

Special Purpose Ind AS Financial Statements

**PT Capillary Technologies Indonesia**

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of PT Capillary Technologies Indonesia

### **Opinion**

We have audited the accompanying Special Purpose Ind AS Financial Statements of PT Capillary Technologies Indonesia (the "Company"), which comprises the Balance sheet as at June 30, 2021, March 31, 2021 and the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the period ended June 30, 2021 and the year then ended March 31, 2021 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Ind AS Financial Statements"). These Special Purpose Ind AS Financial Statements have been prepared by the Management as per group accounting policies of Capillary Technologies India Limited (formerly known as 'Capillary Technologies India Private Limited') ('the Parent Company')

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Ind AS Financial Statements are prepared in all material respects in accordance with the basis of preparation as set-out in Note 2 of the notes to the accompanying Special Purpose Ind AS Financial Statements.

### **Basis for Opinion**

We conducted our audit of the Special Purpose Ind AS Financial Statements in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA) together with the ethical requirements that are relevant to our audit of the Special Purpose Ind AS Financial Statements in Indonesia and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Ind AS Financial Statements.



## **Responsibility of Management and Those Charged with Governance for the Special Purpose Ind AS Financial Statements**

The Company's Board of Directors is responsible for the preparation of these Special Purpose Ind AS Financial Statements in accordance with the basis of preparation as set out in Note 2 of the Special Purpose Ind AS Financial Statements. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Ind AS Financial Statements, Board of Directors of the Parent Company 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 Parent Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 ISAs 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 Special Purpose Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's



report to the related disclosures in the Special Purpose Ind AS 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.

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.

#### **Other matters - restriction of use**

The accompanying Special Purpose Ind AS financial statements have been prepared, and this report thereon issued, solely for the purpose of preparation of Proforma Financial Statements of Capillary Technologies India Limited (formerly known as 'Capillary Technologies India Private Limited') for the period ended June 30, 2021 and year ended March 31, 2021, March 31, 2020 and March 31, 2019 and inclusion in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus and for the use by the current statutory auditor of the Capillary Technologies India Limited (formerly known as 'Capillary Technologies India Private Limited') in connection with the Capillary Technologies India Limited's (formerly known as 'Capillary Technologies India Private Limited') proposed initial public offering of equity shares in Initial Public Offer. Accordingly, this report should not be used, referred to or distributed for any other purpose.

For Kantor Akuntan Publik Tanuwijaya  
Chartered Accountants  
Firm Registration Number: 142/KM.I/2017



**David Tanuwijaya, CPA, MBA**

Partner

Membership Number: 1287

UDIN: 00051/2.1100/AU.1/06/1287-1/1/XII/2021

Place of Signature: Jakarta

Date: December 07, 2021



PT Capillary Technologies Indonesia  
Special Purpose Ind AS financial statements  
Balance Sheet

|  |                        | (₹ in Million)          |         |
|--|------------------------|-------------------------|---------|
| Notes  | As at June 30,<br>2021 | As at March 31,<br>2021 |         |
| <b>I Assets</b>  |                        |                         |         |
| <b>(1) Non-current assets</b>  |                        |                         |         |
| (a) Property, plant and equipment  | 4                      | 0.01                    | 0.02    |
| (b) Other non-current assets   | 9                      | 0.35                    | 0.34    |
|  |                        | 0.36                    | 0.36    |
| <b>(2) Current assets</b>  |                        |                         |         |
| (a) Financial assets   |                        |                         |         |
| (i) Trade receivables  | 5                      | 18.66                   | 7.84    |
| (ii) Cash and cash equivalents   | 6                      | 93.38                   | 86.71   |
| (iii) Loans  | 7                      | -                       | -       |
| (iv) Other financial assets  | 8                      | 1.07                    | 1.16    |
| (b) Other current assets   | 9                      | 0.92                    | 0.91    |
|  |                        | 114.03                  | 96.62   |
| <b>Total assets (1+2)</b>  |                        | 114.39                  | 96.98   |
| <b>II Equity and liabilities</b>   |                        |                         |         |
| <b>(1) Equity</b>  |                        |                         |         |
| (a) Equity share capital   | 10                     | 1.59                    | 1.59    |
| (b) Other equity   | 11                     | (32.59)                 | (26.30) |
| <b>Total Equity</b>  |                        | (31.00)                 | (24.71) |
| <b>(2) Current liabilities</b>   |                        |                         |         |
| (a) Financial liabilities  |                        |                         |         |
| (i) Trade payables   |                        |                         |         |
| (a) Total outstanding dues of micro enterprises and small enterprises                      |                        |                         |         |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 12                     | 99.28                   | 84.76   |
| (ii) Other financial liabilities   | 13                     | 0.62                    | 0.81    |
| (b) Other current liabilities  | 14                     | 45.19                   | 35.87   |
| (c) Provisions   | 15                     | 0.30                    | 0.25    |
| <b>Total liabilities</b>   |                        | 145.39                  | 121.69  |
| <b>Total equity and liabilities (1+2)</b>  |                        | 114.39                  | 96.98   |

Summary of significant accounting policies (Refer note 3)  
The accompanying notes are an integral part of the financial statements

As per our report of even date

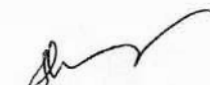
For Kantor Akuntan Publik Tanuwijaya  
Chartered Accountants



David Tanuwijaya  
Partner


Place: Jakarta, Indonesia  
December 02, 2021

For and on behalf of the Board of Directors of  
PT Capillary Technologies Indonesia

  
Arant Choubey  
Director

Place: Bengaluru, India  
Date: December 02, 2021



  
Syaiful Nural Hidayat  
Director

Place: Jakarta, Indonesia  
Date: December 02, 2021


PT Capillary Technologies Indonesia  
Special Purpose Ind AS financial statements  
Statement of Profit and Loss

|  |       | (₹ in Million)  |                                      |
|--|-------|---|--------------------------------------|
|  | Notes | For the three months<br>period ended June 30,<br>2021 | For the year ended<br>March 31, 2021 |
| <b>I Revenue</b>   |       |   |                                      |
| Revenue from operations  | 16    | 15.71   | 76.51                                |
| Other income   | 17    | 0.41  | 6.68                                 |
| Finance income   | 18    | 0.17  | 0.49                                 |
| <b>Total income</b>  |       | <b>16.29</b>  | <b>83.68</b>                         |
| <b>II Expenses</b>   |       |   |                                      |
| Cost of campaign services  |       | 6.87  | 13.37                                |
| Professional and consultancy services  |       | 8.72  | 28.13                                |
| Employee benefit expenses  | 19    | 5.12  | 14.30                                |
| Depreciation and amortization expenses   | 20    | -   | 0.03                                 |
| Finance costs  | 21    | 0.04  | 0.13                                 |
| Other expenses   | 22    | 1.49  | 6.83                                 |
| <b>Total expenses</b>  |       | <b>22.24</b>  | <b>62.79</b>                         |
| <b>III Profit / (loss) before tax (I - II)</b>   |       | <b>(5.95)</b>   | <b>20.89</b>                         |
| <b>IV Tax expenses</b>   |       |   |                                      |
| (a) Current tax  | 23    | 0.19  | 3.10                                 |
| (b) Deferred tax charge / (credit)   |       | -   | -                                    |
| <b>Total tax expenses</b>  |       | <b>0.19</b>   | <b>3.10</b>                          |
| <b>V Profit / (loss) for the period / year (III - IV)</b>                                      |       | <b>(6.14)</b>   | <b>17.79</b>                         |
| <b>VI Other comprehensive income</b>   |       |   |                                      |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods          |       |   |                                      |
| (i) Foreign currency translation   |       | (0.37)  | (1.58)                               |
| (ii) Income tax effect on above  |       | -   | -                                    |
| <b>Total other comprehensive income / (loss) for the period / year, net of tax</b>             |       | <b>(0.37)</b>   | <b>(1.58)</b>                        |
| <b>VII Total comprehensive income / (loss) for the period / year (net of tax)<br/>(V + VI)</b> |       | <b>(6.51)</b>   | <b>16.21</b>                         |
| <b>VIII Earnings per equity share (nominal value of IDR 14,000 each)</b>                       |       |   |                                      |
| Basic (₹)  | 24    | (7.67)  | 22.24                                |
| Diluted (₹)  |       | (7.67)  | 22.24                                |

Summary of significant accounting policies (Refer note 3)

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For Kantor Akuntan Publik Tanuwijaya  
Chartered Accountants

  
**TWJ**  
KAP TANUWIJAYA  
David Tanuwijaya  
Partner

Place: Jakarta, Indonesia  
December 07, 2021

For and on behalf of the Board of Directors of  
PT Capillary Technologies Indonesia

  
Sant Choubey  
Director

Place: Bengaluru, India  
Date: December 02, 2021

  
**PT CAPILLARY TECHNOLOGIES INDONESIA**  
Syaiful Nurul Hidayat  
Director

Place: Jakarta, Indonesia  
Date: December 02, 2021



PT Capillary Technologies Indonesia  
 Special Purpose Ind AS financial statements  
 Statement of Changes in Equity

A. Equity share capital

Equity shares of IDR 14,000 each issued, subscribed and fully paid

Particulars

At April 01, 2020

Add: Issued during the year

At March 31, 2021

Add: Issued during the period

At June 30, 2021

|                               | Number   | (₹ in Million) |
|-------------------------------|----------|----------------|
| At April 01, 2020             | 8,00,000 | 1.59           |
| Add: Issued during the year   | -        | -              |
| At March 31, 2021             | 8,00,000 | 1.59           |
| Add: Issued during the period | -        | -              |
| At June 30, 2021              | 8,00,000 | 1.59           |

B. Other Equity

(₹ in Million)

| Particulars  | Attributable to the equity shareholders |                                  |                            | Total other equity |
|--|---|----------------------------------|----------------------------|--------------------|
|  | Reserves and Surplus                    |                                  |                            |                    |
|  | Retained earnings                       | Capital contribution from parent | Other Components of equity |                    |
|  |   |                                  | FCTR                       |                    |
| Balance as at April 01, 2020                                   | (42.98)                                 | -                                | 0.47                       | (42.51)            |
| Profit / (loss) for the period                                 | 17.79                                   | -                                | -                          | 17.79              |
| Employee stock option expenses for the year                    | -                                       | -                                | -                          | -                  |
| Other comprehensive (loss)/ income for the year (net of taxes) | -                                       | -                                | (1.58)                     | (1.58)             |
| Balance as at March 31, 2021                                   | (25.19)                                 | -                                | (1.11)                     | (26.30)            |
| Profit / (loss) for the period                                 | 6.14                                    | -                                | -                          | 6.14               |
| Employee stock option expenses for the year                    | -                                       | 0.22                             | -                          | 0.22               |
| Other comprehensive (loss)/ income for the year (net of taxes) | -                                       | -                                | (0.37)                     | (0.37)             |
| Balance as at June 30, 2021                                    | (31.33)                                 | 0.22                             | (1.48)                     | (32.59)            |

\* Also refer note 11

Summary of significant accounting policies (Refer note 3)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Kantor Akuntan Publik Tanuwijaya

Chartered Accountants



David Tanuwijaya  
 Partner

Place: Jakarta, Indonesia

December 07, 2021

For and on behalf of the Board of Directors of  
 PT Capillary Technologies Indonesia

Anant Choubey  
 Director

Place: Bengaluru, India

Date: December 02, 2021



Syaiful Nurul Hidayat  
 Director

Place: Jakarta, Indonesia

Date: December 02, 2021

PT Capillary Technologies Indonesia  
Special Purpose Ind AS financial statements  
Statement of Cash Flows

|  | (₹ in Million)  |                                      |
|--|---|--------------------------------------|
|  | For the three months<br>period ended June 30,<br>2021 | For the year ended March<br>31, 2021 |
| <b>A. Cash flow from / (used in) operating activities</b>  |   |                                      |
| Profit / (loss) before tax   | (5.95)  | 20.89                                |
| <b>Adjustments to reconcile profit / (loss) before tax to net cash flows</b>                                       |   |                                      |
| Depreciation and amortisation expenses   | -   | 0.03                                 |
| Provision for doubtful trade receivables and advances (including bad debts written off)                            | -   | 0.23                                 |
| Finance costs  | 0.04  | 0.13                                 |
| Employee stock option expenses   | 0.22  | -                                    |
| Net foreign exchange differences   | 0.29  | (4.02)                               |
| Finance income   | (0.17)  | (0.49)                               |
| Provision/ liabilities no longer required, written back  | (0.20)  | (0.59)                               |
| <b>Operating profit / (loss) before working capital changes</b>  | <b>(3.77)</b>   | <b>16.18</b>                         |
| <b>Working capital adjustments:</b>  |   |                                      |
| (Increase) / decrease in trade receivables   | (10.82)   | 15.32                                |
| Decrease / (increase) in non-current and current loans, other financial and other assets                           | 0.07  | (0.75)                               |
| Increase / (decrease) in trade payables, non-current and current other financial, other liabilities and provisions | 23.25   | 31.05                                |
| <b>Cash generated from / (used in) operations</b>  | <b>6.73</b>   | <b>61.81</b>                         |
| Direct taxes (paid) / refund   | (0.19)  | (3.10)                               |
| <b>Net cash flow from / (used in) operating activities (A)</b>   | <b>6.54</b>   | <b>58.71</b>                         |
| <b>B. Cash flow from/ (used in) investing activities</b>   |   |                                      |
| Purchase of property, plant and equipment  | -   | -                                    |
| Interest income received   | 0.17  | 0.49                                 |
| <b>Net cash flow from investing activities (B)</b>   | <b>0.17</b>   | <b>0.49</b>                          |
| <b>C. Cash flow from / (used in) financing activities</b>  |   |                                      |
| Proceeds from issue of shares  | -   | -                                    |
| Finance costs paid   | (0.04)  | (0.13)                               |
| <b>Net cash (used in) / generated from financing activities (C)</b>  | <b>(0.04)</b>   | <b>(0.13)</b>                        |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>  | <b>6.67</b>   | <b>59.07</b>                         |
| Cash and cash equivalents at the beginning of the period/ year   | 86.71   | 27.63                                |
| <b>Cash and cash equivalents at the end of the period/ year</b>  | <b>93.38</b>  | <b>86.71</b>                         |

**Note:**

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Summary of significant accounting policies (Refer note 3)

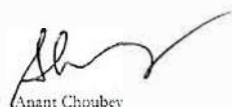
The accompanying notes are an integral part of the financial statements

As per our report of even date  
For Kantor Akuntan Publik Tanuwijaya  
Chartered Accountants

  
  
**KAP TANUWIJAYA**  
David Tanuwijaya  
Partner

Place: Jakarta, Indonesia  
December 07, 2021

For and on behalf of the Board of Directors of  
PT Capillary Technologies Indonesia

  
Anant Choubey  
Director

Place: Bengaluru, India  
Date: December 02, 2021

  
  
Syarif Nur Hidayat  
Director

Place: Jakarta, Indonesia  
Date: December 02, 2021



**PT Capillary Technologies Indonesia**  
**Notes to the Special Purpose Ind AS Financial Statements**

**1. Corporate information**

The financial statements comprise financial statements of PT Capillary Technologies Indonesia for the period ended June 30, 2021 and year ended March 31, 2021. PT Capillary Technologies Indonesia (the "Company") was incorporated on June 4, 2018 based on the Notarial Deed No. 01 of Dita Okta Sesia, S.H., M.Kn. The Company's Articles of Association was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decree No. AHU-0079307.AH.01.11.TAHUN 2018 dated June 07, 2018.

The Company's Articles of Association have been amended. The latest amendment is through Notarial Deed No. 29 dated October 29, 2020 of Dita Okta Sesia, S.H., M.Kn.

Based on the Company's Articles of Association, the business activities of the Company are management consulting, with sub activities are providing advisory assistance, guidance and business operations and other organizational and management issues. The Company is domiciled in Cilandak Barat, Jakarta Selatan.

**2 Basis of preparation**

The special purpose financial statements of the company have been prepared in accordance with the group accounting policies as adopted in the Restated Summary statements for the three months period ended June 30, 2021, year ended March 31, 2021, March 31, 2020 and March 31, 2019 by the group company 'Capillary Technologies India Limited' India (formerly known as 'Capillary Technologies India Private Limited') and presentation requirements of Division II of Schedule III to the India Companies Act, 2013. (Ind AS compliant Schedule III), with effect from April 01, 2021. In addition, the Company has complied with the accounting policies and presentation requirements of Division II of Schedule III to the Companies Act, 2013 for all the historical financial years, to make the accounting policies and the presentation requirements consistent to those used in the financial statements for the three months period ended June 30, 2021.

These statements have been prepared by the Management -

- a) For the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP', in connection with the proposed initial public offering of equity shares of face value of ₹ 2 each of Capillary Technologies India Limited.
- b) For the purpose of preparation of the financial statements which are being prepared for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP'), in connection with the proposed initial public offering of equity shares of face value of ₹ 2 each of Capillary Technologies India Limited.

The financial statements have been prepared on an accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

This note provides a list of the significant accounting policies adopted in the preparation of these Special Purpose financial Statements. These policies have been consistently applied to all the years/ periods presented, unless otherwise stated.

**3 Summary of significant accounting policies**

**Current versus non-current classification**

**a. Current versus non-current classification**

The Company presents assets and liabilities in the Financial Statements on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period; or



**PT Capillary Technologies Indonesia**  
**Notes to the Special Purpose Ind AS Financial Statements**

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Advance tax paid is classified as non-current assets.

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

**b. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- ▶ Disclosures for valuation methods, significant estimates and assumptions
- ▶ Quantitative disclosures of fair value measurement hierarchy
- ▶ Investment in unquoted equity shares
- ▶ Financial instruments (including those carried at amortised cost)

**c. Revenue recognition**

Revenue from operations is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has



**PT Capillary Technologies Indonesia**  
**Notes to the Special Purpose Ind AS Financial Statements**

generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must be met before revenue is recognised:

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 16.

**Income from services**

**i) Retainer services**

The Company is engaged in the business of providing cloud based intelligent customer engagement software solutions to retail chain operators. Revenue is recognized on an accrual basis as and when services are rendered in accordance with the arrangement with the customers.

**ii) Campaign services**

The Company provides SMS campaign services that are bundled together with the retainer services. The Company recognises revenue based on the usage of messaging services i.e., when the Company's services are used based on the specific terms of the contract with customers. Billing in excess of revenue pertains to amount billed to customer for services to be rendered in future periods and has been disclosed as contract liabilities.

**iii) Installation services**

The Company provides a one-time installation services that are bundled together with the retainer services. The Company recognises revenue from installation services over time because the customer simultaneously receives and consumes the benefits provided to them. The Company uses an input method in measuring progress of the installation services because there is a direct relationship between the Company's effort and the transfer of service to the customer. The Company recognises revenue on the basis of the milestone achieved which correlates with hours expended relative to the total expected hours to complete the service.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified installation milestones. A contract asset is recognised when the Company has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Company has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Company performs under the contract.

**Other income**

**i) Interest Income**

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When 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. Interest income is included in finance income in the statement of profit and loss.

**ii) Dividend Income**

Dividend income is recognized when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**Contract balances**

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section t) Financial instruments – initial recognition and subsequent measurement below

**Trade receivables**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (t) Financial instruments – initial recognition and subsequent measurement below



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**PT Capillary Technologies Indonesia**  
**Notes to the Special Purpose Ind AS Financial Statements**

**Capitalised contract costs**

The Company pays sales commission to its employees for each installation and retainer contract that they obtain. Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Company recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses. The maximum period over which the Company expects to derive benefit from contracts entered into with customers is 3 years. The Company has elected to apply the practical expedient to recognise the incremental costs of obtaining a contract as an expense when incurred where the amortisation period of the asset that would otherwise be recognised is over year or less.

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**d. Taxes on income**

**Current income tax**

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



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**e. Property, plant and equipment**

As at proforma date of transition to Ind AS i.e. April 01, 2018, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 1, 2018.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:  
Computers – 3 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

**f. Leases**

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

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**ii) Short-term leases and leases of low-value assets**



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The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**g. Impairment of non-financial assets**

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets, including goodwill and investments in subsidiary to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and
- (ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Company operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss

**h. Provisions and contingent liabilities**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



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If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

Provisions and contingent liability are reviewed at each balance sheet.

**i. Retirement and other employee benefits**

Retirement benefit in the form of provident fund and pension fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund and pension fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the financial statements if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The Company presents the leave as a current liability in the Balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- a) The date of the plan amendment or curtailment, and
- b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b) Net interest expense or income.

**j. Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities contracts are initially measured at transaction cost and where such



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values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price as disclosed under Revenue recognition policy.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**(i) Financial assets**

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Impairment of financial assets excluding investments in subsidiaries and associates**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Financial Instruments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

**De-recognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.



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If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

**(ii) Financial liabilities and equity instruments**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**Financial Liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**b) De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**k. Segment reporting**

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.



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CODM evaluates the performance of the Company based on the single operative segment as cloud based intelligent customer engagement software solutions to retail chain operators. Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 "Operating Segments".

**l. 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, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**m. Share-based payments**

Certain employees of the Company share-based payments, whereby employees render services as consideration for equity instruments of the holding company (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Refer note 26 for further details.

That cost is recognised, together with a corresponding increase in Capital contribution from parent reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**n. Dividend**

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**o. Foreign currencies**

The Company's financial statements are presented in INR, which is also the parent company's functional currency. The Company's functional currency is Indonesia Rupiah (IDR) and items included in the financial statements are measured using that functional currency.

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.



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Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.

**p. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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



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Notes to the special purpose Ind AS financial statements

4 Property, plant and equipment (₹ in Million)

| Particulars                     | Computers | Total  |
|---------------------------------|-----------|--------|
| <b>Cost</b>                     |           |        |
| At April 01, 2020               | 0.18      | 0.18   |
| Additions                       | -         | -      |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | 0.00      | 0.00   |
| At March 31, 2021               | 0.18      | 0.18   |
| Additions                       | -         | -      |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | 0.00      | 0.00   |
| At June 30, 2021                | 0.18      | 0.18   |
| <b>Accumulated depreciation</b> |           |        |
| At April 01, 2020               | 0.14      | 0.14   |
| Charge for the year             | 0.03      | 0.03   |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | (0.01)    | (0.01) |
| At March 31, 2021               | 0.16      | 0.16   |
| Charge for the period           | 0.00      | 0.00   |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | 0.01      | 0.01   |
| At June 30, 2021                | 0.17      | 0.17   |
| <b>Net book value</b>           |           |        |
| At April 01, 2020               | 0.04      | 0.04   |
| At March 31, 2021               | 0.02      | 0.02   |
| At June 30, 2021                | 0.01      | 0.01   |

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5 Trade receivables

|  | (₹ in Million)         |                         |
|--|------------------------|-------------------------|
|  | As at June 30,<br>2021 | As at March 31,<br>2021 |
| Trade receivables - Others <sup>2</sup>                            | 18.66                  | 7.84                    |
| Receivable from related parties <sup>1,2</sup>                     | -                      | -                       |
| <b>Total trade receivables</b>                                     | <b>18.66</b>           | <b>7.84</b>             |
| <b>Break-up for security details:</b>                              |                        |                         |
| Trade receivables - Unsecured, considered good                     | 18.66                  | 7.84                    |
| Trade receivables - Unsecured, credit impaired <sup>3</sup>        | -                      | -                       |
|  | (A)                    | 7.84                    |
| <b>Impairment allowance (allowance for bad and doubtful debts)</b> |                        |                         |
| Trade receivables - Unsecured, credit impaired <sup>3</sup>        | -                      | -                       |
|  | (B)                    | -                       |
| <b>Total</b>   | <b>(A + B) 18.66</b>   | <b>7.84</b>             |

1. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Also refer note 29.

2. Trade receivables are non-interest bearing and are generally on terms of upto 90 days.

3. Movement in expected credit loss allowance under simplified approach are provided in the table below:

|  | (₹ in Million)      |                      |
|--|---------------------|----------------------|
|  | As at June 30, 2021 | As at March 31, 2021 |
| <b>Expected credit loss allowance</b>            |                     |                      |
| At the beginning of the period / year            | -                   | 2.45                 |
| Provision made during the period / year          | -                   | -                    |
| (Utilized) / (reversed) during the period / year | -                   | (2.45)               |
| <b>At the end of the period / year</b>           | <b>-</b>            | <b>-</b>             |

6 Cash and cash equivalents

|                            | (₹ in Million)         |                         |
|----------------------------|------------------------|-------------------------|
|                            | As at June 30,<br>2021 | As at March 31,<br>2021 |
| <b>Balances with banks</b> |                        |                         |
| On current accounts        | 93.38                  | 86.71                   |
|                            | <b>93.38</b>           | <b>86.71</b>            |

7 Loans

|  | (₹ in Million)         |                         |
|--|------------------------|-------------------------|
|  | As at June 30,<br>2021 | As at March 31,<br>2021 |
| <b>Loans (Unsecured considered good unless otherwise stated)</b> |                        |                         |
| Loan to employees <sup>1</sup>                                   | -                      | -                       |
|  | -                      | -                       |

Notes:

1. Loans to employees are unsecured, interest free, repayable on instalments which is generally 6 months and to be settled in cash.

8 Other financial assets

|  | (₹ in Million)         |                         |
|--|------------------------|-------------------------|
|  | As at June 30,<br>2021 | As at March 31,<br>2021 |
| <b>Current</b>                                 |                        |                         |
| <b>Financial instruments at amortised cost</b> |                        |                         |
| Security deposits                              | 0.08                   | 0.08                    |
| Unbilled revenue <sup>1</sup>                  | 0.99                   | 1.08                    |
| <b>Total</b>                                   | <b>1.07</b>            | <b>1.16</b>             |

8.1 Unbilled revenue ageing schedule - Based on the requirements of Schedule III

|                                     | (₹ in Million)         |                         |
|-------------------------------------|------------------------|-------------------------|
|                                     | As at June 30,<br>2021 | As at March 31,<br>2021 |
| <b>Undisputed - considered good</b> |                        |                         |
| Current but not due                 | 0.99                   | 1.08                    |
|                                     | <b>0.99</b>            | <b>1.08</b>             |



5.1 Trade receivables ageing schedule - Based on the requirements of Amended Schedule III  
As at June 30, 2021

(₹ in Million)

| Particulars   | Current but not due | Outstanding for following periods from due date of payment |                   |             |             |                   | Total        |
|---|---------------------|--|-------------------|-------------|-------------|-------------------|--------------|
|   |                     | Less than 6 months   | 6 months - 1 year | 1-2 years   | 2 - 3 years | More than 3 years |              |
| Undisputed Trade Receivables - considered good                                | 13.00               | 5.47   | -                 | 0.19        | -           | -                 | 18.66        |
| Undisputed Trade Receivables - which have significant increase in credit risk | -                   | -  | -                 | -           | -           | -                 | -            |
| Undisputed Trade Receivables - credit impaired                                | -                   | -  | -                 | -           | -           | -                 | -            |
| Disputed Trade Receivables - considered good                                  | -                   | -  | -                 | -           | -           | -                 | -            |
| Disputed Trade Receivables - which have significant increase in credit risk   | -                   | -  | -                 | -           | -           | -                 | -            |
| Disputed Trade Receivables - credit impaired                                  | -                   | -  | -                 | -           | -           | -                 | -            |
| <b>Total</b>  | <b>13.00</b>        | <b>5.47</b>  | <b>-</b>          | <b>0.19</b> | <b>-</b>    | <b>-</b>          | <b>18.66</b> |
| Less: credit impaired   | -                   | -  | -                 | -           | -           | -                 | -            |
| <b>Total</b>  | <b>13.00</b>        | <b>5.47</b>  | <b>-</b>          | <b>0.19</b> | <b>-</b>    | <b>-</b>          | <b>18.66</b> |

As at March 31, 2021

(₹ in Million)

| Particulars   | Current but not due | Outstanding for following periods from due date of payment |                   |             |             |                   | Total       |
|---|---------------------|--|-------------------|-------------|-------------|-------------------|-------------|
|   |                     | Less than 6 months   | 6 months - 1 year | 1-2 years   | 2 - 3 years | More than 3 years |             |
| Undisputed Trade Receivables - considered good                                | 3.15                | 4.50   | -                 | 0.19        | -           | -                 | 7.84        |
| Undisputed Trade Receivables - which have significant increase in credit risk | -                   | -  | -                 | -           | -           | -                 | -           |
| Undisputed Trade Receivables - credit impaired                                | -                   | -  | -                 | -           | -           | -                 | -           |
| Disputed Trade Receivables - considered good                                  | -                   | -  | -                 | -           | -           | -                 | -           |
| Disputed Trade Receivables - which have significant increase in credit risk   | -                   | -  | -                 | -           | -           | -                 | -           |
| Disputed Trade Receivables - credit impaired                                  | -                   | -  | -                 | -           | -           | -                 | -           |
| <b>Total</b>  | <b>3.15</b>         | <b>4.50</b>  | <b>-</b>          | <b>0.19</b> | <b>-</b>    | <b>-</b>          | <b>7.84</b> |
| Less: credit impaired   | -                   | -  | -                 | -           | -           | -                 | -           |
| <b>Total</b>  | <b>3.15</b>         | <b>4.50</b>  | <b>-</b>          | <b>0.19</b> | <b>-</b>    | <b>-</b>          | <b>7.84</b> |

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PT Capillary Technologies Indonesia  
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9 Other assets

|   | (₹ in Million)         |                         |
|---|------------------------|-------------------------|
|   | As at June 30,<br>2021 | As at March 31,<br>2021 |
| <b>Non-current</b>                          |                        |                         |
| <b>Others (Unsecured, considered good)</b>  |                        |                         |
| Capitalised contract costs*                 | 0.35                   | 0.34                    |
|   | <b>0.35</b>            | <b>0.34</b>             |
| <b>Current</b>                              |                        |                         |
| <b>Advances other than capital advances</b> |                        |                         |
| Unsecured, considered good                  | 0.34                   | 0.39                    |
| <b>Others (Unsecured, considered good)</b>  |                        |                         |
| Prepaid expenses                            | 0.35                   | 0.21                    |
| Capitalised contract costs*                 | 0.23                   | 0.31                    |
| <b>Total</b>                                | <b>0.92</b>            | <b>0.91</b>             |

\*Capitalised contract costs represent capitalised commission costs paid to sales team and set out below is the movement in the capitalised contract costs.

|  | (₹ in Million)      |                      |
|--|---------------------|----------------------|
|  | As at June 30, 2021 | As at March 31, 2021 |
| <b>Capitalised contract costs</b>            |                     |                      |
| <b>At the beginning of the period / year</b> | 0.65                | -                    |
| Additions during the period / year           | 0.01                | 0.93                 |
| Amortised during the period / year           | (0.08)              | (0.16)               |
| Other adjustments                            | -                   | (0.12)               |
| <b>At the end of the period / year</b>       | <b>0.58</b>         | <b>0.65</b>          |
| <b>The same is shown under:</b>              |                     |                      |
| Current                                      | 0.23                | 0.31                 |
| Non-current                                  | 0.35                | 0.34                 |



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10 Equity share capital

Authorised share Capital

As at April 01, 2020  
Increase/ decrease during the year  
As at March 31, 2021  
Increase/ decrease during the three months period  
As at June 30, 2021

| Equity Shares          |              |
|------------------------|--------------|
| Number<br>(in million) | ₹ in Million |
| 0.80                   | 55.00        |
| -                      | -            |
| 0.80                   | 55.00        |
| -                      | -            |
| 0.80                   | 55.00        |

(a) Issued equity capital

Equity shares of IDR 14,000 each issued, subscribed and fully paid

As at April 01, 2020  
Changes during the year  
As at March 31, 2021  
Changes during the three months period  
As at June 30, 2021

| Number<br>(in million) | ₹ in Million |
|------------------------|--------------|
| 0.80                   | 1.59         |
| -                      | -            |
| 0.80                   | 1.59         |
| -                      | -            |
| 0.80                   | 1.59         |

Based on the Notarial Deed No. 01 of Dita Okta Sesia, S.H., M.Kn approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decree No. AHU-0079307.AH.01.11.TAHUN 2018 dated June 07, 2018, the Company's authorized share capital is INR 55 million which is not yet fully paid. Based on the company's bank and cash account, amount paid by shareholders is INR 1.59 Million. Unpaid portion is still pending from shareholders.

(b) Shares held by the Holding / Ultimate Holding Company and / or their subsidiaries / associates

Out of the equity shares issued by the Company, shares held by its Holding Company, Ultimate Holding Company and their subsidiaries / associates are as below:

| Name of the shareholder  | (₹ in Million)         |                         |
|--|------------------------|-------------------------|
|  | As at<br>June 30, 2021 | As at<br>March 31, 2021 |
| Capillary Technologies International Pte Ltd, Singapore, the Holding Company | 1.59                   | 1.59                    |

(c) Details of shareholders holding more than 5% shares in the Company:

|  | June 30, 2021                      |                           | March 31, 2021                     |                           |
|--|------------------------------------|---------------------------|------------------------------------|---------------------------|
|  | No. of shares held<br>(in million) | % holding in the<br>class | No. of shares held<br>(in million) | % holding in the<br>class |
| Capillary Technologies International Pte Ltd, Singapore, the Holding Company | 0.80                               | 100.00%                   | 0.80                               | 100.00%                   |

As per the records of the Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

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11 Other Equity

|  | ₹ in Million   |
|--|----------------|
| <b>Retained Earnings</b>   |                |
| Balance as at April 01, 2020                                     | (42.98)        |
| Profit/ (loss) for the year                                      | 17.79          |
| <b>Balance as at March 31, 2021</b>                              | <b>(25.19)</b> |
| Profit/ (loss) for the three months period                       | (6.14)         |
| <b>Balance as at June 30, 2021</b>                               | <b>(31.33)</b> |
| <b>Foreign currency translation reserve (FCTR)</b>               |                |
| Balance as at April 01, 2020                                     | 0.47           |
| Other comprehensive income or (loss) for the year                | (1.58)         |
| <b>Balance as at March 31, 2021</b>                              | <b>(1.11)</b>  |
| Other comprehensive income or (loss) for the three months period | (0.37)         |
| <b>Balance as at June 30, 2021</b>                               | <b>(1.48)</b>  |
| <b>Capital contribution from parent</b>                          |                |
| At April 01, 2020  | -              |
| Changes during the year  | -              |
| <b>At March 31, 2021</b>   | <b>-</b>       |
| Changes during the three months period                           | 0.22           |
| <b>At June 30, 2021</b>  | <b>0.22</b>    |

Nature and purpose of reserves

11.1 Retained Earnings

Retained Earnings represent the profits earned till date, less any transfer to General reserve, dividends or other distributions paid to the shareholders.

11.2 Foreign currency translation reserve (FCTR)

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of the Company from its functional currency to the presentation currency, and the translation of foreign operations whose functional currencies are different from that of the Group's presentation currency.

11.3 Capital contribution from parent

The Parent has a share option scheme under which it grants employee stock options to certain employees of the Company without any cross charge. Capital contribution from parent is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration by the parent. Refer Note 26 for further details of these.



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12 Trade Payables

|   | (₹ in Million)         |                         |
|---|------------------------|-------------------------|
|   | As at June 30,<br>2021 | As at March 31,<br>2021 |
| <b>At amortised cost</b>  |                        |                         |
| Total outstanding dues of micro enterprises and small enterprises <sup>1,2</sup>                    | -                      | -                       |
| Total outstanding dues of creditors other than micro enterprises and small enterprises <sup>1</sup> | 99.28                  | 84.76                   |
| <b>Total</b>  | <b>99.28</b>           | <b>84.76</b>            |
| <b>The above amount includes:</b>   |                        |                         |
| Trade payables to related parties (refer note 29)   | 86.17                  | 76.65                   |
| Trade payables to others  | 13.11                  | 8.11                    |
| <b>Total</b>  | <b>99.28</b>           | <b>84.76</b>            |

1. Trade payables are non-interest bearing and are normally settled on terms upto 90 days.

2. Trade payables include due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Amount due to suppliers under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with and filings made by the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act 2006 is not expected to be material. The disclosure pursuant to the said Act is as under:

**The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period/ year:**

- Principal amount due to micro and small enterprises
- Interest due on above
- The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period / year.
- The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period / year) but without adding the interest specified under the MSMED Act, 2006.
- The amount of interest accrued and remaining unpaid at the end of each accounting period / year
- The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006.

|   | (₹ in Million)         |                         |
|---|------------------------|-------------------------|
|   | As at June 30,<br>2021 | As at March 31,<br>2021 |
| - | -                      | -                       |
| - | -                      | -                       |
| - | -                      | -                       |
| - | -                      | -                       |
| - | -                      | -                       |
| - | -                      | -                       |

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12.1 Trade payables ageing schedule - Based on the requirements of Schedule III

As at June 30, 2021 (₹ in Million)

| Particulars  | Outstanding for following periods from due date of payment |           |           |                   | Total        |
|--|--|-----------|-----------|-------------------|--------------|
|  | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |              |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -         | -         | -                 | -            |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 99.28  | -         | -         | -                 | 99.28        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -         | -         | -                 | -            |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -         | -         | -                 | -            |
| <b>Total</b>   | <b>99.28</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>99.28</b> |

As at March 31, 2021 (₹ in Million)

| Particulars  | Outstanding for following periods from due date of payment |             |           |                   | Total        |
|--|--|-------------|-----------|-------------------|--------------|
|  | Less than 1 year   | 1-2 years   | 2-3 years | More than 3 years |              |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -           | -         | -                 | -            |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 84.45  | 0.31        | -         | -                 | 84.76        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -           | -         | -                 | -            |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -           | -         | -                 | -            |
| <b>Total</b>   | <b>84.45</b>   | <b>0.31</b> | <b>-</b>  | <b>-</b>          | <b>84.76</b> |

- There are no "Not due" Trade payables, hence the same is not disclosed in the ageing schedule

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|           |   | (₹ in Million)         |                         |
|-----------|---|------------------------|-------------------------|
|           |   | As at June 30,<br>2021 | As at March 31,<br>2021 |
| <b>13</b> | <b>Other financial liabilities</b>      |                        |                         |
|           | <b>At amortised cost</b>                |                        |                         |
|           | Accrued salaries and benefits           | 0.62                   | 0.81                    |
|           |   | <b>0.62</b>            | <b>0.81</b>             |
| <b>14</b> | <b>Other liabilities</b>                |                        |                         |
|           | <b>Current</b>                          |                        |                         |
|           | Statutory dues payable                  | 3.38                   | 1.17                    |
|           | Deferred revenue                        | 41.81                  | 34.70                   |
|           | <b>Total</b>                            | <b>45.19</b>           | <b>35.87</b>            |
| <b>15</b> | <b>Provisions</b>                       |                        |                         |
|           | <b>Current</b>                          |                        |                         |
|           | <b>Provision for employee benefits:</b> |                        |                         |
|           | Provision for compensated absences      | 0.30                   | 0.25                    |
|           |   | <b>0.30</b>            | <b>0.25</b>             |



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16 Revenue from operations

Type of service

|   | (₹ in Million)                                  |                                   |
|---|---|-----------------------------------|
|   | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
| <b>Sale of services</b>                               |   |                                   |
| Retainership and other income from external customers | 9.13  | 51.83                             |
| Installation income from external customers           | 1.64  | 13.50                             |
| Income from campaign services                         | 4.94  | 11.18                             |
|   | <b>15.71</b>                                    | <b>76.51</b>                      |
| Indonesia   | 15.71   | 76.51                             |
| Outside Indonesia                                     | -   | -                                 |
| <b>Total revenue from operations</b>                  | <b>15.71</b>                                    | <b>76.51</b>                      |

Timing of revenue recognition

|   | (₹ in Million)                                  |                                   |
|---|---|-----------------------------------|
|   | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
| Services transferred over time          | 10.77   | 65.33                             |
| Services transferred at a point in time | 4.94  | 11.18                             |
|   | <b>15.71</b>                                    | <b>76.51</b>                      |

16.1 Contract balances

Trade receivables:

|                        |       |      |
|------------------------|-------|------|
| - Current (gross)      | 18.66 | 7.84 |
| - Impairment allowance | -     | -    |

Contract assets:-

Unbilled revenue:

|           |      |      |
|-----------|------|------|
| - Current | 0.99 | 1.08 |
|-----------|------|------|

Contract liabilities:-

Deferred revenue:

|           |       |       |
|-----------|-------|-------|
| - Current | 41.81 | 34.70 |
|-----------|-------|-------|

17 Other income

|  | (₹ in Million)                                  |                                   |
|--|---|-----------------------------------|
|  | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
| Gain on account of foreign exchange fluctuations (net)   | 0.08  | 5.60                              |
| Provisions/ liabilities no longer required, written back | 0.20  | 0.59                              |
| Other non-operating income                               | 0.13  | 0.49                              |
| <b>Total</b>   | <b>0.41</b>                                     | <b>6.68</b>                       |

18 Finance income

|  | (₹ in Million)                                  |                                   |
|--|---|-----------------------------------|
|  | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
| Interest income on bank deposits (gross) | 0.17  | 0.49                              |
|  | <b>0.17</b>                                     | <b>0.49</b>                       |

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19 Employee benefit expenses

|   | (₹ in Million)   |   |
|---|--|---|
|   | For the three<br>months period<br>ended June 30,<br>2021 | For the year<br>ended March 31,<br>2021 |
| Salaries, wages and bonus                 | 4.37   | 13.24                                   |
| Contribution to provident and other funds | 0.17   | 0.47                                    |
| Staff welfare expenses                    | 0.28   | 0.43                                    |
| Staff training and recruitment expenses   | -  | -                                       |
| Sales commission expenses                 | 0.08   | 0.16                                    |
| Employee stock options expenses           | 0.22   | -                                       |
| <b>Total</b>                              | <b>5.12</b>  | <b>14.30</b>                            |

20 Depreciation and amortization expenses

|  | (₹ in Million)   |   |
|--|--|---|
|  | For the three<br>months period<br>ended June 30,<br>2021 | For the year<br>ended March 31,<br>2021 |
| Depreciation of property, plant and equipment (refer note 4) | -  | 0.03                                    |
|  | -  | <b>0.03</b>                             |

21 Finance costs

|              | (₹ in Million)   |   |
|--------------|--|---|
|              | For the three<br>months period<br>ended June 30,<br>2021 | For the year<br>ended March 31,<br>2021 |
| Bank charges | 0.04   | 0.13                                    |
|              | <b>0.04</b>  | <b>0.13</b>                             |

22 Other expenses

|   | (₹ in Million)   |   |
|---|--|---|
|   | For the three<br>months period<br>ended June 30,<br>2021 | For the year<br>ended March 31,<br>2021 |
| Travelling and conveyance   | 0.05   | 1.06                                    |
| Rent  | 0.12   | 0.60                                    |
| Communication costs   | 0.04   | 0.22                                    |
| Payment to auditor*   | 0.52   | 0.19                                    |
| Power and fuel  | -  | 0.01                                    |
| Provision for doubtful trade receivables and advances (including bad debts written off) | -  | 0.23                                    |
| Advances / deposits written off   | -  | 0.19                                    |
| Selling and marketing expenses  | 0.18   | 0.66                                    |
| Repairs and maintenance - others  | -  | 0.22                                    |
| Loss on account of foreign exchange fluctuations (net)                                  | -  | -                                       |
| Rates and taxes   | 0.58   | 3.39                                    |
| Software and server charges   | -  | -                                       |
| Miscellaneous expenses  | -  | 0.06                                    |
| <b>Total</b>  | <b>1.49</b>  | <b>6.83</b>                             |

\* Payment to Auditor (exclusive of goods and service tax)

|  | (₹ in Million)   |   |
|--|--|---|
|  | For the three<br>months period<br>ended June 30,<br>2021 | For the year<br>ended March 31,<br>2021 |
| As auditor:<br>Audit fees (including fee for internal controls over financial reporting) | 0.52   | 0.19                                    |





23 Income Tax

Income tax expenses in the statement of profit and loss consist of the following:

|                                    | (₹ in Million)                                  |                                   |
|------------------------------------|---|-----------------------------------|
|                                    | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
| (a) Current tax                    | 0.19  | 3.10                              |
| (b) Deferred tax charge / (credit) | -   | -                                 |
|                                    | 0.19  | 3.10                              |

24 Earnings per share (EPS)

**Basic:** Basic EPS is calculated by dividing the profit/ loss for the period/year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period / year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year / period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

**Diluted:** Diluted EPS is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the period / year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

| Particulars  | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
|--|---|-----------------------------------|
| Face value of equity shares (IDR per share)  | 14,000.00                                       | 14,000.00                         |
| Profit/ (loss) attributable to equity shareholders (₹ in million) (a)                                | (6.14)  | 17.79                             |
| Weighted average number of equity shares used for computing EPS (basic and diluted) (in million) (b) | 0.80  | 0.80                              |
| <b>EPS- Basic and diluted (₹) (c=a/b)</b>  | <b>(7.67)</b>                                   | <b>22.24</b>                      |

Earnings per share for the three months period ended June 30, 2021 are not annualised



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25 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Ind AS Restated Summary Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include impairment of non financial assets, fair value measurement of financial instruments, contingencies, defined benefit plans (gratuity benefits) and leases - estimating the incremental borrowing rate.

**(i) Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Restated Ind AS Summary Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**(a) Fair value measurement of financial instruments**

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 31 for further disclosures.

**(b) Contingencies**

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

**(c) Provision for expected credit losses of trade receivables and contract assets**

The company estimates the credit allowance as per practical expedient based on the historical credit loss experience as enumerated in note 5.

**(d) Leases - Estimating the incremental borrowing rate**

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.



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26 Share-based payments

(A) Description of the share based payment arrangements

At a meeting of the members of Ultimate Holding Company held on August 10, 2015, the shareholders of the Ultimate Holding Company had approved the General Employee Share Option Plan (GESP) for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, subject to certain restrictions, to eligible employees.

Under GESP all employees are entitled to a grant of options once they have been in service and eligible based on conditions determined by the Board. The vesting of the options is prorated over a period of four years. The exercise price of the options is Nil. The contractual life of the options is ten years.

25% of the share options granted on each grant date will vest at the end of one year. Subsequently, 6.25% of the share options granted shall vest at the end of each quarter thereon till all share options are vested. These options expire within 10 years from the date of grant.

(B) Measurement of fair values

The fair value of the share options granted under the GESP is estimated at the grant date using Back-solve method, taking into account the terms and conditions upon which the share options were granted. The model outputs the implied total value of the enterprise when the valuation accounts for all share class rights and preferences, as of the date of the latest financing by the Ultimate Holding Company.

The following table lists the inputs to the option pricing models for the period ended June 30, 2021 and years ended March 31, 2021 respectively:

| Particulars   | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
|---|---|-----------------------------------|
| Dividend yield (%)  | 0%  | -                                 |
| Expected volatility (%)   | 31.67% - 86.38%                                 | -                                 |
| Risk-free interest rate (% p.a.)  | 1.43% - 2.28%                                   | -                                 |
| Expected life of option (years)   | 2 - 7   | -                                 |
| Weighted average share price as per Pre Discount for Lack of Marketability ("DLOM") & Pre Discount for Lack of Control ("DLOC") | USD 1.81 - 5.45                                 | -                                 |
| Weighted average share price as per Post DLOM & Post DLOC   | USD 1.23 - 5.45                                 | -                                 |

The expected life of the share options is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(C) Movements during the year

The following table illustrates the number and WAEP of, and movements in, GESP plan during the period

| Particulars  | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
|--|---|-----------------------------------|
|  | Number of options                               | Number of options                 |
| Options outstanding at the beginning of the period / year  | -   | -                                 |
| Granted during the period / year                           | 2,187   | -                                 |
| Forfeited / lapsed during the period / year                | -   | -                                 |
| Exercised during the period / year                         | -   | -                                 |
| Expired during the period / year                           | -   | -                                 |
| <b>Options outstanding at the end of the period / year</b> | <b>2,187</b>                                    | <b>-</b>                          |

The options outstanding as at June 30, 2021 had an exercise price of Nil and weighted average remaining contractual life of 5.61 years.

The weighted average fair value of options granted during the period ended June 30, 2021 was USD 5.45.

(D) Expense recognised in statement of profit and loss

The expense recognised for employee services received during the year is shown in the following table :

| Particulars   | (₹ in Million)                                  |                                   |
|---|---|-----------------------------------|
|   | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
| Expense arising from equity settled share based payment transaction (refer note 19) | 0.22  | -                                 |

(E) The Ultimate Holding Company had granted stock options to employees of PT Capillary Technologies Indonesia under ESOP plans as detailed in note 26(A) above. The Ultimate Holding Company has an obligation to settle the transaction with the employees of PT Capillary Technologies Indonesia by providing its own equity shares. Therefore, in accordance with Ind AS 102, the Company had measured its expense in accordance with the requirements applicable to equity settled share-based payment transaction.

PT Capillary Technologies Indonesia  
Notes to the special purpose Ind AS financial statements

27 Lease

I. Company as a lessee during the period / year

The Company has lease contracts for offices facilities. The lease term of the office facilities is generally 0-1 year. The Company also has certain leases of offices with lease terms of 12 months or less or low value. The Company applies the leases of low value assets and short term leases recognition exemptions for these leases.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company has used short term leases recognition exemption as per paragraph 5 of IND AS 116 for the year ended March 31, 2021 and period ended June 30, 2021 where the tenure of lease was 12 months or less.

28 Contingent liabilities

There were no contingencies and commitments as on the reporting period / year.

29 Related party disclosures

a) Names of the related parties and description of relationship

| Nature of Relationship             | Name of the Party   |
|------------------------------------|---|
| Related party where control exists | Capillary Technologies International Pte. Ltd., Singapore, Ultimate   |
| Fellow subsidiary                  | Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)<br>Capillary Technologies Inc., USA<br>Capillary Technologies (UK) Limited, United Kingdom<br>Capillary Technologies DMCC, UAE<br>Reasoning Global E-Applications Private Limited, India<br>Capillary Technologies Shanghai Co. Ltd, China<br>Capillary Technologies (Malaysia) Sdn Bhd |
| Key managerial personnel [KMP]     | Mr. Anant Choubey, Director<br>Mr. Syaiful Nurul Hidayat, Director<br>Mr. Aneesh Reddy Boddu, Director  |

b) Summary of transactions and outstanding balances with above related parties are as follows:

(₹ in Million)

| Particulars | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 |
|-------------|---|-----------------------------------|
|-------------|---|-----------------------------------|

1) Transactions during the period

(i) Reimbursement of expenses incurred on behalf of the Company

|   |      |       |
|---|------|-------|
| Capillary Technologies International Pte. Ltd., Singapore | 8.51 | 25.55 |
|---|------|-------|

(₹ in Million)

| Particulars | As at June 30, 2021 | As at March 31, 2021 |
|-------------|---------------------|----------------------|
|-------------|---------------------|----------------------|

2) Outstanding balances as at period end

(i) Trade Payables

|   |       |       |
|---|-------|-------|
| Capillary Technologies International Pte. Ltd., Singapore | 86.17 | 76.65 |
|---|-------|-------|

Notes:-

1. The transactions with related parties are made by the Company on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end are unsecured and settlement occurs in cash.

2. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 188 and Section 177 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.



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30 Segment information - Disclosure pursuant to Ind AS 108 'Operating Segments'

(a) Information about reportable segments

Basis of identifying operating segments / reportable segments:

(i) Basis of identifying operating segments:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of Restated Ind AS Summary Statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

CODM evaluates the performance of the Company based on the single operative segment as cloud based intelligent customer engagement software solutions to retail chain operators. Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 "Operating Segments".

(b) Geographical information

(i) The geographical information considered for disclosure are - Indonesia and Overseas

|                   | (₹ in Million)  |                                      |
|-------------------|---|--------------------------------------|
|                   | Revenue from operations <sup>1</sup>                  |                                      |
|                   | For the three months<br>period ended June 30,<br>2021 | For the year ended<br>March 31, 2021 |
| Indonesia         | 15.71   | 76.51                                |
| Outside Indonesia | -   | -                                    |
| <b>Total</b>      | <b>15.71</b>  | <b>76.51</b>                         |

|                   | (₹ in Million)                  |                         |
|-------------------|---------------------------------|-------------------------|
|                   | Non-current Assets <sup>2</sup> |                         |
|                   | As at June 30,<br>2021          | As at March 31,<br>2021 |
| Indonesia         | 0.01                            | 0.02                    |
| Outside Indonesia | -                               | -                       |
| <b>Total</b>      | <b>0.01</b>                     | <b>0.02</b>             |

1. Revenue by geographical-area are based on the geographical location of the customers.
2. Non-current assets excludes financial instruments and tax assets.

(c) During the period ended June 30, 2021 and years ended March 31, 2021 there was no revenue from outside Indonesia.

Information about major customers

|  | 2   | 4   |
|--|-----|-----|
| Number of customers contributed 10% or more of the total company's revenue | 44% | 53% |
| Percentage of total revenue  | 44% | 53% |

(d) Disaggregated revenue information

For disaggregation of revenue, refer Note 16.



### 31 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.14.

#### (a) Financial assets and liabilities

The management assessed that cash and bank balances, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. There are no non-current financial assets and liabilities. There are no financial instruments which are measured at fair value through statement of profit and loss or fair value through Other Comprehensive Income as at June 30, 2021 and March 31, 2021.

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at June 30, 2021 and March 31, 2021

| Particulars                      | (₹ in Million)          |                         |
|----------------------------------|-------------------------|-------------------------|
|                                  | Carrying and Fair Value |                         |
|                                  | As at June 30,<br>2021  | As at March 31,<br>2021 |
| <b>Financial assets</b>          |                         |                         |
| (i) Trade receivables            | 18.66                   | 7.84                    |
| (ii) Cash and cash equivalents   | 93.38                   | 86.71                   |
| (iii) Loans                      | -                       | -                       |
| (iv) Other financial assets      | 1.07                    | 1.16                    |
| <b>Total</b>                     | <b>113.11</b>           | <b>95.71</b>            |
| <b>Financial liabilities</b>     |                         |                         |
| (i) Trade payables               | 99.28                   | 84.76                   |
| (ii) Other financial liabilities | 0.62                    | 0.81                    |
| <b>Total</b>                     | <b>99.90</b>            | <b>85.57</b>            |

#### (b) Fair Value Hierarchy

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Management uses its best-judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1, Level 2 and Level 3 for the period ended June 30, 2021 and for the year ended March 31, 2021.

#### (c) Financial risk management objectives and policies

The Company's principal financial liabilities comprise 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 trade receivables, other financial assets and cash and bank balances derived from its operations.

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

- (i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.
- (ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

#### Market risk

##### (a) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investing and financing activities. The Company's exposure to foreign currency changes from operating activities is not material.





31 Disclosures on Financial instruments (contd.)

The following table shows foreign currency exposure at the end of reporting period:

| Particulars                  | As at June 30, 2021        |                          | As at March 31, 2021       |                          |
|------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
|                              | Amount in IDR (in Million) | Amount in ₹ (in Million) | Amount in IDR (in Million) | Amount in ₹ (in Million) |
| <b>Financial assets</b>      |                            |                          |                            |                          |
| Trade receivables            | 3,637.43                   | 18.66                    | 1,549.71                   | 7.84                     |
| <b>Financial liabilities</b> |                            |                          |                            |                          |
| Trade payables               | 19,352.83                  | 99.28                    | 16,754.30                  | 84.76                    |

**Foreign currency sensitivity**

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

| Particulars           | Change in currency | Effect on profit or loss before tax |           |
|-----------------------|--------------------|-------------------------------------|-----------|
|                       |                    | ₹ in Million                        |           |
|                       |                    | Strengthening                       | Weakening |
| <b>June 30, 2021</b>  |                    |                                     |           |
| USD                   | 5%                 | 4.31                                | (4.31)    |
| <b>March 31, 2021</b> |                    |                                     |           |
| USD                   | 5%                 | 3.83                                | (3.83)    |

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at June 30, 2021 and March 31, 2021. The period end balances are not necessarily representative of the average debt outstanding during the period.

**(ii) 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. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, cash and cash equivalents, bank balances and other financial assets of the Company.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ (June 30, 2021: ₹ 113.11 million and March 31, 2021: ₹ 95.71 million), being the total carrying value of trade receivables, cash and cash equivalents, bank balances and other financial assets of the Company.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance unsecured receivables based on historical credit loss experience and is adjusted for forward looking information. The allowance of trade receivables is based on the ageing of the receivables that are due.

Credit risk from balances with bank and financial institutions and in respect to loans and security deposits is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Refer note 5 for movement in expected credit loss for the period ended June 30, 2021 and the year ended March 31, 2021.

**(d) Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be medium.



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**PT Capillary Technologies Indonesia**  
**Notes to the special purpose Ind AS financial statements**

**31 Disclosures on Financial instruments (contd.)**

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which may differ from both carrying value and fair value.

| Particulars                 | (₹ in Million) |              |           |              |
|-----------------------------|----------------|--------------|-----------|--------------|
|                             | 0 - 1 years    | 1 to 5 years | > 5 years | Total        |
| <b>June 30, 2021</b>        |                |              |           |              |
| Trade payables              | 99.28          |              |           | 99.28        |
| Other financial liabilities | 0.62           |              |           | 0.62         |
|                             | <b>99.90</b>   | -            | -         | <b>99.90</b> |
| <b>March 31, 2021</b>       |                |              |           |              |
| Trade payables              | 84.45          | 0.31         | -         | 84.76        |
| Other financial liabilities | 0.81           | -            | -         | 0.81         |
|                             | <b>85.26</b>   | <b>0.31</b>  | -         | <b>85.57</b> |



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32 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and support from Holding Company.

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the period ended June 30, 2021 and year ended March 31, 2021.

Net Gearing Ratio: Since the company is not having any debt, gearing ratio has not been calculated

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33 Ratio Analysis and its elements

| Particulars       | Numerator      | Denominator                      | As at June 30, 2021 | As at March 31, 2021 | Variance (June 2021 vs March 2021) | Reasons for variance of more than 25 %                               |
|-------------------|----------------|----------------------------------|---------------------|----------------------|------------------------------------|--|
| Current ratio     | Current assets | Current liabilities <sup>1</sup> | 0.78                | 0.79                 | -1%                                | Variance on account of improvement in working capital of the Company |
| Debt equity ratio | Debt           | Total Equity                     | NA                  | NA                   | NA                                 |  |

| Particulars                     | Numerator                          | Denominator  | For the three months period ended June 30, 2021 | For the year ended March 31, 2021 | Variance (June 2021 vs March 2021) | Reasons for variance of more than 25 %   |
|---------------------------------|------------------------------------|--|---|-----------------------------------|------------------------------------|--|
| Debt service coverage ratio     | EBITDA                             | Debt (Borrowings)                                  | NA  | NA                                | NA                                 |  |
| Return on equity ratio          | Profit for the period/year         | Total Equity                                       | 0.19  | (0.85)                            | -123%                              | Variance on account of reduction in tech & analytics cost resulting in increase in profit / decrease in loss |
| Trade receivable turnover ratio | Revenue from operations            | Trade Receivable                                   | 0.84  | 9.76                              | -91%                               | Variance on account of reduction in revenue from operation vis-à-vis reduction in trade receivable           |
| Trade payables turnover ratio   | Revenue from operations            | Trade Payables                                     | 0.16  | 0.90                              | -82%                               | Variance on account of reduction in revenue from operation vis-à-vis change in trade payable                 |
| Net capital turnover ratio      | Revenue from operations            | Total Equity                                       | (0.51)  | (3.10)                            | -84%                               | Variance on account of improvement in working capital  |
| Net profit ratio                | Profit for the period/year         | Revenue from operations                            | (0.38)  | 0.27                              | -239%                              | Variance on account of reduction in tech & analytics cost resulting in increase in profit / decrease in loss |
| Return on capital employed      | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt | 0.20  | (0.83)                            | -124%                              | Variance on account of reduction in tech & analytics cost resulting in increase in profit / decrease in loss |
| Return on investment            | Interest (Finance income)          | Other bank balances                                | NA  | NA                                | NA                                 |  |

**\*Reasons for variance of more than 25% in above ratios**

1. Due to the outbreak of Covid-19, the operations of the Company including purchases and revenue were affected during the three month period ended June 30, 2021 and the year ended March 31, 2021. Hence, the above ratios are not comparable.

2. Ratios for the three months period ended June 30, 2021 have not been annualised.



**PT Capillary Technologies Indonesia**  
**Notes to the special purpose Ind AS financial statements**

- 34 The spread of COVID-19 has severely impacted the business operations around the globe including Indonesia. The nationwide lockdown has impacted the Company's business volumes subsequently on account of disruptions in transportation, travel bans, quarantines, social distancing and other emergency precautionary measures and its consequent impact on the retail business. The Company considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability and carrying amounts of receivables and other assets and assessment of its liquidity position for next one year. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial statements. The Company has also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of these assets and do not expect any cashflow constraints on the basis of support letter received from the Holding Company. The Company will continue to monitor these aspects and takes actions as appropriate based on future economic conditions.
- 35 **Events after the Reporting period**  
Subsequent to the period ended June 30, 2021, Capillary Technologies International Pte Ltd, Singapore, has entered into a gift agreement dated November 30, 2021 with Capillary Pte Ltd and transferred 100 per cent of the issued share capital of the Company to Capillary Pte Ltd. on November 30, 2021.
- 36 As at June 30, 2021, there are no standards that have been issued but are not yet effective, which will impact these Special Purpose Financial Statements.
- 37 Previous years numbers have been reclassified/regrouped wherever necessary to confirm to current year classifications. The management believes that such reclassifications of items are not material as they would, individually or collectively, not influence the economic decisions that users make on the basis of the Special Purpose Financial Statements.
- 38 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these Special Purpose Financial Statements have been rounded off or truncated as deemed appropriate by the management of the Company.

As per our report of even date  
For Kantor Akuntan Publik Tanuwijaya  
Chartered Accountants



David Tanuwijaya  
Partner

Place: Jakarta, Indonesia  
December 03, 2021

For and on behalf of the Board of Directors of  
PT Capillary Technologies Indonesia

Amit Choubey  
Director

Place: Bengaluru, India  
Date: December 02, 2021



Syaiful Nurul Hidayat  
Director

Place: Jakarta, Indonesia  
Date: December 02, 2021

Special Purpose Ind AS Financial Statements

**PT Capillary Technologies Indonesia**





**ADI NURONI**  
**REGISTERED PUBLIC ACCOUNTANT**

NIU KAP : 734/KM.1/2019

Jl. Inspeksi Saluran Blok C4, Kalimalang, Cipinang Muara, Jatinegara - Jakarta  
TimurTelp : (021) 210192671, email : kap.adinuroni@gmail.com

**INDEPENDENT AUDITOR'S REPORT**

**00001/2.1291/ISA/05/1543-1/1/XII/2021**

To the Board of Directors of **PT Capillary Technologies Indonesia**

**Opinion**

We have audited the accompanying Special Purpose Ind AS Financial Statements of **PT Capillary Technologies Indonesia** (the "Company"), which comprises the Balance sheet as at March 31, 2021, March 31, 2020, March 31, 2019 and the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended March 31, 2021, March 31, 2020, March 31, 2019 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as "Special Purpose Ind AS Financial Statements"). These Special Purpose Ind AS Financial Statements have been prepared by the Management as per group accounting policies of Capillary Technologies India Limited (formerly known as 'Capillary Technologies India Private Limited') ('the Parent Company')

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Ind AS Financial Statements are prepared in all material respects in accordance with the basis of preparation as set out in Note 2 of the notes to the accompanying Special Purpose Ind AS Financial Statements.

**Basis for Opinion**

We conducted our audit of the Special Purpose Ind AS Financial Statements in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA) together with the ethical requirements that are relevant to our audit of the Special Purpose Ind AS Financial Statements in Indonesia and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Special Purpose Ind AS Financial Statements.





ADINURONI  
REGISTERED PUBLIC ACCOUNTANT

NIU KAP : 734/KM.1/2019

Jl. Kayu Mas Raya No. 396 RT 005/009 Pulogadung, Pulogadung - Jakarta Timur 13260  
Telp : (021) 22485466, email : [info@adinuroni-cpa.com](mailto:info@adinuroni-cpa.com)

### **Responsibility of Management and Those Charged with Governance for the Special Purpose Ind AS Financial Statements**

The Company's Board of Directors is responsible for the preparation of these Special Purpose Ind AS Financial Statements in accordance with the basis of preparation as set out in Note 2 of the Special Purpose Ind AS Financial Statements. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Ind AS Financial Statements, Board of Directors of the Parent Company 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 Parent Company either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 ISAs 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 Special Purpose Ind AS Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose Ind AS Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.







**ADI NURONI**  
**REGISTERED PUBLIC ACCOUNTANT**

NIU KAP : 734/KM.1/2019

Jl. Kayu Mas Raya No. 396 RT 005/009 Pulogadung, Pulogadung - Jakarta Timur 13260

Telp : (021) 22485466, email : [info@adinuroni-cpa.com](mailto:info@adinuroni-cpa.com)

- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Ind AS 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.

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.

**Other matters - restriction of use**

The accompanying Special Purpose Ind AS financial statements have been prepared, and this report thereon issued, solely for the purpose of preparation of Proforma Financial Statements of Capillary Technologies India Limited (formerly known as 'Capillary Technologies India Private Limited') for the period ended June 30, 2021 and year ended March 31, 2021, March 31, 2020 and March 31, 2019 and inclusion in the Draft Red Herring Prospectus ("DRHP"), Red Herring Prospectus ("RHP") and Prospectus and for the use by the current statutory auditor of the Capillary Technologies India Limited (formerly known as 'Capillary Technologies India Private Limited') in connection with the Capillary Technologies India Limited's (formerly known as 'Capillary Technologies India Private Limited') proposed initial public offering of equity shares in Initial Public Offer. Accordingly, this report should not be used, referred to or distributed for any other purpose.

**REGISTERED PUBLIC ACCOUNTANT**  
**"ADI NURONI"**



**Adi Nuroni, SE., Ak., CA., CPA.**  
NRAP AP.1543

Jakarta, December 07, 2021



PT Capillary Technologies Indonesia  
Special Purpose Ind AS financial statements  
Balance Sheet

(₹ in Million)

|  | Notes | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
|--|-------|-------------------------|-------------------------|-------------------------|
| <b>I Assets</b>  |       |                         |                         |                         |
| <b>(1) Non-current assets</b>  |       |                         |                         |                         |
| (a) Property, plant and equipment  | 4     | 0.02                    | 0.04                    | 0.12                    |
| (b) Other non-current assets   | 9     | 0.34                    | -                       | -                       |
|  |       | <b>0.36</b>             | <b>0.04</b>             | <b>0.12</b>             |
| <b>(2) Current assets</b>  |       |                         |                         |                         |
| (a) Financial assets   |       |                         |                         |                         |
| (i) Trade receivables  | 5     | 7.84                    | 20.94                   | 14.34                   |
| (ii) Cash and cash equivalents   | 6     | 86.71                   | 27.63                   | 57.05                   |
| (iii) Loans  | 7     | -                       | 0.23                    | 1.04                    |
| (iv) Other financial assets  | 8     | 1.16                    | 0.66                    | 1.51                    |
| (b) Other current assets   | 9     | 0.91                    | 0.79                    | 0.88                    |
|  |       | <b>96.62</b>            | <b>50.25</b>            | <b>74.82</b>            |
| <b>Total assets (1+2)</b>  |       | <b>96.98</b>            | <b>50.29</b>            | <b>74.94</b>            |
| <b>II Equity and liabilities</b>   |       |                         |                         |                         |
| <b>(1) Equity</b>  |       |                         |                         |                         |
| (a) Equity share capital   | 10    | 1.59                    | 1.59                    | 1.59                    |
| (b) Other equity   | 11    | (26.30)                 | (42.51)                 | (15.59)                 |
| <b>Total Equity</b>  |       | <b>(24.71)</b>          | <b>(40.92)</b>          | <b>(14.00)</b>          |
| <b>(2) Current liabilities</b>   |       |                         |                         |                         |
| (a) Financial liabilities  |       |                         |                         |                         |
| (i) Trade payables   |       |                         |                         |                         |
| (a) Total outstanding dues of micro enterprises and small enterprises                      |       |                         |                         |                         |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 12    | 84.76                   | 64.33                   | 67.80                   |
| (ii) Other financial liabilities   | 13    | 0.81                    | 0.05                    | 1.20                    |
| (b) Other current liabilities  | 14    | 35.87                   | 26.67                   | 19.67                   |
| (c) Provisions   | 15    | 0.25                    | 0.16                    | 0.27                    |
| <b>Total liabilities</b>   |       | <b>121.69</b>           | <b>91.21</b>            | <b>88.94</b>            |
| <b>Total equity and liabilities (1+2)</b>  |       | <b>96.98</b>            | <b>50.29</b>            | <b>74.94</b>            |

Summary of significant accounting policies (Refer note 3)  
The accompanying notes are an integral part of the financial statements

As per our report of even date

For Adi Nuroni  
Chartered Accountants



Place: Jakarta, Indonesia  
December 07, 2021

For and on behalf of the Board of Directors of  
PT Capillary Technologies Indonesia

Anant Choubey  
Director

Place: Bengaluru, India  
Date: December 02, 2021



Syaiful Nurul Hidayat  
Director

Place: Jakarta, Indonesia  
Date: December 02, 2021

PT Capillary Technologies Indonesia  
Special Purpose Ind AS financial statements  
Statement of Profit and Loss

(₹ in Million)

|   | Notes | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
|---|-------|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>I Revenue</b>  |       |                                      |                                      |                                      |
| Revenue from operations   | 16    | 76.51                                | 85.20                                | 65.47                                |
| Other income  | 17    | 6.68                                 | 0.05                                 | -                                    |
| Finance income  | 18    | 0.49                                 | 0.27                                 | 0.31                                 |
| <b>Total income</b>   |       | <b>83.68</b>                         | <b>85.52</b>                         | <b>65.78</b>                         |
| <b>II Expenses</b>  |       |                                      |                                      |                                      |
| Cost of campaign services   |       | 13.37                                | 18.88                                | -                                    |
| Professional and consultancy services   |       | 28.13                                | 60.78                                | 61.10                                |
| Employee benefit expenses   | 19    | 14.30                                | 16.84                                | 9.10                                 |
| Depreciation and amortization expenses  | 20    | 0.03                                 | 0.08                                 | 0.06                                 |
| Finance costs   | 21    | 0.13                                 | 0.09                                 | 0.09                                 |
| Other expenses  | 22    | 6.83                                 | 16.40                                | 10.53                                |
| <b>Total expenses</b>   |       | <b>62.79</b>                         | <b>113.07</b>                        | <b>80.88</b>                         |
| <b>III Profit / (loss) before tax (I - II)</b>  |       | <b>20.89</b>                         | <b>(27.55)</b>                       | <b>(15.10)</b>                       |
| <b>IV Tax expenses</b>  |       |                                      |                                      |                                      |
| (a) Current tax   | 23    | 3.10                                 | -                                    | 0.33                                 |
| (b) Deferred tax charge / (credit)  |       | -                                    | -                                    | -                                    |
| <b>Total tax expenses</b>   |       | <b>3.10</b>                          | <b>-</b>                             | <b>0.33</b>                          |
| <b>V Profit / (loss) for the year (III - IV)</b>                                      |       | <b>17.79</b>                         | <b>(27.55)</b>                       | <b>(15.43)</b>                       |
| <b>VI Other comprehensive income</b>  |       |                                      |                                      |                                      |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods |       |                                      |                                      |                                      |
| (i) Foreign currency translation  |       | (1.58)                               | 0.63                                 | (0.16)                               |
| (ii) Income tax effect on above   |       | -                                    | -                                    | -                                    |
| <b>Total other comprehensive income / (loss) for the year, net of tax</b>             |       | <b>(1.58)</b>                        | <b>0.63</b>                          | <b>(0.16)</b>                        |
| <b>VII Total comprehensive income / (loss) for the year (net of tax) (V + VI)</b>     |       | <b>16.21</b>                         | <b>(26.92)</b>                       | <b>(15.59)</b>                       |
| <b>VIII Earnings per equity share (nominal value of IDR 14,000 each)</b>              | 24    |                                      |                                      |                                      |
| Basic (₹)   |       | 22.24                                | (34.44)                              | (19.29)                              |
| Diluted (₹)   |       | 22.24                                | (34.44)                              | (19.29)                              |

Summary of significant accounting policies (Refer note 3)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Aji Nuruzi

Chartered Accountants



Place: Jakarta, Indonesia

December 09, 2021

For and on behalf of the Board of Directors of  
PT Capillary Technologies Indonesia

Azant Choubey  
Director

Place: Bengaluru, India

Date: December 02, 2021

Syaiful Nurul Hidayat  
Director

Place: Jakarta, Indonesia

Date: December 02, 2021





PT Capillary Technologies Indonesia  
 Special Purpose Ind AS financial statements  
 Statement of Changes in Equity

A. Equity share capital

Equity shares of IDR 14,000 each issued, subscribed and fully paid  
 Particulars

At April 01, 2018  
 Add: Issued during the year  
 At March 31, 2019  
 Add: Issued during the year  
 At March 31, 2020  
 Add: Issued during the year  
 At March 31, 2021

| Number   | (₹ in Million) |
|----------|----------------|
| -        | -              |
| 8,00,000 | 1.59           |
| 8,00,000 | 1.59           |
| -        | -              |
| 8,00,000 | 1.59           |
| -        | -              |
| 8,00,000 | 1.59           |

B. Other Equity\*

(₹ in Million)

Particulars

Balance as at April 01, 2018  
 Profit / (loss) for the period  
 Employee stock option expenses for the year  
 Other comprehensive (loss)/ income for the year (net of taxes)  
 Balance as at March 31, 2019  
 Profit / (loss) for the period  
 Employee stock option expenses for the year  
 Other comprehensive (loss)/ income for the year (net of taxes)  
 Balance as at March 31, 2020  
 Profit / (loss) for the period  
 Employee stock option expenses for the year  
 Other comprehensive (loss)/ income for the year (net of taxes)  
 Balance as at March 31, 2021

| Particulars  | Attributable to the equity shareholders |                                  |                            | Total other equity |
|--|---|----------------------------------|----------------------------|--------------------|
|  | Reserves and Surplus                    |                                  |                            |                    |
|  | Retained earnings                       | Capital contribution from parent | Other Components of equity |                    |
|  |   |                                  | FCTR                       |                    |
| Balance as at April 01, 2018                                   | -                                       | -                                | -                          | -                  |
| Profit / (loss) for the period                                 | (15.43)                                 | -                                | -                          | (15.43)            |
| Employee stock option expenses for the year                    | -                                       | -                                | -                          | -                  |
| Other comprehensive (loss)/ income for the year (net of taxes) | -                                       | -                                | (0.16)                     | (0.16)             |
| Balance as at March 31, 2019                                   | (15.43)                                 | -                                | (0.16)                     | (15.59)            |
| Profit / (loss) for the period                                 | (27.53)                                 | -                                | -                          | (27.53)            |
| Employee stock option expenses for the year                    | -                                       | -                                | -                          | -                  |
| Other comprehensive (loss)/ income for the year (net of taxes) | -                                       | -                                | 0.63                       | 0.63               |
| Balance as at March 31, 2020                                   | (42.98)                                 | -                                | 0.47                       | (42.51)            |
| Profit / (loss) for the period                                 | 17.79                                   | -                                | -                          | 17.79              |
| Employee stock option expenses for the year                    | -                                       | -                                | -                          | -                  |
| Other comprehensive (loss)/ income for the year (net of taxes) | -                                       | -                                | (1.58)                     | (1.58)             |
| Balance as at March 31, 2021                                   | (25.19)                                 | -                                | (1.11)                     | (26.30)            |

\*Also refer note 11

Summary of significant accounting policies (Refer note 3)

The accompanying notes are an integral part of the financial statements

As per our report of even date  
 For Adi Nuroni  
 Chartered Accountants



Adi Nuroni  
 Partner

Place: Jakarta, Indonesia  
 December 07, 2021

For and on behalf of the Board of Directors of  
 PT Capillary Technologies Indonesia

Anant Choubey  
 Director

Place: Bengaluru, India  
 Date: December 02, 2021



Syarif Nurul Hidayat  
 Director

Place: Jakarta, Indonesia  
 Date: December 02, 2021

PT Capillary Technologies Indonesia  
 Special Purpose Ind AS financial statements  
 Statement of Cash Flows

(₹ in Million)

|  | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>A. Cash flow from / (used in) operating activities</b>  |                                   |                                   |                                   |
| Profit / (loss) before tax   | 20.89                             | (27.55)                           | (15.10)                           |
| <b>Adjustments to reconcile profit / (loss) before tax to net cash flows</b>                                       |                                   |                                   |                                   |
| Depreciation and amortisation expenses   | 0.03                              | 0.08                              | 0.06                              |
| Provision for doubtful trade receivables and advances (including bad debts written off)                            | 0.23                              | 2.49                              | -                                 |
| Finance costs  | 0.13                              | 0.09                              | 0.09                              |
| Employer stock option expenses   | -                                 | -                                 | -                                 |
| Net foreign exchange differences   | (4.02)                            | 5.28                              | 0.22                              |
| Finance income   | (0.49)                            | (0.27)                            | (0.31)                            |
| Provision / liabilities no longer required, written back   | (0.59)                            | -                                 | -                                 |
| <b>Operating profit / (loss) before working capital changes</b>  | <b>16.18</b>                      | <b>(10.88)</b>                    | <b>(15.94)</b>                    |
| <b>Working capital adjustments:</b>  |                                   |                                   |                                   |
| (Increase) / decrease in trade receivables   | 15.32                             | (13.99)                           | (14.34)                           |
| Decrease / (increase) in non-current and current loans, other financial and other assets                           | (0.73)                            | 1.75                              | (3.43)                            |
| Increase / (decrease) in trade payables, non-current and current other financial, other liabilities and provisions | 31.05                             | 2.52                              | 88.56                             |
| <b>Cash generated from / (used in) operations</b>  | <b>61.81</b>                      | <b>(29.60)</b>                    | <b>55.75</b>                      |
| Direct taxes (paid) / refund   | (3.10)                            | -                                 | (0.33)                            |
| <b>Net cash flow from / (used in) operating activities (A)</b>   | <b>58.71</b>                      | <b>(29.60)</b>                    | <b>55.42</b>                      |
| <b>B. Cash flow from / (used in) investing activities</b>  |                                   |                                   |                                   |
| Purchase of property, plant and equipment  | -                                 | -                                 | (0.18)                            |
| Interest income received   | 0.49                              | 0.27                              | 0.31                              |
| <b>Net cash flow from investing activities (B)</b>   | <b>0.49</b>                       | <b>0.27</b>                       | <b>0.13</b>                       |
| <b>C. Cash flow from / (used in) financing activities</b>  |                                   |                                   |                                   |
| Proceeds from issue of shares  | -                                 | -                                 | 1.50                              |
| Finance costs paid   | (0.13)                            | (0.09)                            | (0.09)                            |
| <b>Net cash (used in) / generated from financing activities (C)</b>  | <b>(0.13)</b>                     | <b>(0.09)</b>                     | <b>1.50</b>                       |
| <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>  | <b>59.07</b>                      | <b>(29.42)</b>                    | <b>57.05</b>                      |
| Cash and cash equivalents at the beginning of the year   | 27.63                             | 57.05                             | -                                 |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>86.71</b>                      | <b>27.63</b>                      | <b>57.05</b>                      |

**Note:**

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

Summary of significant accounting policies (Refer note 3)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of  
 PT Capillary Technologies Indonesia




Anant Choubey  
 Director

Place: Jakarta, Indonesia

December 07, 2021

For and on behalf of the Board of Directors of  
 PT Capillary Technologies Indonesia



Syaful Nurul Hidayat  
 Director

Place: Bengaluru, India

Date: December 02, 2021

Place: Jakarta, Indonesia

Date: December 02, 2021

**PT Capillary Technologies Indonesia**  
**Notes to the Special Purpose Ind AS Financial Statements**

**1. Corporate information**

The financial statements comprise financial statements of PT Capillary Technologies Indonesia for the year ended March 31, 2021, March 31, 2020, March 31, 2019. PT Capillary Technologies Indonesia (the "Company") was incorporated on June 4, 2018 based on the Notarial Deed No. 01 of Dita Okta Sesta, S.H., M.Kn. The Company's Articles of Association was approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decree No. AHU-0079307.AH.01.11.TAHUN 2018 dated June 07, 2018.

The Company's Articles of Association have been amended. The latest amendment is through Notarial Deed No. 29 dated October 29, 2020 of Dita Okta Sesta, S.H., M.Kn.

Based on the Company's Articles of Association, the business activities of the Company are management consulting, with sub activities are providing advisory assistance, guidance and business operations and other organizational and management issues. The Company is domiciled in Cilandak Barat, Jakarta Selatan.

**2 Basis of preparation**

The special purpose financial statements of the company have been prepared in accordance with the group accounting policies as adopted in the Restated Summary statements for the three months period ended June 30, 2021, year ended March 31, 2021, March 31, 2020 and March 31, 2019 by the group company 'Capillary Technologies India Limited' India (formerly known as 'Capillary Technologies India Private Limited') and presentation requirements of Division II of Schedule III to the India Companies Act, 2013, (Ind AS compliant Schedule III), with effect from April 01, 2021. In addition, the Company has complied with the accounting policies and presentation requirements of Division II of Schedule III to the Companies Act, 2013 for all the historical financial years, to make the accounting policies and the presentation requirements consistent to those used in the financial statements for the three months period ended June 30, 2021.

These statements have been prepared by the Management -

- a) For the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP'), in connection with the proposed initial public offering of equity shares of face value of ₹ 2 each of Capillary Technologies India Limited.
- b) For the purpose of preparation of the financial statements which are being prepared for the purpose of inclusion in the Draft Red Herring Prospectus ('DRHP'), in connection with the proposed initial public offering of equity shares of face value of ₹ 2 each of Capillary Technologies India Limited.

The financial statements have been prepared on an accrual basis under the historical cost convention except for certain financial instruments that are measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are rounded to the nearest millions (INR 000,000), except when otherwise indicated.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

This note provides a list of the significant accounting policies adopted in the preparation of these Special Purpose financial Statements. These policies have been consistently applied to all the years/ periods presented, unless otherwise stated.

**3 Summary of significant accounting policies**

**Current versus non-current classification**

**a. Current versus non-current classification**

The Company presents assets and liabilities in the Financial Statements on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period; or





**PT Capillary Technologies Indonesia**  
**Notes to the Special Purpose Ind AS Financial Statements**

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Advance tax paid is classified as non-current assets.

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

**b. Fair value measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- ▶ Disclosures for valuation methods, significant estimates and assumptions
- ▶ Quantitative disclosures of fair value measurement hierarchy
- ▶ Investment in unquoted equity shares
- ▶ Financial instruments (including those carried at amortised cost)

**c. Revenue recognition**

Revenue from operations is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has



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generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must be met before revenue is recognised:

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 16.

**Income from services**

**i) Retainer services**

The Company is engaged in the business of providing cloud based intelligent customer engagement software solutions to retail chain operators. Revenue is recognized on an accrual basis as and when services are rendered in accordance with the arrangement with the customers.

**ii) Campaign services**

The Company provides SMS campaign services that are bundled together with the retainer services. The Company recognises revenue based on the usage of messaging services i.e., when the Company's services are used based on the specific terms of the contract with customers. Billing in excess of revenue pertains to amount billed to customer for services to be rendered in future periods and has been disclosed as contract liabilities.

**iii) Installation services**

The Company provides a one-time installation services that are bundled together with the retainer services. The Company recognises revenue from installation services over time because the customer simultaneously receives and consumes the benefits provided to them. The Company uses an input method in measuring progress of the installation services because there is a direct relationship between the Company's effort and the transfer of service to the customer. The Company recognises revenue on the basis of the milestone achieved which correlates with hours expended relative to the total expected hours to complete the service.

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified installation milestones. A contract asset is recognised when the Company has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Company has not yet performed under the contract but has received advanced payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Company performs under the contract.

**Other income**

**i) Interest Income**

For all financial instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When 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. Interest income is included in finance income in the statement of profit and loss.

**ii) Dividend Income**

Dividend income is recognized when the right to receive payment is established, provided it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

**Contract balances**

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets in section t) Financial instruments – initial recognition and subsequent measurement below

**Trade receivables**

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (t) Financial instruments – initial recognition and subsequent measurement below





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**Capitalised contract costs**

The Company pays sales commission to its employees for each installation and retainer contract that they obtain. Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Company recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses. The maximum period over which the Company expects to derive benefit from contracts entered into with customers is 3 years. The Company has elected to apply the practical expedient to recognise the incremental costs of obtaining a contract as an expense when incurred where the amortisation period of the asset that would otherwise be recognised is over year or less.

**Contract liabilities**

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**d. Taxes on income**

**Current income tax**

Tax expense for the year comprises current and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company's liability for current tax is calculated using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying values of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of the taxable profit and is accounted for using the balance sheet liability model. Deferred tax liabilities are generally recognised for all the taxable temporary differences. In contrast, deferred tax assets are only recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.



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**e. Property, plant and equipment**

As at proforma date of transition to Ind AS i.e. April 01, 2018, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at March 31, 2018 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment as on April 1, 2018.

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate assets are derecognised when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset having useful life that is materially different from that of the remaining asset. These components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation is calculated on a written down value basis over the estimated useful lives of the assets as follows:  
Computers – 3 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

**f. Leases**

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

**Company as a lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

**i) Lease Liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**ii) Short-term leases and leases of low-value assets**



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The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**g. Impairment of non-financial assets**

As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets, including goodwill and investments in subsidiary to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the said assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of the fair value less costs of disposal and the value in use; and
- (ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net fair value less costs of disposal and the value in use.

(The amount of value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life. For this purpose, the discount rate (pre-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

For this purpose, a cash generating unit is ascertained as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country in which the Company operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss

**h. Provisions and contingent liabilities**

**General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.



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If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.

Provisions and contingent liability are reviewed at each balance sheet.

**i. Retirement and other employee benefits**

Retirement benefit in the form of provident fund and pension fund are defined contribution scheme. The Company has no obligation, other than the contribution payable. The Company recognizes contribution payable to provident fund and pension fund as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company recognizes expected cost of short-term employee benefit as an expense, when an employee renders the related service.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the reporting date. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The obligations are presented as current liabilities in the financial statements if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

The Company presents the leave as a current liability in the Balance sheet, to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method using actuarial valuation to be carried out at each balance sheet date.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- a) The date of the plan amendment or curtailment, and
- b) The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- a) Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- b) Net interest expense or income.

**j. Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contract embodying the related financial instruments. All financial assets, financial liabilities contracts are initially measured at transaction cost and where such





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values are different from the fair value, at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. Transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price as disclosed under Revenue recognition policy.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

**Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

**(i) Financial assets**

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets measured at fair value**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Impairment of financial assets excluding investments in subsidiaries and associates**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through the statement of profit and loss.

The Company recognises impairment loss on trade receivables using expected credit loss model, which involves use of provision matrix constructed on the basis of historical credit loss experience as permitted under Ind AS 109 – Financial Instruments.

For financial assets whose credit risk has not significantly increased since initial recognition, loss allowance equal to twelve months expected credit losses is recognised. Loss allowance equal to the lifetime expected credit losses is recognised if the credit risk on the financial instruments has significantly increased since initial recognition.

For financial assets maturing within one year from the balance sheet date, the carrying amounts approximates fair value due to the short maturity of these instruments.

**De-recognition of financial assets**

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109.



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If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the carrying amounts measured at the date of de-recognition and the consideration received is recognised in statement of profit or loss.

**(ii) Financial liabilities and equity instruments**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

**Financial Liabilities**

Financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant. Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.



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**b) De-recognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

**Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**k. Segment reporting**

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of financial statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

CODM evaluates the performance of the Company based on the single operative segment as cloud based intelligent customer engagement software solutions to retail chain operators. Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 "Operating Segments".

**l. 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, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**m. Share-based payments**

Certain employees of the Company share-based payments, whereby employees render services as consideration for equity instruments of the holding company (equity-settled transactions).

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. Refer note 26 for further details.

That cost is recognised, together with a corresponding increase in Capital contribution from parent reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.





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No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**n. Dividend**

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**o. Foreign currencies**

The Company's financial statements are presented in INR, which is also the parent company's functional currency. The Company's functional currency is Indonesia Rupiah (IDR) and items included in the financial statements are measured using that functional currency.

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of profit and loss for the period.



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**p. Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period.

Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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



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*Sh*



4 Property, plant and equipment

(₹ in Million)

| Particulars                     | Computers | Total  |
|---------------------------------|-----------|--------|
| <b>Cost</b>                     |           |        |
| At April 01, 2018               | -         | -      |
| Additions                       | 0.18      | 0.18   |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | -         | -      |
| At March 31, 2019               | 0.18      | 0.18   |
| Additions                       | -         | -      |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | -         | -      |
| At March 31, 2020               | 0.18      | 0.18   |
| Additions                       | -         | -      |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | 0.00      | 0.00   |
| At March 31, 2021               | 0.18      | 0.18   |
| <b>Accumulated depreciation</b> |           |        |
| At April 01, 2018               | -         | -      |
| Charge for the year             | 0.06      | 0.06   |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | 0.00      | 0.00   |
| At March 31, 2019               | 0.06      | 0.06   |
| Charge for the year             | 0.08      | 0.08   |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | 0.00      | 0.00   |
| At March 31, 2020               | 0.14      | 0.14   |
| Charge for the year             | 0.03      | 0.03   |
| Disposals / adjustments         | -         | -      |
| Exchange differences            | (0.01)    | (0.01) |
| At March 31, 2021               | 0.16      | 0.16   |
| <b>Net book value</b>           |           |        |
| At April 01, 2018               | -         | -      |
| At March 31, 2019               | 0.12      | 0.12   |
| At March 31, 2020               | 0.04      | 0.04   |
| At March 31, 2021               | 0.02      | 0.02   |

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5 Trade receivables

|  | (₹ in Million)          |                         |                         |
|--|-------------------------|-------------------------|-------------------------|
|  | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| Trade receivables - Others <sup>2</sup>                            | 7.84                    | 23.39                   | 14.34                   |
| Receivable from related parties <sup>1,2</sup>                     | -                       | -                       | -                       |
| <b>Total trade receivables</b>                                     | <b>7.84</b>             | <b>23.39</b>            | <b>14.34</b>            |
| <b>Break-up for security details:</b>                              |                         |                         |                         |
| Trade receivables - Unsecured, considered good                     | 7.84                    | 20.94                   | 14.34                   |
| Trade receivables - Unsecured, credit impaired <sup>3</sup>        | -                       | 2.45                    | -                       |
| <b>(A)</b>   | <b>7.84</b>             | <b>23.39</b>            | <b>14.34</b>            |
| <b>Impairment allowance (allowance for bad and doubtful debts)</b> |                         |                         |                         |
| Trade receivables - Unsecured, credit impaired <sup>3</sup>        | -                       | (2.45)                  | -                       |
| <b>(B)</b>   | <b>-</b>                | <b>(2.45)</b>           | <b>-</b>                |
| <b>Total</b>   | <b>(A + B) 7.84</b>     | <b>20.94</b>            | <b>14.34</b>            |

1. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Also refer note 29.

2. Trade receivables are non-interest bearing and are generally on terms of upto 90 days.

3. Movement in expected credit loss allowance under simplified approach are provided in the table below:

|   | (₹ in Million)          |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
|   | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Expected credit loss allowance</b>   |                         |                         |                         |
| At the beginning of the year            | 2.45                    | -                       | -                       |
| Provision made during the year          | -                       | 2.45                    | -                       |
| (Utilized) / (reversed) during the year | (2.45)                  | -                       | -                       |
| <b>At the end of the year</b>           | <b>-</b>                | <b>2.45</b>             | <b>-</b>                |

6 Cash and cash equivalents

|                            | (₹ in Million)          |                         |                         |
|----------------------------|-------------------------|-------------------------|-------------------------|
|                            | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Balances with banks</b> |                         |                         |                         |
| On current accounts        | 86.71                   | 27.63                   | 57.05                   |
|                            | <b>86.71</b>            | <b>27.63</b>            | <b>57.05</b>            |

7 Loans

|  | (₹ in Million)          |                         |                         |
|--|-------------------------|-------------------------|-------------------------|
|  | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Loans (Unsecured considered good unless otherwise stated)</b> |                         |                         |                         |
| Loan to employees <sup>1</sup>                                   | -                       | 0.23                    | 1.04                    |
|  | <b>-</b>                | <b>0.23</b>             | <b>1.04</b>             |

Notes:

1. Loans to employees are unsecured, interest free, repayable on instalments which is generally 6 months and to be settled in cash.

8 Other financial assets

|  | (₹ in Million)          |                         |                         |
|--|-------------------------|-------------------------|-------------------------|
|  | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Current</b>                                 |                         |                         |                         |
| <b>Financial instruments at amortised cost</b> |                         |                         |                         |
| Security deposits                              | 0.08                    | -                       | -                       |
| Unbilled revenue <sup>1</sup>                  | 1.08                    | 0.66                    | 1.51                    |
| <b>Total</b>                                   | <b>1.16</b>             | <b>0.66</b>             | <b>1.51</b>             |

8.1 Unbilled revenue ageing schedule - Based on the requirements of Schedule III

|                                     | (₹ in Million)          |                         |                         |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
|                                     | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Undisputed - considered good</b> |                         |                         |                         |
| Current but not due                 | 1.08                    | 0.66                    | 1.51                    |
|                                     | <b>1.08</b>             | <b>0.66</b>             | <b>1.51</b>             |





5.1 Trade receivables ageing schedule - Based on the requirements of Amended Schedule III  
As at March 31, 2021

| Particulars   | Current but not due | Outstanding for following periods from due date of payment |                   |             |             |                   | Total       |
|---|---------------------|--|-------------------|-------------|-------------|-------------------|-------------|
|   |                     | Less than 6 months   | 6 months - 1 year | 1-2 years   | 2 - 3 years | More than 3 years |             |
| Undisputed Trade Receivables - considered good                                | 3.15                | 4.50   | -                 | 0.19        | -           | -                 | 7.84        |
| Undisputed Trade Receivables - which have significant increase in credit risk | -                   | -  | -                 | -           | -           | -                 | -           |
| Undisputed Trade Receivables - credit impaired                                | -                   | -  | -                 | -           | -           | -                 | -           |
| Disputed Trade Receivables - considered good                                  | -                   | -  | -                 | -           | -           | -                 | -           |
| Disputed Trade Receivables - which have significant increase in credit risk   | -                   | -  | -                 | -           | -           | -                 | -           |
| Disputed Trade Receivables - credit impaired                                  | -                   | -  | -                 | -           | -           | -                 | -           |
| <b>Total</b>  | <b>3.15</b>         | <b>4.50</b>  | <b>-</b>          | <b>0.19</b> | <b>-</b>    | <b>-</b>          | <b>7.84</b> |
| Less: credit impaired   | -                   | -  | -                 | -           | -           | -                 | -           |
| <b>Total</b>  | <b>3.15</b>         | <b>4.50</b>  | <b>-</b>          | <b>0.19</b> | <b>-</b>    | <b>-</b>          | <b>7.84</b> |

As at March 31, 2020

| Particulars   | Current but not due | Outstanding for following periods from due date of payment |                   |             |             |                   | Total        |
|---|---------------------|--|-------------------|-------------|-------------|-------------------|--------------|
|   |                     | Less than 6 months   | 6 months - 1 year | 1-2 years   | 2 - 3 years | More than 3 years |              |
| Undisputed Trade Receivables - considered good                                | 13.76               | 7.18   | -                 | -           | -           | -                 | 20.94        |
| Undisputed Trade Receivables - which have significant increase in credit risk | -                   | -  | -                 | -           | -           | -                 | -            |
| Undisputed Trade Receivables - credit impaired                                | -                   | 2.30   | 0.09              | 0.06        | -           | -                 | 2.45         |
| Disputed Trade Receivables - considered good                                  | -                   | -  | -                 | -           | -           | -                 | -            |
| Disputed Trade Receivables - which have significant increase in credit risk   | -                   | -  | -                 | -           | -           | -                 | -            |
| Disputed Trade Receivables - credit impaired                                  | -                   | -  | -                 | -           | -           | -                 | -            |
| <b>Total</b>  | <b>13.76</b>        | <b>9.48</b>  | <b>0.09</b>       | <b>0.06</b> | <b>-</b>    | <b>-</b>          | <b>23.39</b> |
| Less: credit impaired   | -                   | (2.30)   | (0.09)            | (0.06)      | -           | -                 | (2.45)       |
| <b>Total</b>  | <b>13.76</b>        | <b>7.18</b>  | <b>-</b>          | <b>-</b>    | <b>-</b>    | <b>-</b>          | <b>20.94</b> |

As at March 31, 2019

| Particulars   | Current but not due | Outstanding for following periods from due date of payment |                   |           |             |                   | Total        |
|---|---------------------|--|-------------------|-----------|-------------|-------------------|--------------|
|   |                     | Less than 6 months   | 6 months - 1 year | 1-2 years | 2 - 3 years | More than 3 years |              |
| Undisputed Trade Receivables - considered good                                | 8.44                | 5.90   | -                 | -         | -           | -                 | 14.34        |
| Undisputed Trade Receivables - which have significant increase in credit risk | -                   | -  | -                 | -         | -           | -                 | -            |
| Undisputed Trade Receivables - credit impaired                                | -                   | -  | -                 | -         | -           | -                 | -            |
| Disputed Trade Receivables - considered good                                  | -                   | -  | -                 | -         | -           | -                 | -            |
| Disputed Trade Receivables - which have significant increase in credit risk   | -                   | -  | -                 | -         | -           | -                 | -            |
| Disputed Trade Receivables - credit impaired                                  | -                   | -  | -                 | -         | -           | -                 | -            |
| <b>Total</b>  | <b>8.44</b>         | <b>5.90</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>    | <b>-</b>          | <b>14.34</b> |
| Less: credit impaired   | -                   | -  | -                 | -         | -           | -                 | -            |
| <b>Total</b>  | <b>8.44</b>         | <b>5.90</b>  | <b>-</b>          | <b>-</b>  | <b>-</b>    | <b>-</b>          | <b>14.34</b> |



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9 Other assets

|   | (₹ in Million)          |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
|   | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Non-current</b>                          |                         |                         |                         |
| <b>Others (Unsecured, considered good)</b>  |                         |                         |                         |
| Capitalised contract costs*                 | 0.34                    | -                       | -                       |
|   | <b>0.34</b>             | <b>-</b>                | <b>-</b>                |
| <b>Current</b>                              |                         |                         |                         |
| <b>Advances other than capital advances</b> |                         |                         |                         |
| Unsecured, considered good                  | 0.39                    | 0.19                    | -                       |
| <b>Others (Unsecured, considered good)</b>  |                         |                         |                         |
| Prepaid expenses                            | 0.21                    | 0.60                    | 0.71                    |
| Capitalised contract costs*                 | 0.31                    | -                       | 0.17                    |
| <b>Total</b>                                | <b>0.91</b>             | <b>0.79</b>             | <b>0.88</b>             |

\*Capitalised contract costs represent capitalised commission costs paid to sales team and set out below is the movement in the capitalised contract costs.

|                                     | (₹ in Million)          |                         |                         |
|-------------------------------------|-------------------------|-------------------------|-------------------------|
|                                     | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Capitalised contract costs</b>   |                         |                         |                         |
| <b>At the beginning of the year</b> | -                       | 0.17                    | -                       |
| Additions during the year           | 0.93                    | 0.09                    | 0.50                    |
| Amortised during the year           | (0.16)                  | (0.26)                  | (0.33)                  |
| Other adjustments                   | (0.12)                  | -                       | -                       |
| <b>At the end of the year</b>       | <b>0.65</b>             | <b>-</b>                | <b>0.17</b>             |
| <b>The same is shown under:</b>     |                         |                         |                         |
| Current                             | 0.31                    | -                       | 0.17                    |
| Non-current                         | 0.34                    | -                       | -                       |





10 Equity share capital

Authorised share Capital

As at April 01, 2018  
Increase / decrease during the year  
As at March 31, 2019  
Increase / decrease during the year  
As at March 31, 2020  
Increase / decrease during the year  
As at March 31, 2021

| Equity Shares          |              |
|------------------------|--------------|
| Number<br>(in million) | ₹ in Million |
| -                      | -            |
| 0.80                   | 55.00        |
| 0.80                   | 55.00        |
| -                      | -            |
| 0.80                   | 55.00        |
| -                      | -            |
| 0.80                   | 55.00        |

(a) Issued equity capital

Equity shares of IDR 14,000 each issued, subscribed and fully paid

As at April 01, 2018  
Changes during the year  
As at March 31, 2019  
Changes during the year  
As at March 31, 2020  
Changes during the year  
As at March 31, 2021

| Number<br>(in million) | ₹ in Million |
|------------------------|--------------|
| -                      | -            |
| 0.80                   | 1.59         |
| 0.80                   | 1.59         |
| -                      | -            |
| 0.80                   | 1.59         |
| -                      | -            |
| 0.80                   | 1.59         |

Based on the Notarial Deed No. 01 of Dita Okta Sesia, S.H., M.Kn approved by the Ministry of Law and Human Rights of the Republic of Indonesia in its Decree No. AHU-0079307.AH.01.11.TAHUN 2018 dated June 07, 2018, the Company's authorized share capital is INR 55 million which is not yet fully paid. Based on the company's bank and cash account, amount paid by shareholders is INR 1.59 Million. Unpaid portion is still pending from shareholders.

(b) Shares held by the Holding / Ultimate Holding Company and / or their subsidiaries / associates

Out of the equity shares issued by the Company, shares held by its Holding Company, Ultimate Holding Company and their subsidiaries / associates are as below:

| Name of the shareholder  | ₹ in Million            |                         |                         |
|--|-------------------------|-------------------------|-------------------------|
|  | As at<br>March 31, 2021 | As at<br>March 31, 2020 | As at<br>March 31, 2019 |
| Capillary Technologies International Pte Ltd, Singapore, the Holding Company | 1.59                    | 1.59                    | 1.59                    |

(c) Details of shareholders holding more than 5% shares in the Company:

|  | March 31, 2021                     |                           | March 31, 2020                        |                           |
|--|------------------------------------|---------------------------|---------------------------------------|---------------------------|
|  | No. of shares held<br>(in million) | % holding in the<br>class | No. of shares<br>held<br>(in million) | % holding in the<br>class |
| Capillary Technologies International Pte Ltd, Singapore, the Holding Company | 0.80                               | 100.00%                   | 0.80                                  | 100.00%                   |

|  | March 31, 2019                        |                           |
|--|---------------------------------------|---------------------------|
|  | No. of shares<br>held<br>(in million) | % holding in the<br>class |
| Capillary Technologies International Pte Ltd, Singapore, the Holding Company | 0.80                                  | 100.00%                   |

As per the records of the Company, including its register of shareholders / members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



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11 Other Equity

|  | ₹ in Million   |
|--|----------------|
| <b>Retained Earnings</b>                           |                |
| Balance as at April 01, 2018                       | -              |
| Profit/ (loss) for the year                        | (15.43)        |
| <b>Balance as at March 31, 2019</b>                | <b>(15.43)</b> |
| Profit/ (loss) for the year                        | (27.55)        |
| <b>Balance as at March 31, 2020</b>                | <b>(42.98)</b> |
| Profit/ (loss) for the year                        | 17.79          |
| <b>Balance as at March 31, 2021</b>                | <b>(25.19)</b> |
| <b>Foreign currency translation reserve (FCTR)</b> |                |
| Balance as at April 01, 2018                       | -              |
| Other comprehensive income or (loss) for the year  | (0.16)         |
| <b>Balance as at March 31, 2019</b>                | <b>(0.16)</b>  |
| Other comprehensive income or (loss) for the year  | 0.63           |
| <b>Balance as at March 31, 2020</b>                | <b>0.47</b>    |
| Other comprehensive income or (loss) for the year  | (1.58)         |
| <b>Balance as at March 31, 2021</b>                | <b>(1.11)</b>  |
| <b>Capital contribution from Parent</b>            |                |
| At April 01, 2018                                  | -              |
| Changes during the year                            | -              |
| <b>At March 31, 2019</b>                           | <b>-</b>       |
| Changes during the year                            | -              |
| <b>At March 31, 2020</b>                           | <b>-</b>       |
| Changes during the year                            | -              |
| <b>At March 31, 2021</b>                           | <b>-</b>       |

Nature and purpose of reserves

11.1 Retained Earnings

Retained Earnings represent the profits earned till date, less any transfer to General reserve, dividends or other distributions paid to the shareholders.

11.2 Foreign currency translation reserve (FCTR)

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of the Company from its functional currency to the presentation currency, and the translation of foreign operations whose functional currencies are different from that of the Group's presentation currency.

11.3 Capital contribution from parent

The Parent has a share option scheme under which it grants employee stock options to certain employees of the Company without any cross charge. Capital contribution from ultimate holding company is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration by the ultimate holding company. Refer Note 26 for further details of these.

*(This space has been intentionally left blank)*





12 Trade Payables

|   | (₹ in Million)          |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
|   | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>At amortised cost</b>  |                         |                         |                         |
| Total outstanding dues of micro enterprises and small enterprises <sup>1,2</sup>                    | -                       | -                       | -                       |
| Total outstanding dues of creditors other than micro enterprises and small enterprises <sup>1</sup> | 84.76                   | 64.33                   | 67.80                   |
| <b>Total</b>  | <b>84.76</b>            | <b>64.33</b>            | <b>67.80</b>            |
| <b>The above amount includes:</b>   |                         |                         |                         |
| Trade payables to related parties (refer note 29)   | 76.65                   | 55.19                   | 66.05                   |
| Trade payables to others  | 8.11                    | 9.14                    | 1.75                    |
| <b>Total</b>  | <b>84.76</b>            | <b>64.33</b>            | <b>67.80</b>            |

1. Trade payables are non-interest bearing and are normally settled on terms upto 90 days.

2. Trade payables include due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Amount due to suppliers under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with and filings made by the Company. The Company has not received any claim for interest from any supplier as at the balance sheet date. Further in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the MSMED Act 2006 is not expected to be material. The disclosure pursuant to the said Act is as under:

|  | (₹ in Million)          |                         |                         |
|--|-------------------------|-------------------------|-------------------------|
|  | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period/ year:</b>   |                         |                         |                         |
| - Principal amount due to micro and small enterprises  | -                       | -                       | -                       |
| - Interest due on above  | -                       | -                       | -                       |
| - The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period / year.  | -                       | -                       | -                       |
| - The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period / year) but without adding the interest specified under the MSMED Act, 2006.   | -                       | -                       | -                       |
| - The amount of interest accrued and remaining unpaid at the end of each accounting period / year  | -                       | -                       | -                       |
| - The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006. | -                       | -                       | -                       |



12.1 Trade payables ageing schedule - Based on the requirements of Schedule III

(₹ in Million)

As at March 31, 2021

| Particulars  | Outstanding for following periods from due date of payment |             |           |                   | Total        |
|--|--|-------------|-----------|-------------------|--------------|
|  | Less than 1 year   | 1-2 years   | 2-3 years | More than 3 years |              |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -           | -         | -                 | -            |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 84.45  | 0.31        | -         | -                 | 84.76        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -           | -         | -                 | -            |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -           | -         | -                 | -            |
| <b>Total</b>   | <b>84.45</b>   | <b>0.31</b> | <b>-</b>  | <b>-</b>          | <b>84.76</b> |

(₹ in Million)

As at March 31, 2020

| Particulars  | Outstanding for following periods from due date of payment |           |           |                   | Total        |
|--|--|-----------|-----------|-------------------|--------------|
|  | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |              |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -         | -         | -                 | -            |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 64.33  | -         | -         | -                 | 64.33        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -         | -         | -                 | -            |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -         | -         | -                 | -            |
| <b>Total</b>   | <b>64.33</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>64.33</b> |

(₹ in Million)

As at March 31, 2019

| Particulars  | Outstanding for following periods from due date of payment |           |           |                   | Total        |
|--|--|-----------|-----------|-------------------|--------------|
|  | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |              |
| Total outstanding dues of micro enterprises and small enterprises                      | -  | -         | -         | -                 | -            |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 67.80  | -         | -         | -                 | 67.80        |
| Disputed dues of micro enterprises and small enterprises                               | -  | -         | -         | -                 | -            |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -  | -         | -         | -                 | -            |
| <b>Total</b>   | <b>67.80</b>   | <b>-</b>  | <b>-</b>  | <b>-</b>          | <b>67.80</b> |

- There are no "Not due" Trade payables, hence the same is not disclosed in the ageing schedule





PT Capillary Technologies Indonesia  
Notes to the special purpose Ind AS financial statements

13 Other financial liabilities

|                               | (₹ in Million)          |                         |                         |
|-------------------------------|-------------------------|-------------------------|-------------------------|
|                               | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>At amortised cost</b>      |                         |                         |                         |
| Accrued salaries and benefits | 0.81                    | 0.05                    | 1.20                    |
|                               | <b>0.81</b>             | <b>0.05</b>             | <b>1.20</b>             |

14 Other liabilities

|                        | (₹ in Million)          |                         |                         |
|------------------------|-------------------------|-------------------------|-------------------------|
|                        | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Current</b>         |                         |                         |                         |
| Statutory dues payable | 1.17                    | 1.04                    | 0.78                    |
| Deferred revenue       | 34.70                   | 25.63                   | 18.89                   |
| <b>Total</b>           | <b>35.87</b>            | <b>26.67</b>            | <b>19.67</b>            |

15 Provisions

|   | (₹ in Million)          |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
|   | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>Current</b>                          |                         |                         |                         |
| <b>Provision for employee benefits:</b> |                         |                         |                         |
| Provision for compensated absences      | 0.25                    | 0.16                    | 0.27                    |
|   | <b>0.25</b>             | <b>0.16</b>             | <b>0.27</b>             |

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PT Capillary Technologies Indonesia  
Notes to the special purpose Ind AS financial statements

16 Revenue from operations

Type of service

Sale of services

Retainership and other income from external customers  
Installation income from external customers  
Income from campaign services

Indonesia  
Outside Indonesia  
**Total revenue from operations**

| (₹ in Million)                          |   |   |
|---|---|---|
| For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| 51.83                                   | 58.37                                   | 34.72                                   |
| 13.50                                   | 6.68                                    | 21.92                                   |
| 11.18                                   | 20.15                                   | 8.83                                    |
| <b>76.51</b>                            | <b>85.20</b>                            | <b>65.47</b>                            |
| 76.51                                   | 85.20                                   | 65.47                                   |
| -                                       | -                                       | -                                       |
| <b>76.51</b>                            | <b>85.20</b>                            | <b>65.47</b>                            |

Timing of revenue recognition

Services transferred over time  
Services transferred at a point in time

| (₹ in Million)                          |   |   |
|---|---|---|
| For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| 65.33                                   | 65.05                                   | 56.64                                   |
| 11.18                                   | 20.15                                   | 8.83                                    |
| <b>76.51</b>                            | <b>85.20</b>                            | <b>65.47</b>                            |

16.1 Contract balances

Trade receivables:

- Current (gross)  
- Impairment allowance

Contract assets:-

Unbilled revenue:  
- Current

Contract liabilities:-

Deferred revenue:  
- Current

|       |        |       |
|-------|--------|-------|
| 7.84  | 23.39  | 14.34 |
| -     | (2.45) | -     |
| 1.08  | 0.66   | 1.51  |
| 34.70 | 25.63  | 18.89 |

17 Other income

Gain on account of foreign exchange fluctuations (net)  
Provisions/ liabilities no longer required, written back  
Other non-operating income  
**Total**

| (₹ in Million)                          |   |   |
|---|---|---|
| For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| 5.60                                    | -                                       | -                                       |
| 0.59                                    | -                                       | -                                       |
| 0.49                                    | 0.05                                    | -                                       |
| <b>6.68</b>                             | <b>0.05</b>                             | <b>-</b>                                |

18 Finance income

Interest income on bank deposits (gross)

| (₹ in Million)                          |   |   |
|---|---|---|
| For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| 0.49                                    | 0.27                                    | 0.31                                    |
| <b>0.49</b>                             | <b>0.27</b>                             | <b>0.31</b>                             |





PT Capillary Technologies Indonesia  
Notes to the special purpose Ind AS financial statements

19 Employee benefit expenses

|   | (₹ in Million)                          |   |   |
|---|---|---|---|
|   | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| Salaries, wages and bonus                 | 13.24                                   | 14.21                                   | 6.63                                    |
| Contribution to provident and other funds | 0.47                                    | 0.68                                    | 0.32                                    |
| Staff welfare expenses                    | 0.43                                    | 0.93                                    | 0.51                                    |
| Staff training and recruitment expenses   | -                                       | 0.76                                    | 1.31                                    |
| Sales commission expenses                 | 0.16                                    | 0.26                                    | 0.33                                    |
| Employee stock options expenses           | -                                       | -                                       | -                                       |
| <b>Total</b>                              | <b>14.30</b>                            | <b>16.84</b>                            | <b>9.10</b>                             |

20 Depreciation and amortization expenses

|  | (₹ in Million)                          |   |   |
|--|---|---|---|
|  | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| Depreciation of property, plant and equipment (refer note 4) | 0.03                                    | 0.08                                    | 0.06                                    |
|  | <b>0.03</b>                             | <b>0.08</b>                             | <b>0.06</b>                             |

21 Finance costs

|              | (₹ in Million)                          |   |   |
|--------------|---|---|---|
|              | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| Bank charges | 0.13                                    | 0.09                                    | 0.09                                    |
|              | <b>0.13</b>                             | <b>0.09</b>                             | <b>0.09</b>                             |

22 Other expenses

|   | (₹ in Million)                          |   |   |
|---|---|---|---|
|   | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| Travelling and conveyance   | 1.06                                    | 1.54                                    | 2.05                                    |
| Rent  | 0.60                                    | 1.57                                    | 0.65                                    |
| Communication costs   | 0.22                                    | 0.39                                    | 0.24                                    |
| Payment to auditor*   | 0.19                                    | 0.21                                    | 0.20                                    |
| Power and fuel  | 0.01                                    | 0.05                                    | -                                       |
| Provision for doubtful trade receivables and advances (including bad debts written off) | 0.23                                    | 2.49                                    | -                                       |
| Advances / deposits written off   | 0.19                                    | -                                       | -                                       |
| Selling and marketing expenses  | 0.66                                    | 0.73                                    | 0.51                                    |
| Repairs and maintenance - others  | 0.22                                    | 0.92                                    | 0.07                                    |
| Loss on account of foreign exchange fluctuations (net)                                  | -                                       | 5.91                                    | 0.06                                    |
| Rates and taxes   | 3.39                                    | 2.53                                    | 1.45                                    |
| Software and server charges   | -                                       | -                                       | 5.16                                    |
| Miscellaneous expenses  | 0.06                                    | 0.06                                    | 0.14                                    |
| <b>Total</b>  | <b>6.83</b>                             | <b>16.40</b>                            | <b>10.53</b>                            |

\* Payment to Auditor (exclusive of goods and service tax)

|  | (₹ in Million)                          |   |   |
|--|---|---|---|
|  | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| As auditor:<br>Audit fees (including fee for internal controls over financial reporting) | 0.19                                    | 0.21                                    | 0.20                                    |



23 Income Tax

Income tax expenses in the statement of profit and loss consist of the following:

|                                    | (₹ in Million)                          |   |   |
|------------------------------------|---|---|---|
|                                    | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| (a) Current tax                    | 3.10                                    | -                                       | 0.33                                    |
| (b) Deferred tax charge / (credit) | -                                       | -                                       | -                                       |
|                                    | <b>3.10</b>                             | <b>-</b>                                | <b>0.33</b>                             |

24 Earnings per share (EPS)

**Basic:** Basic EPS is calculated by dividing the profit/ loss for the period/year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period / year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year / period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

**Diluted:** Diluted EPS is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the period / year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table reflects the income and share data used in the basic and diluted EPS computations:

| Particulars  | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
|--|---|---|---|
| Face value of equity shares (IDR per share)  | 14,000.00                               | 14,000.00                               | 14,000.00                               |
| Profit/ (loss) attributable to equity shareholders (₹ in million) (a)                                | 17.79                                   | (27.55)                                 | (15.43)                                 |
| Weighted average number of equity shares used for computing EPS (basic and diluted) (in million) (b) | 0.80                                    | 0.80                                    | 0.80                                    |
| <b>EPS- Basic and diluted (₹) (c=a/b)</b>  | <b>22.24</b>                            | <b>(34.44)</b>                          | <b>(19.29)</b>                          |

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25 Significant accounting judgements, estimates and assumptions

The preparation of the Company's Ind AS Restated Summary Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include impairment of non financial assets, fair value measurement of financial instruments, contingencies, defined benefit plans (gratuity benefits) and leases - estimating the incremental borrowing rate.

(i) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the Restated Ind AS Summary Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 31 for further disclosures.

(b) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and contractual claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

(c) Provision for expected credit losses of trade receivables and contract assets

The company estimates the credit allowance as per practical expedient based on the historical credit loss experience as enumerated in note 5.

(d) Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

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26 Share-based payments

(A) Description of the share based payment arrangements

At a meeting of the members of Ultimate Holding Company held on August 10, 2015, the shareholders of the Ultimate Holding Company had approved the General Employee Share Option Plan (GESP) for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, subject to certain restrictions, to eligible employees.

Under GESP all employees are entitled to a grant of options once they have been in service and eligible based on conditions determined by the Board. The vesting of the options is prorated over a period of four years. The exercise price of the options is Nil. The contractual life of the options is ten years.

25% of the share options granted on each grant date will vest at the end of one year. Subsequently, 6.25% of the share options granted shall vest at the end of each quarter thereon till all share options are vested. These options expire within 10 years from the date of grant.

(B) Measurement of fair values

The fair value of the share options granted under the GESP is estimated at the grant date using Back-solve method, taking into account the terms and conditions upon which the share options were granted. The model outputs the implied total value of the enterprise when the valuation accounts for all share class rights and preferences, as of the date of the latest financing by the Ultimate Holding Company.

The following table lists the inputs to the option pricing models for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 respectively:

| Particulars   | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
| Dividend yield (%)  | -                                 | -                                 | -                                 |
| Expected volatility (%)   | -                                 | -                                 | -                                 |
| Risk-free interest rate (% p.a.)  | -                                 | -                                 | -                                 |
| Expected life of option (years)   | -                                 | -                                 | -                                 |
| Weighted average share price as per Pre Discount for Lack of Marketability ("DLOM") & Pre Discount for Lack of Control ("DLOC") | -                                 | -                                 | -                                 |
| Weighted average share price as per Post DLOM & Post DLOC   | -                                 | -                                 | -                                 |

The expected life of the share options is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

(C) Movements during the year

The following table illustrates the number and WAEP of, and movements in, GESP plan during the period

| Particulars                                      | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
|--|-----------------------------------|-----------------------------------|-----------------------------------|
|  | Number of options                 | Number of options                 | Number of options                 |
| Options outstanding at the beginning of the year | -                                 | -                                 | -                                 |
| Granted during the year                          | -                                 | -                                 | -                                 |
| Forfeited / lapsed during the year               | -                                 | -                                 | -                                 |
| Exercised during the year                        | -                                 | -                                 | -                                 |
| Expired during the year                          | -                                 | -                                 | -                                 |
| Options outstanding at the end of the year       | -                                 | -                                 | -                                 |

(D) Expense recognised in statement of profit and loss

The expense recognised for employee services received during the year is shown in the following table :

| Particulars   | ₹ in Million                      |                                   |                                   |
|---|-----------------------------------|-----------------------------------|-----------------------------------|
|   | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 |
| Expense arising from equity settled share based payment transaction (refer note 19) | -                                 | -                                 | -                                 |

(E) The Ultimate Holding Company had granted stock options to employees of PT Capillary Technologies Indonesia under ESOP plans as detailed in note 26(A) above. The Ultimate Holding Company has an obligation to settle the transaction with the employees of PT Capillary Technologies Indonesia by providing its own equity shares. Therefore, in accordance with Ind AS 102, the Company had measured its expense in accordance with the requirements applicable to equity settled share-based payment transaction.



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27 Lease

I. Company as a lessee during the year

The Company has lease contracts for offices facilities. The lease term of the office facilities is generally 0-1 year. The Company also has certain leases of offices with lease terms of 12 months or less or low value. The Company applies the leases of low value assets and short term leases recognition exemptions for these leases.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company has used short term leases recognition exemption as per paragraph 5 of IND AS 116 for the year ended March 31, 2019, March 31, 2020, March 31, 2021 where the tenure of lease was 12 months or less.

28 Contingent liabilities

There were no contingencies and commitments as on the reporting year.

29 Related party disclosures

a) Names of the related parties and description of relationship

| Nature of Relationship             | Name of the Party  |
|------------------------------------|--|
| Related party where control exists | Capillary Technologies International Pte. Ltd., Singapore, Ultimate Holding  |
| Fellow subsidiary                  | Capillary Technologies India Limited (formerly known as Capillary Technologies India Private Limited)<br>Capillary Technologies Inc, USA<br>Capillary Technologies (UK) Limited, United Kingdom<br>Capillary Technologies DMCC, UAE<br>Reasoning Global E-Applications Private Limited, India<br>Capillary Technologies Shanghai Co. Ltd, China<br>Capillary Technologies (Malaysia) Sdn Bhd |
| Key managerial personnel [KMP]     | Mr. Anant Choubey, Director<br>Mr. Syaiful Nurul Hidayat, Director<br>Mr. Aneesh Reddy Boddu, Director   |

b) Summary of transactions and outstanding balances with above related parties are as follows:

| Particulars  | (₹ in Million)                          |   |   |
|--|---|---|---|
|  | For the year<br>ended March 31,<br>2021 | For the year<br>ended March 31,<br>2020 | For the year<br>ended March 31,<br>2019 |
| <b>1) Transactions during the period</b>                               |   |   |   |
| <b>(i) Reimbursement of expenses incurred on behalf of the Company</b> |   |   |   |
| Capillary Technologies International Pte. Ltd., Singapore              | 25.55                                   | 44.01                                   | 61.25                                   |

| Particulars   | (₹ in Million)          |                         |                         |
|---|-------------------------|-------------------------|-------------------------|
|   | As at March 31,<br>2021 | As at March 31,<br>2020 | As at March 31,<br>2019 |
| <b>2) Outstanding balances as at period end</b>           |                         |                         |                         |
| <b>(i) Trade Payables</b>                                 |                         |                         |                         |
| Capillary Technologies International Pte. Ltd., Singapore | 76.65                   | 55.19                   | 66.05                   |

Notes:-

1. The transactions with related parties are made by the Company on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the period end are unsecured and settlement occurs in cash.

2. In respect of the transactions with the related parties, the Company has complied with the provisions of Section 188 and Section 177 of the Companies Act, 2013 where applicable, and the details have been disclosed above, as required by the applicable accounting standards.





30 Segment information - Disclosure pursuant to Ind AS 108 'Operating Segments'

(a) Information about reportable segments

Basis of identifying operating segments / reportable segments:

(i) Basis of identifying operating segments:

Operating segments are identified as those components of the Company (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Company's other components); (b) whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker (CODM) to make decisions about resource allocation and performance assessment and (c) for which discrete financial information is available. The accounting policies consistently used in the preparation of Restated Ind AS Summary Statements are also applied to record revenue and expenditure in individual segments. Assets, liabilities, revenues and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while other items, wherever allocable, are apportioned to the segment on an appropriate basis. Certain items are not specifically allocable to individual segments as the underlying services are used interchangeably. The Company therefore believes that it is not practical to provide segment disclosures relating to such items and accordingly such items are separately disclosed as 'unallocated'

(ii) Reportable segments:

An operating segment is classified as reportable segment if reported revenue (including inter-segment revenue) or absolute amount of result or assets exceed 10% or more of the combined total of all the operating segments.

CODM evaluates the performance of the Company based on the single operative segment as cloud based intelligent customer engagement software solutions to retail chain operators. Therefore, there is only one reportable segment called CRM services in accordance with the requirement of Ind AS 108 "Operating Segments".

(b) Geographical information

(i) The geographical information considered for disclosure are - Indonesia and Overseas

|                   | (₹ in Million)                       |                                      |                                      |
|-------------------|--------------------------------------|--------------------------------------|--------------------------------------|
|                   | Revenue from operations <sup>1</sup> |                                      |                                      |
|                   | For the year ended<br>March 31, 2021 | For the year ended<br>March 31, 2020 | For the year ended<br>March 31, 2019 |
| Indonesia         | 76.51                                | 85.20                                | 65.47                                |
| Outside Indonesia | -                                    | -                                    | -                                    |
| <b>Total</b>      | <b>76.51</b>                         | <b>85.20</b>                         | <b>65.47</b>                         |

|                   | (₹ in Million)                  |                      |                      |
|-------------------|---------------------------------|----------------------|----------------------|
|                   | Non-current Assets <sup>2</sup> |                      |                      |
|                   | As at March 31, 2021            | As at March 31, 2020 | As at March 31, 2019 |
| Indonesia         | 0.02                            | 0.04                 | 0.12                 |
| Outside Indonesia | -                               | -                    | -                    |
| <b>Total</b>      | <b>0.02</b>                     | <b>0.04</b>          | <b>0.12</b>          |

1. Revenue by geographical area are based on the geographical location of the customers.
2. Non-current assets excludes financial instruments and tax assets.

(c) During the years ended March 31, 2021, 2020 and 2019 there was no revenue from outside Indonesia.

Information about major customers

|  |     |     |     |
|--|-----|-----|-----|
| Number of customers contributed 10% or more of the total company's revenue | 4   | 4   | 6   |
| Percentage of total revenue  | 53% | 64% | 92% |

(d) Disaggregated revenue information

For disaggregation of revenue, refer Note 16.



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31 Disclosures on Financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3.14.

(a) Financial assets and liabilities

The management assessed that cash and bank balances, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. There are no non-current financial assets and liabilities. There are no financial instruments which are measured at fair value through statement of profit and loss or fair value through Other Comprehensive Income as at March 31, 2021, March 31, 2020 and March 31, 2019.

The following tables presents the carrying value and fair value of each category of financial assets and liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019

| Particulars                      | (₹ in Million)          |                      |                      |
|----------------------------------|-------------------------|----------------------|----------------------|
|                                  | Carrying and Fair Value |                      |                      |
|                                  | As at March 31, 2021    | As at March 31, 2020 | As at March 31, 2019 |
| <b>Financial assets</b>          |                         |                      |                      |
| (i) Trade receivables            | 7.84                    | 20.94                | 14.34                |
| (ii) Cash and cash equivalents   | 86.71                   | 27.63                | 57.05                |
| (iii) Loans                      | -                       | 0.23                 | 1.04                 |
| (iv) Other financial assets      | 1.16                    | 0.66                 | 1.51                 |
| <b>Total</b>                     | <b>95.71</b>            | <b>49.46</b>         | <b>73.94</b>         |
| <b>Financial liabilities</b>     |                         |                      |                      |
| (i) Trade payables               | 84.76                   | 64.33                | 67.80                |
| (ii) Other financial liabilities | 0.81                    | 0.05                 | 1.20                 |
| <b>Total</b>                     | <b>85.57</b>            | <b>64.38</b>         | <b>69.00</b>         |

(b) Fair Value Hierarchy

**Quoted prices in an active market (Level 1):** This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares and mutual fund investments.

**Valuation techniques with observable inputs (Level 2):** This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

**Valuation techniques with significant unobservable inputs (Level 3):** This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2021, March 31, 2020 and March 31, 2019.

(c) Financial risk management objectives and policies

The Company's principal financial liabilities comprise 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 trade receivables, other financial assets and cash and bank balances derived from its operations.

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

Market risk

(a) Market risk- Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's investing and financing activities. The Company's exposure to foreign currency changes from operating activities is not material.



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31 Disclosures on Financial instruments (contd.)

The following table shows foreign currency exposure at the end of reporting period:

| Particulars                  | As at March 31, 2021       |                          | As at March 31, 2020       |                          |
|------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
|                              | Amount in IDR (in Million) | Amount in ₹ (in Million) | Amount in IDR (in Million) | Amount in ₹ (in Million) |
| <b>Financial assets</b>      |                            |                          |                            |                          |
| Trade receivables            | 1,549.71                   | 7.84                     | 4,263.90                   | 20.94                    |
| <b>Financial liabilities</b> |                            |                          |                            |                          |
| Trade payables               | 16,754.30                  | 84.76                    | 13,099.17                  | 64.33                    |

| Particulars                  | As at March 31, 2019       |                          |
|------------------------------|----------------------------|--------------------------|
|                              | Amount in IDR (in Million) | Amount in ₹ (in Million) |
| <b>Financial assets</b>      |                            |                          |
| Trade receivables            | 2,919.98                   | 14.34                    |
| <b>Financial liabilities</b> |                            |                          |
| Trade payables               | 13,805.74                  | 67.80                    |

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

| Particulars           | Change in currency | Effect on profit or loss before tax |           |
|-----------------------|--------------------|-------------------------------------|-----------|
|                       |                    | ₹ in Million                        |           |
|                       |                    | Strengthening                       | Weakening |
| <b>March 31, 2021</b> |                    |                                     |           |
| USD                   | 5%                 | 3.83                                | (3.83)    |
| <b>March 31, 2020</b> |                    |                                     |           |
| USD                   | 5%                 | 2.76                                | (2.76)    |
| <b>March 31, 2020</b> |                    |                                     |           |
| USD                   | 5%                 | 3.30                                | (3.30)    |

The sensitivity analysis has been based on the composition of the Company's financial assets and liabilities at March 31, 2021, March 31, 2020 and March 31, 2019. The period end balances are not necessarily representative of the average debt outstanding during the period.

(ii) 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. Financial instruments that are subject to credit risk and concentration thereof principally consist of trade receivables, cash and cash equivalents, bank balances and other financial assets of the Company.

The carrying value of financial assets represents the maximum credit risk. The maximum exposure to credit risk was ₹ (March 31, 2021: ₹ 95.71 million, March 31, 2020: ₹ 49.46 million, March 31, 2019: ₹ 73.94 million), being the total carrying value of trade receivables, cash and cash equivalents, bank balances and other financial assets of the Company.

With respect to Trade receivables, the Company has constituted the terms to review the receivables on periodic basis and to take necessary mitigations, wherever required. The Company creates allowance unsecured receivables based on historical credit loss experience and is adjusted for forward looking information. The allowance of trade receivables is based on the ageing of the receivables that are due.

Credit risk from balances with bank and financial institutions and in respect to loans and security deposits is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Refer note 5 for movement in expected credit loss for the year ended March 31, 2021, March 31, 2020 and March 31, 2019.

(d) Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company monitors its risk of shortage of funds on a regular basis. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, etc. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be medium.



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31 Disclosures on Financial instruments (contd.)

The following table shows a maturity analysis of the anticipated cash flows excluding interest obligations for the Company's financial liabilities on an undiscounted basis, which may differ from both carrying value and fair value.

| Particulars                 | (₹ in Million) |              |           |              |
|-----------------------------|----------------|--------------|-----------|--------------|
|                             | 0 - 1 years    | 1 to 5 years | > 5 years | Total        |
| <b>March 31, 2021</b>       |                |              |           |              |
| Trade payables              | 84.45          | 0.31         | -         | 84.76        |
| Other financial liabilities | 0.81           | -            | -         | 0.81         |
|                             | <b>85.26</b>   | <b>0.31</b>  | <b>-</b>  | <b>85.57</b> |
| <b>March 31, 2020</b>       |                |              |           |              |
| Trade payables              | 64.33          | -            | -         | 64.33        |
| Other financial liabilities | 0.05           | -            | -         | 0.05         |
|                             | <b>64.38</b>   | <b>-</b>     | <b>-</b>  | <b>64.38</b> |
| <b>March 31, 2019</b>       |                |              |           |              |
| Trade payables              | 67.80          | -            | -         | 67.80        |
| Other financial liabilities | 1.20           | -            | -         | 1.20         |
|                             | <b>69.00</b>   | <b>-</b>     | <b>-</b>  | <b>69.00</b> |

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32 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the meeting of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations and support from Holding Company.

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

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021, March 31, 2020 and March 31, 2019.

Net Gearing Ratio: Since the company is not having any debt, gearing ratio has not been calculated

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33 Ratio Analysis and its elements

| Particulars       | Numerator      | Denominator         | As at March 31, 2021 | As at March 31, 2020 | As at March 31, 2019 | Variance (March 2021 vs March 2020) | Variance (March 2020 vs March 2019) | Reasons for variance of more than 25 %                               |
|-------------------|----------------|---------------------|----------------------|----------------------|----------------------|-------------------------------------|-------------------------------------|--|
| Current ratio     | Current assets | Current liabilities | 0.79                 | 0.55                 | 0.81                 | 14%                                 | -3%                                 | Variance on account of improvement in working capital of the Company |
| Debt equity ratio | Debt           | Total Equity        | NA                   | NA                   | NA                   | NA                                  | NA                                  |  |

| Particulars                     | Numerator                          | Denominator  | For the year ended March 31, 2021 | For the year ended March 31, 2020 | For the year ended March 31, 2019 | Variance (March 2021 vs March 2020) | Variance (March 2020 vs March 2019) | Reasons for variance of more than 25 %   |
|---------------------------------|------------------------------------|--|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|-------------------------------------|--|
| Debt service coverage ratio     | EBITDA                             | Debt (Borrowings)                                  | NA                                | NA                                | NA                                | NA                                  | NA                                  |  |
| Return on equity ratio          | Profit for the period/year         | Total Equity                                       | 0.85                              | 0.67                              | 1.08                              | -22%                                | -39%                                | Variance on account of reduction in net & analysis cost resulting in increase in profit / decrease in loss |
| Trade receivable turnover ratio | Revenue from operations            | Trade Receivable                                   | 9.7%                              | 4.07                              | 4.5*                              | 140%                                | -11%                                | Variance on account of reduction in revenue from operation vs a reduction in trade receivable              |
| Trade payables turnover ratio   | Revenue from operations            | Trade Payables                                     | 0.80                              | 1.32                              | 0.97                              | -32%                                | 37%                                 | Variance on account of reduction in revenue from operation vs a change in trade payable                    |
| Net capital turnover ratio      | Revenue from operations            | Total Equity                                       | (3.10)                            | (2.00)                            | (4.68)                            | 49%                                 | -55%                                | Variance on account of improvement in working capital  |
| Net profit ratio                | Profit for the period/year         | Revenue from operations                            | 0.27                              | 0.32                              | 0.23                              | -18%                                | 40%                                 | Variance on account of reduction in net & analysis cost resulting in increase in profit / decrease in loss |
| Return on capital employed      | Earnings before interest and taxes | Capital Employed + Tangible Net Worth + Total Debt | 0.85                              | 0.65                              | 1.09                              | -22%                                | -58%                                | Variance on account of reduction in net & analysis cost resulting in increase in profit / decrease in loss |
| Return on investment            | Interest (Finance income)          | Other bank balances                                | NA                                | NA                                | NA                                | NA                                  | NA                                  |  |

\*Reasons for variance of more than 25% in above ratios

1 Due to the outbreak of Covid 19, the operations of the Company including purchases and revenue were affected during the year ended March 31, 2021. Hence, the above ratios are not comparable.



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- 34 The spread of COVID-19 has severely impacted the business operations around the globe including Indonesia. The nationwide lockdown has impacted the Company's business volumes subsequently on account of disruptions in transportation, travel bans, quarantines, social distancing and other emergency precautionary measures and its consequent impact on the retail business. The Company considered the uncertainty relating to the COVID-19 pandemic in assessing the recoverability and carrying amounts of receivables and other assets and assessment of its liquidity position for next case year. For this purpose, the Company considered internal and external sources of information up to the date of approval of these financial statements. The Company has also used the principles of prudence in applying judgements, estimates and assumptions including sensitivity analysis and based on the current estimates, the Company expects to fully recover the carrying amount of these assets and do not expect any cashflow constraints on the basis of support letter received from the Holding Company. The Company will continue to monitor these aspects and takes actions as appropriate based on future economic conditions.
- 35 **Events after the Reporting period**  
Subsequent to the period ended March 31, 2021, Capillary Technologies International Pte Ltd, Singapore, has entered into a gift agreement dated November 30, 2021 with Capillary Pte Ltd and transferred 100 per cent of the issued share capital of the Company to Capillary Pte Ltd on November 30, 2021.
- 36 As at March 31, 2021, there are no standards that have been issued but are not yet effective, which will impact these Special Purpose Financial Statements.
- 37 Previous years numbers have been reclassified/reorganized wherever necessary to conform to current year classifications. The management believes that such reclassifications of items are not material as they would, individually or collectively, not influence the economic decisions that users make on the basis of the Special Purpose Financial Statements.
- 38 Certain amounts (currency value or percentages) shown in the various tables and paragraphs included in these Special Purpose Financial Statements have been rounded off or truncated as deemed appropriate by the management of the Company.

As per our report of even date  
for: Adi Nurana  
Chartered Accountants



Place: Jakarta, Indonesia  
December 09, 2021

For and on behalf of the Board of Directors of  
PT Capillary Technologies Indonesia

A handwritten signature in black ink is written over the text.

Anant Choubey  
Director

Place: Bengaluru, India  
Date: December 02, 2021



Syaiful Nurul Hidayat  
Director

Place: Jakarta, Indonesia  
Date: December 02, 2021