully Paid				
5,02,000 equity Shares of Rs 10 each	50,20,000	502.00	50,20,000	502.00
Total	50,20,000	502.00	50,20,000	502.00

(i) Equity Shares :- The company has one class of equity shares having a par value of Rs 10 each. Each share holder of equity is entitled to one vote per share.

(ii) In the event of liquidation of the company, holders of equity shares will be entitled to receive remaining assets of the company after distributing of all preferential amounts.



10A Reconciliation of number of shares

Particulars	Equity Shares			
	As at 31st March 2023		As at 31st March 2022	
Shares outstanding at the beginning of the year	50,20,000	502.00	50,20,000	502.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Any other movement (please specify)	-	-	-	-
Shares outstanding at the end of the year	50,20,000	502.00	50,20,000	502.00

10B Details of shares held by shareholders holding more than 5% of aggregate shares in the Company

Name of Shareholder	Equity Shares			
	As at 31st March 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Rakesh Mohan Sharma	4,12,450	0.08	4,12,450	0.08
Disha Capital Services Limited	5,98,000	0.12	5,98,000	0.12
Disha Investment Centre Pvt Ltd	14,83,800	0.30	14,83,800	0.30
Mr. Tarun Sharma	3,17,120	0.06	3,17,120	0.06
Mr. Siddharth Sharma	3,11,010	0.06	3,11,010	0.06
Deepali Sharma	2,65,000	0.05	2,65,000	0.05
Rakesh Sharma jointly held with Shivani Sharma	2,47,500	0.05	2,47,500	0.05
Others	13,85,120	0.28	13,85,120	0.28
Total	50,20,000	1.00	50,20,000	1.00

10C Shareholding of Promoters as at March 31,2023

Name of Promoter	No. of Shares held	% of Holding	% Change During the year
Rakesh Mohan Sharma	4,12,450	8%	-
Disha Capital Services Limited	5,98,000	12%	-
Disha Investment Centre Pvt Ltd	14,83,800	30%	-
Mr. Tarun Sharma	3,17,120	6%	-
Mr. Siddharth Sharma	3,11,010	6%	-
Deepali Sharma	2,65,000	5%	-
Rakesh Sharma jointly held with Shivani Sharma	2,47,500	5%	-
Total	36,34,880	72%	-

11. Other Equity

Other equity consist of following :

Particulars	Retained Earnings	Total
Balance as at 01.04.2021	18.42	18.42
Total comprehensive income for the year	6.40	6.40
Balance as at 31.03.2022	24.82	24.82
Total comprehensive income for the year	6.05	6.05
Balance as at 31.03.2023	30.87	30.87



12: Deferred Tax Assets (Net)

Major Components of the deferred tax balances:

(Amount in Lakhs)

Particulars	As at 31st March 2023	As at 31st March
Property, Plant and Equipment	(1.38)	(1.74)
Investment	(1.17)	(0.17)
Deferred Tax Liabilities	(2.55)	(1.91)
MAT credit available	-	1.15
Total	(2.55)	(0.77)

Movement in Deferred Tax Assets/(Liabilities)

Particulars	Property, Plant and Equipment	Investment	Total
At 31st March, 2021	(1.05)	(0.00)	(1.05)
(Charged) / credited during the year 2021-22	-	-	-
- to Statement of Profit and Loss	(0.69)	(0.17)	(0.86)
- to Other Comprehensive Income	-	-	-
As at 31st March, 2022	(1.74)	(0.17)	(1.91)
(Charged) / credited during the year 2022-23	-	-	-
- to Statement of Profit and Loss	0.36	(1.00)	(0.64)
- to Other Comprehensive Income	-	-	-
As at 31st March, 2023	(1.38)	(1.17)	(2.55)

13 Trade payables consist of the following :

Trade payables consist of the following :

(Amounts in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
(a) Trade Payables		
- Due to MSME	-	-
- Due to others	2,320.98	1,696.19
Total	2,320.98	1,696.19

For year ended 31st March 2023/ 2022, Company has no dues from any party that is covered under the Micro, Small & Medium Enterprises Development Act, 2006.

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	1,441.68	666.54	81.89	130.87	2,320.98
(iii) Disputed dues - MSME	-	-	-	-	-
(iii) Disputed dues - Others	-	-	-	-	-
Total	1,441.68	666.54	81.89	130.87	2,320.98
	1,234.95	81.98	78.16	301.10	1,696.19



14 Other Financial Liabilities (Current)

(Amounts in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Audit fee Payable	0.30	0.30
Expenses Payable	5.15	0.04
Salary Payable	4.07	3.14
Total	9.52	3.48

15 Other Current Liabilities

Other Current Liabilities

(Amounts in Lakhs)

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory Dues	7.51	-
Total	7.51	-

16 Revenue from Operations

Revenue from operations consist of revenues from

(Amount in Lakhs)

Particulars	For the year ending 31 March 2023	For the year ending 31 March 2022
Sale of products/serivces	1,064.34	1,488.23
Total	1,064.34	1,488.23

17 Other Income

Other income (net) consist of the following:

(Amount in Lakhs)

Particulars	For the year ending 31 March 2023	For the year ending 31 March 2022
Interest Income on FD	0.30	0.33
Gain On Investment sold	0.90	0.57
Interest Income on Advance	7.55	11.60
Interest on income tax refund	2.41	3.48
Sundry Balances written back	19.56	1.79
Profit on account of Fair Valuation of Investment	6.03	1.19
Total	36.75	18.96



18 Purchase of Stock-in Trade of Goods & Services

Purchase of Stock-in Trade consist of the following:

(Amount in Lakhs)

Particulars	For the year ending 31 March 2023	For the year ending 31 March 2022
Purchases for Trading of Goods & Provision of Ser	943.37	1,406.41
Total	943.37	1,406.41

19 Employee Benefit Expense

Employee benefits expenses consist of the following

(Amount in Lakhs)

Particulars	For the year ending 31 March 2023	For the year ending 31 March 2022
Salaries & Wages	37.31	25.19
Employees Welfare expenses	0.94	-
Total	38.25	25.19

20 Finance Cost

Finance costs consist of the following:

(Amount in Lakhs)

Particulars	For the year ending 31 March 2023	For the year ending 31 March 2022
Interest on late payment of TDS/ GST	0.15	0.65
Interest on late payment of TDS	1.16	-
Total	1.31	0.65



21 Other Expenses

(Amount in Lakhs)

Particulars	For the year ending 31 March 2023	For the year ending 31 March 2022
Advertisement expenses	0.41	0.63
Fees and subscription	3.83	3.94
Delisting Charges at Calcutta Stock Exchange	-	4.09
Reimbursement Expenses	0.53	-
Office Expenses	1.03	0.66
Bank Charges	0.02	0.04
Travelling Expenses	3.45	1.00
Rates & Penalties	0.12	0.03
Printing & Stationery	0.77	-
Repair & Maintenance	6.53	7.71
Sundry Balance Written off	40.88	2.87
Telephone	1.03	0.68
Electricity	0.53	0.48
Conveyance & Car Running Exp.	3.61	0.37
Insurance	1.79	0.79
Legal & Professional Expenses	20.14	27.00
Festival expenses	3.25	0.20
Service charges	-	0.06
General Expenses	8.73	6.99
<u>Auditors Remuneration:</u>		
-Statutory/Tax Audit	0.15	0.15
E-Voting Charges	0.33	0.32
Tally license Renewal Charges	0.07	-
Loans and advances written off	2.05	-
Website Development and Maintenance Charges	0.15	0.16
Total	99.40	58.17



22. Significant Accounting Policies

A. Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2017.

Up to the year ended 31st March, 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006.

B. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the following fair value hierarchy 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.

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.

Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 - Share-based Payment and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

All the amounts included in the financial statements are reported in Indian Rupees ('Rupees' or 'Rs.'), except per share data and unless stated otherwise and rounded off to nearest Rupees.



For Southern Infosys Limited

Siddhartha
Director

For Southern Infosys Limited

Sharma
Director

C. Basis of classification of Current and Non-Current

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

An asset is classified as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realized within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle
- b) It is held primarily for the purpose of trading
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

D. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements.

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

E. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

F. Property, Plant and Equipment - Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP.



For Southern Infosys Limited

Siddharth

Director

For Southern Infosys Limited

[Signature]

Director

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All up-gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

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

Asset	Life of Asset
Computers & Peripherals	3 - 6 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

G. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognized in prior years are reversed when there is an indication that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years.



For Southern Infosys Limited

Siddhant Kumar

Director

For Southern Infosys Limited

Rajendra Kumar

Director

H. Inventories

Inventories are stated at lower of cost and net realizable value. The cost is calculated on First in First Out method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realizable value is the estimated selling price less estimated costs for completion and sale.

I. Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- a) **Amortized Cost**, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- b) **Fair value through other comprehensive income (FVTOCI)**, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in other comprehensive income.
- c) **Fair value through profit or loss (FVTPL)**, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in the Statement of Profit and Loss in the period in which they arise. Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortized cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit



For Southern Infosys Limited

Siddhant
Director

For Southern Infosys Limited

Dharma
Director

losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are de-recognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- a) Amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognized in the Statement of Profit and Loss using the effective interest method. Dividend income is recognized in the Statement of Profit and Loss when the right to receive dividend is established.

J. Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption/ settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

K. Cash and cash equivalents

Cash and cash equivalent 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.

L. Cash Flow Statement

Cash Flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

For Southern Infosys Limited

Siddhanta

Director

For Southern Infosys Limited

Darun

Director



M. Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

N. Equity Instruments

Equity instruments are recognized at the value of the proceeds, net of direct costs of the capital issue.

O. Revenue

i. Sale of goods

Revenue is recognized when an entity transfers the control of goods to customers at an amount that the entity expects to receive in exchange for those goods. Volume discounts and incentives to customers are accounted for as reduction of revenue based on the allocation of the discounts/ incentives amount to each of the underlying performance obligation. when the level of discount varies with increases in levels of revenue transactions, the company recognizes the liability based on its estimate of the customer's future purchases. If it is probable that the criteria for the discount will not be met, or if the amount thereof cannot be estimated reliably, then discount is not recognized until the payment is probable and the amount can be estimated reliably. The company recognizes changes in the estimated amount of obligations for discounts in the period in which the change occurs.

ii. Interest income

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

iii. Dividend Income

Dividends from investments are recognized in profit or loss when the right to receive payment is established.

iv. Other Revenues:

These are recognized on accrual basis, except where there are uncertainties in realisation/ determination of income and in such case income is recognized on realisation/ certainty.

P. Employee Benefits

Short-term benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted



For Southern Infosys Limited

Siddhant Sharma
Director

For Southern Infosys Limited

Sharma
Director

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

Q. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset/s and the arrangement conveys a right to use the asset/s, even if that right is not explicitly specified in an arrangement.

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

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

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

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

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

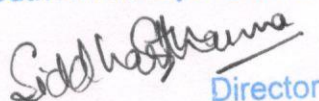
R. Taxes on Income

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

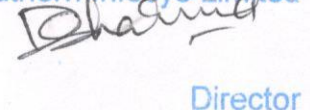
a) Current Tax

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or

For Southern Infosys Limited


Director

For Southern Infosys Limited


Director



expense that are taxable or deductible in other years and items that are never taxable or deductible.

b) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the deferred tax is also recognized in other comprehensive income or directly in equity respectively.

c) Minimum Alternate Tax

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

S. Provisions

Provisions are recognized when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

T. Operating Segment

The Company operates only in single segment i.e., the Trading of "local computer" from where it is earning its revenue and incurring expense. The operating results are



For Southern Infosys Limited

Sudhakar

Director

For Southern Infosys Limited

Ramesh

Director

regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

U. Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to the owners of the company by weighted average number of equity shares outstanding during the financial year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue. For the purpose of calculating diluted earnings per share, profit or loss attributable to the owners of the Company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

V. Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood on outflow of resources is remote, no provision or disclosure is made.

W. Financial and Management Information Systems

The Company's Accounting System is designed to unify the Financial Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Additional Notes to Accounts:

23) Earnings Per Share (EPS):

	Year ended 31-Mar-23	Year Ended 31-Mar-22
(a) Calculation of Weighted Average Number of Equity Shares of 10 each		
Number of Shares at the beginning of the year	50,20,000	50,20,000
Number of Shares at the close of the year	50,20,000	50,20,000
Weighted Average number of Equity Shares During the year	50,20,000	50,20,000



For Southern Infosys Limited

Siddheshwara
Director

For Southern Infosys Limited

Ishara

Director

- | | | | |
|-----|--|------|------|
| (b) | Net Profit/(Loss) for the year attributable to Equity Shares (in Rs., Lakhs) | 6.05 | 6.40 |
| (c) | Earning per share - Basic (in Rs.) | 0.12 | 0.13 |
| (d) | Earning per share - Diluted (in Rs.) | 0.12 | 0.13 |
- 24) Employee Benefits Schemes such as Gratuity, Provident Fund & other staff welfare schemes are applicable on the Company during the reporting period. But no provision of gratuity has been made during the reporting period as mandated by "Ind AS-19 on Employees Benefits", issued by Institute of Chartered Accountants of India and the expense of Gratuity is not booked on the basis of Actuarial Valuation certificate.
- 25) For year ended 31st March, 2023, Company has no dues from any party that is covered under the Micro, Small & Medium Enterprises Development Act, 2006 (MSMED).
- 26) The Company has taken certain commercial premises under cancellable operating lease arrangements. The lease rental clause provides no rental expense to be charged from lessee (the company). Only security deposit amounting Rs. 105.75 lakhs has been provided the company for the rented properties taken on lease by the company. There is no Lock in period of aforementioned operating leases as on 31st March 2023, therefore the same are considered as cancellable operating lease.
- 27) **Related Parties Transactions:**

A. List of Related parties

SN	Description of Relationship	Name of Party
(a)	Associate Company	Disha Capital Services Limited
(b)	Enterprise which has significant influence over the company	Disha Investment Centre Private Limited
(c)	Enterprise in which KMP has significant influence	RMS and Associates Disha Corporate Consultants Disha Insurance Brokers
(d)	Key Management Personnel	Siddharth Sharma Rakesh Mohan Sharma Deepali Sharma Shivani Mehra, CS (appointed in January 2022) Deepika, CFO (Appointed in August 2021) Kriti Bareja, CS (vacated in July 2021) Indu Atri (Vacated CFO post in June 2021)



For Southern Infosys Limited
Siddharth Sharma
Director

For Southern Infosys Limited
D Sharma
Director

B. Transactions with Related Parties

(Amount in Rs., lakhs)

S.No.	Nature of Transaction	Enterprise in which KMP have significant influence		Key Managerial Personnel	
		2022-23	2021-22	2022-23	2021-22
(a)	Salary	-	-	14.50	9.63
(b)	Consultancy Fee	18.94	18.00	-	-
(c)	Business Advance	-	2.75	-	-

C. Balance Outstanding

(Amount in Rs., lakhs)

S.No.	Particulars	As at 31 st March 2023	As at 31 st March 2022
1.	Security Deposits - Receivables (Disha Investment Centre Pvt Ltd)	105.75	105.75
2.	Amount outstanding - Payables (KMP)	1.30	0.79
3.	Investments in Associate	131.39	131.39
4.	Business advance to RMS and Associates	-	2.75

28) Fair value measurement

i. Financial Instruments by category

(Amount in Rs., lakhs)

Particulars	As at 31 st March 2023			As at 31 st March 2022		
	FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Assets:						
Investments	149.61	-	131.39	77.80	-	131.39
Loans	-	-	120.74	-	-	169.96
Trade Receivables	-	-	1827.91	-	-	1,549.51
Cash and cash equivalents	-	-	18.25	-	-	60.21
Other Bank Balance	-	-	6.62	-	-	6.32
Others	-	-	105.75	-	-	105.75
Financial Liabilities:						
Trade Payables	-	-	2,320.98	-	-	1,696.19
Others	-	-	9.52	-	-	3.48

For Southern Infosys Limited

Siddharthanna
Director

For Southern Infosys Limited

Daruna
Director



ii. Financial Instruments by hierarchy

(Amount in Rs., lakhs)

Particulars		As at 31st March 2023	As at 31st March 2022
I	Financial Assets / Financial Liabilities at Amortized Cost The carrying amount of financial assets and financial liabilities measured at amortized cost are a reasonable approximation of their fair values. Investments measured at amortized cost (Investment in associate)	131.39	131.39
II	Financial assets at Fair Value through Profit & Loss Investment in Equity Shares, Mutual Funds (Level 1)	149.61	77.80
III	Financial assets at fair value through Other Comprehensive Income	NIL	NIL

29) Capital Management

The Company's objective for managing capital is to ensure as under:

- To ensure the company's ability to continue as a going concern.
- Maintaining a strong credit rating and healthy debt equity ratio in order to support business and maximize the shareholder's value.
- Maintain an optimal capital structure.
- Compliance financial covenants under the borrowing facilities.

For the purpose of capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company.

The Company manages its capital structure keeping in view of:

- Compliance of financial covenants of borrowing facilities.
- Changes in economic conditions.

In order to achieve this overall objective of capital management, amongst other things, the Company aims to ensure that it meets financial covenants attached to the borrowing facilities defining capital structure requirements, where breach in meeting the financial covenants may permit the lender to call the borrowings.

For Southern Infosys Limited

Siddhanta
Director

For Southern Infosys Limited

Sham

Director



There has been no breach in the financial covenants of any borrowing facilities in the current period. There is no change in the objectives, policies or processes for managing capital over previous year. To maintain the capital structure, the Company may vary the dividend payment to shareholders.

30) Financial Risk Management

The Company's principal financial liability comprises trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company also holds non-current investments measured at amortized cost. The Company is exposed to market risk, credit risk, interest risk, foreign exchange risk and liquidity risk. The Company's senior management oversees the management of these risks under appropriate policies and procedures.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTPL non-current investments.

b) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's availment of bank overdraft and other working capital loans.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. Credit risk is managed by company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss.

d) Liquidity Risk

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in



For Southern Infosys Limited

Siddharth Sharma
Director

For Southern Infosys Limited

Sharma

Director

cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time. In addition, the Company also maintains flexibility in arranging the funds by maintaining committed credit lines with bank(s) to meet the obligations.

- 31) The letters of confirmation have been sent by the management to parties of Accounts receivables, Accounts payables, Advances, other payables/receivables to confirm their balances as on 31st March, 2023. Balance confirmations have not been received from parties up to the date of signing of financials. The balances of such parties have been incorporated in the financial statements at the value as per the books of account. The company, to the extent stated, has considered them as good and no provisions have been made in respect of debtors/advances.

- 32) **Segment information for the year ended 31st March 2023**

The Company is engaged in a single segment i.e., the Trading of "Local Computers and other related services" from where it is earning its revenue and incurring expense. The operating results are regularly reviewed and performance is assessed by its Chief Operating Decision Maker (CODM). All the company's resources are dedicated to this single segment and all the discrete financial information is available for this segment.

Geographical Segments

Since the company's operations & activities are within the country and considering the nature of services it deals in, the risks and returns are the same and as such, there is only one geographical segment.

Particulars	For year ending 31st March, 2023 (Rs., Lakhs)	For year ending 31st March, 2022 (Rs., Lakhs)
Segment Revenue		
- Within India	1,064.34	1,488.23

- 33) **Ratios**

The analytical ratios, to the extent applicable to the company, for the year ended March 31, 2023 and March 31, 2022 are as follows:

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for Variance
Current Ratio (in times)	Current assets	Current liabilities	1.03	0.97	6.31%	-



For Southern Infosys Limited
Siddhasthane
Director

For Southern Infosys Limited
Bharun
Director

Return on Equity (ROE) (in %)	Net Profits after taxes	Average Shareholder's Equity	1.14%	1.22%	-6.44%	-
Trade receivables turnover ratio (in times)	Revenue from operations	Closing Trade Receivable	0.58	0.96	-39.38%	Increase in closing trade receivables in current year
Trade payables turnover ratio (in times)	Purchases	Closing Trade payables	0.41	0.83	-50.98%	Increase in closing trade payables in current year
Net capital turnover ratio (in times)	Revenue from operation	Working Capital	14.74	-28.66	151.44%	Decrease in revenue from operations and increase in working capital in current year on account of inventory work in progress.
Net profit ratio (in %)	Net profit	Revenue from operation	0.57%	0.43%	32.04%	Increase in service component in the current year has increased the margin.
Return on capital employed (ROCE) (in %)	Earnings before interest and taxes	Capital Employed	2.11%	1.81%	16.81%	
Return on Investment (ROI) (in %)	Income from investments	Average of investments	3.72%	3.70%	0.72%	



For Southern Infosys Limited

Siddhasthama

Director

For Southern Infosys Limited

Dhama

Director

34) (i) **Comparative Previous Year's Figures**
Figures for the previous year and have been re-grouped/re-classified wherever necessary to make them comparable with the figures of the current year.

(ii) **Format as per Schedule III of Companies Act, 2013**

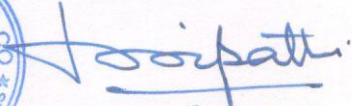
The Company has prepared these Standalone Financial Statements as per the format prescribed by Schedule III to the Companies Act, 2013 ('the Schedule') issued by Ministry of Corporate Affairs, Government of India for preparation of Ind AS financials.

(iii) **Presentation of Figures**

The figures appearing in the Standalone Financial Statements have been prepared in Rupees and all values are rounded to the nearest lakhs, except when otherwise indicated.

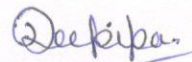
For V Sahai Tripathi & Co
Chartered Accountants
Firm Reg. No. 000262N

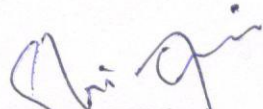



Vishwas Tripathi
(Partner)
M. No.: 086897


(Siddharth Sharma)
(Director)
DIN 07401382


(Deepali Sharma)
(Director)
DIN 05133382


(Deepika)
Chief Financial Officer


(Shivani Mehra)
Company Secretary

Place: New Delhi
Dated: 30th May 2023