

Annik Inc.

Balance Sheet as at 31 March 2024

	Note	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
ASSETS					
Non-current assets					
Financial assets					
Loans	1	12,530,032	12,515,029	1,044,315,524	1,029,173,402
Deferred tax assets (net)		45,951	50,931	3,829,786	4,188,311
Total non-current assets		12,575,983	12,565,960	1,048,145,310	1,033,361,713
Current assets					
Financial assets					
Trade receivables	2	-	295,552	-	24,304,794
Cash and cash equivalents	3	1,134,729	1,015,888	94,574,015	83,541,534
Others	4	-	6,500	-	534,528
Other current assets	5	-	146,401	-	12,039,128
Total current assets		1,134,729	1,464,341	94,574,015	120,419,984
TOTAL ASSETS		13,710,712	14,030,301	1,142,719,325	1,153,781,697
EQUITY AND LIABILITIES					
Equity					
Equity share capital	6	25,000	25,000	996,000	996,000
Other equity		13,467,313	13,106,258	1,123,520,693	1,078,851,815
Total equity		13,492,313	13,131,258	1,124,516,693	1,079,847,815
Current liabilities					
Financial liabilities					
Trade and other payables	7				
- Due to other than micro and small enterprises		(15,063)	793,374	(1,255,237)	65,244,209
Income tax liabilities (net)		233,462	105,669	19,457,869	8,689,673
Total current liabilities		218,399	899,043	18,202,632	73,933,882
Total liabilities		218,399	899,043	18,202,632	73,933,882
TOTAL EQUITY AND LIABILITIES		13,710,712	14,030,301	1,142,719,325	1,153,781,697

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

Annik Inc.

Sujit Sircar
Place : Bengaluru

Annik Inc.

Statement of Profit and Loss

for the year ended 31 March 2024

	<i>Note</i>	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
Revenue from operations	8	491,744	5,065,013	40,377,872	399,096,787
Other income	9	722,653	413,952	59,850,883	33,720,976
Total income		1,214,397	5,478,965	100,228,755	432,817,763
Expenses					
Other expenses	10	725,440	4,110,350	59,865,807	325,562,181
Total expenses		725,440	4,110,350	59,865,807	325,562,181
Profit before tax		488,957	1,368,615	40,362,948	107,255,582
Tax expense:	12				
Current tax		122,922	375,584	10,311,696	30,515,125
Deferred tax credit		4,980	(50,931)	415,058	(4,188,311)
Profit for the year		361,055	1,043,962	29,636,194	80,928,768
Other comprehensive income	11				
(i) Items that will be reclassified subsequently to Statement of Profit and Loss					
Exchange differences on translation of foreign operations		-	-	15,032,684	81,478,784
Total other comprehensive loss, net of tax		-	-	15,032,684	81,478,784
Total comprehensive income for the year		361,055	1,043,962	44,668,878	162,407,552
Earnings per equity share					
Basic and diluted	14	14.44	41.76	1,185.45	3,237.15

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

Annik Inc.

Sujit Sircar
Place : Bengaluru

Annik Inc.

Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2024

(a) Equity share capital

	31 March 2024 (USD)	31 March 2023 (USD)
Equity share capital balance at the beginning	25,000	25,000
Movement during the year	-	-
Equity share capital balance at the end	25,000	25,000

	31 March 2024 (INR)	31 March 2023 (INR)
	996,000	996,000
	-	-
	996,000	996,000

(b) Other equity

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	(USD)	(USD)	(USD)
Balance at 31 March 2022	12,062,296	-	12,062,296
Profit for the year	1,043,962	-	1,043,962
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	1,043,962	-	1,043,962
Balance at 31 March 2023	13,106,258	-	13,106,258

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	(INR)	(INR)	(INR)
Balance at 31 March 2022	862,243,212	54,201,051	916,444,263
Profit for the year	80,928,768	-	80,928,768
Other comprehensive income for the year	-	81,478,784	81,478,784
Total comprehensive income for the year	80,928,768	81,478,784	162,407,552
Balance at 31 March 2023	943,171,980	135,679,835	1,078,851,815

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	(USD)	(USD)	(USD)
Balance at 31 March 2023	13,106,258	-	13,106,258
Debit balance net off with retained earnings as per Ind AS 103	-	-	-
Profit for the year	361,055	-	361,055
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	361,055	-	361,055
Balance at 31 March 2024	13,467,313	-	13,467,313

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	(INR)	(INR)	(INR)
Balance at 31 March 2023	943,171,980	135,679,835	1,078,851,815
Debit balance net off with retained earnings as per Ind AS 103	-	-	-
Profit for the year	29,636,194	-	29,636,194
Other comprehensive income for the year	-	15,032,684	15,032,684
Total comprehensive income for the year	29,636,194	15,032,684	44,668,878
Balance at 31 March 2024	972,808,174	150,712,519	1,123,520,693

Annik Inc.

Sujit Sircar
Place : Bengaluru

Annik Inc.

Statement of Cash Flows

for the year ended 31 March 2024

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
A. Cash flows from operating activities				
Profit before tax	488,957	1,368,615	40,362,948	107,255,582
Adjustments for:				
Depreciation and amortisation expenses	-	-	-	-
Provision for doubtful trade receivables written off/ back	-	-	-	-
Other interest (including interest on income tax and service tax refunds)	(722,653)	(413,952)	(59,850,883)	(33,720,976)
Operating profit before working capital changes	(233,696)	954,663	(19,487,935)	73,534,606
Changes in working capital				
(Decrease) / increase in trade and other payables	(808,437)	(517,320)	(66,499,446)	(34,239,013)
Increase / (decrease) in other current financial liabilities	-	-	-	-
Increase in other current liabilities	-	(43,220)	-	(3,280,450)
Increase in trade receivables	295,552	1,814,141	24,304,794	135,823,436
(Increase) / decrease in other current assets	854,051	(1,362,299)	56,747,889	(181,293,440)
Decrease / (increase) in other financial assets	6,500	790,528	15,567,212	141,439,638
Cash generated from operations	113,970	1,636,493	10,632,514	131,984,777
Taxes paid, net	4,871	(711,893)	399,967	(55,372,112)
Net cash generated from operating activities	118,841	924,600	11,032,481	76,612,665
B. Cash flows from investing activities				
Net cash used in investing activities	-	-	-	-
C. Cash flows from financing activities				
Net cash used in financing activities	-	-	-	-
Net (decrease) / increase in cash and cash equivalents (A+B+C)	118,841	924,600	11,032,481	76,612,665
Cash and Cash equivalents at the beginning of the year	1,015,888	91,288	83,541,534	6,928,869
Cash and Cash equivalents at the end of the year	1,134,729	1,015,888	94,574,015	83,541,534

Notes :

1) **Reconciliation of cash and cash equivalents:**

Cash and cash equivalents comprise of:

Current accounts	1,134,729	1,015,888	94,574,015	83,541,534
Cash and Bank Balances at the end of the year	1,134,729	1,015,888	94,574,015	83,541,534

2) Previous year's figures have been regrouped, wherever necessary to conform to the current year's classification.

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

Annik Inc.

Sujit Sircar
Place : Bengaluru

Annik Inc.

Notes to the financial statements (Continued)
as at 31 March 2024

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
1 Loans				
Non-current				
Unsecured, considered good				
Loans to related parties (refer note 15)	12,530,032	12,515,029	1,044,315,524	1,029,173,402
2 Trade receivables				
Trade receivables from contract with customers	33,566	73,450	2,797,558	6,040,200
Trade receivables from contract with customers- Related parties (refer note 16)	-	274,917	-	22,607,836
Less: Loss allowance	(33,566)	(52,815)	(2,797,558)	(4,343,242)
Total receivables	<u>-</u>	<u>295,552</u>	<u>-</u>	<u>24,304,794</u>

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding as on 31 March 2023 from the due date of payment						
Undisputed Trade receivables – considered good	295,552	-	-	4,473	48,342	348,367
Total in USD	<u>295,552</u>	<u>-</u>	<u>-</u>	<u>4,473</u>	<u>48,342</u>	<u>348,367</u>
Total in INR	<u>24,305,017</u>	<u>-</u>	<u>-</u>	<u>367,842</u>	<u>3,975,177</u>	<u>28,648,036</u>
Outstanding as on 31 March 2024 from the due date of payment						
Undisputed Trade receivables – considered good	-	-	-	-	33,566	33,566
Total in USD	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,566</u>	<u>33,566</u>
Total in INR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,797,558</u>	<u>2,797,558</u>

Annik Inc.

Notes to the financial statements (Continued)
as at 31 March 2024

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)		
3 Cash and cash equivalents						
Balance with banks :						
In current accounts	1,134,729	1,015,888	94,574,015	83,541,534		
	<u>1,134,729</u>	<u>1,015,888</u>	<u>94,574,015</u>	<u>83,541,534</u>		
4 Other financial assets						
Current						
Security deposits	-	6,500	-	534,528		
	<u>-</u>	<u>6,500</u>	<u>-</u>	<u>534,528</u>		
5 Other current assets						
Unbilled revenues	-	146,401	-	12,039,128		
	<u>-</u>	<u>146,401</u>	<u>-</u>	<u>12,039,128</u>		
6 Share capital						
Authorised:						
1,000,000 (31 March 2023 - 1,000,000) equity shares of USD 1 each	1,000,000	1,000,000	39,840,000	39,840,000		
Issued, subscribed and fully paid up:						
25,000 (31 March 2023 - 25,000) equity shares of USD 1 each	25,000	25,000	996,000	996,000		
	<u>25,000</u>	<u>25,000</u>	<u>996,000</u>	<u>996,000</u>		
7 Trade and other payables						
Due to micro and small enterprises	-	-	-	-		
Due to other than micro and small enterprises	(15,063)	793,374	(1,255,237)	65,244,209		
	<u>(15,063)</u>	<u>793,374</u>	<u>(1,255,237)</u>	<u>65,244,209</u>		
Outstanding as on 31 March 2023 from the due date of payment						
	Provision	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed Others	81,641	711,733	-	-	-	793,374
Total in USD	<u>81,641</u>	<u>711,733</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>793,374</u>
Total in INR	<u>6,713,832</u>	<u>58,530,377</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,244,209</u>
Outstanding as on 31 March 2024 from the due date of payment						
	Provision	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed Others	10,997	(26,060)	-	-	-	(15,063)
Total in USD	<u>10,997</u>	<u>(26,060)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,063)</u>
Total in INR	<u>916,401</u>	<u>(2,171,638)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,255,237)</u>

Annik Inc.

Notes to the financial statements (Continued) for the year ended 31 March 2024

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
8 Revenue from operations				
Revenue from software operations	491,744	5,065,013	40,377,872	399,096,787

Revenue from software services includes USD Nil (INR Nil) (previous year USD 1,074 (INR 84,814)) towards out of pocket expenses reimbursed by the customers.

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers by contract type and geography :

Revenue by contract type :				
Time & material contracts	348,946	3,497,764	28,640,510	275,605,669
Fixed price contracts	142,798	1,567,249	11,737,362	123,491,118
Total	491,744	5,065,013	40,377,872	399,096,787
Revenue by geography:				
America	491,744	4,947,261	40,377,872	389,818,480
India	-	26,652	-	2,100,040
Rest of the world	-	91,101	-	7,178,267
Total	491,744	5,065,013	40,377,872	399,096,787
Reconciliation of revenue recognized with the contracted price is as				
Contracted price	491,744	5,065,013	40,377,872	399,096,787
Discounts	-	-	-	-
Revenue recognised	491,744	5,065,013	40,377,872	399,096,787

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2024 is Nil (31 March 2023 : USD Nil (INR Nil)). Out of this, the Company expects to recognize revenue of around Nil (31 March 2023 : Nil) within the next one year and the remaining thereafter.

Pursuant to adoption of Ind AS 115 Revenue from Contracts with Customers, the Company has reclassified following previous year amounts:

	31 March 2024		31 March 2024	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Opening balance	146,401	-	12,039,128	-
Revenue recognised during the year	-	-	-	-
Increase due to invoices raised during the year	(146,401)	-	(12,039,128)	-
Balances as at the end of the year	-	-	-	-
	31 March 2023		31 March 2023	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Opening balance	81,861	43,220	6,213,348	3,280,450
Revenue recognised during the year	146,401	(43,220)	12,039,128	(3,280,450)
Increase due to invoices raised during the year	(81,861)	-	(6,213,348)	-
Balances as at the end of the year	146,401	-	12,039,128	-

Changes in contract assets and liabilities in respective financial years are due to the following factors:

- timing differences between revenue recognition, billing and collection, leading to the recognition of trade receivables and contract assets;
- the receipt of advances from customers, leading to the recognition of contract liabilities (advances from customers and billed in advance).

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
9 Other income, net				
Other interest (including interest on income tax and service tax refunds)	722,653	413,952	59,850,883	33,720,976
Provisions no longer required written back	-	-	-	-
	722,653	413,952	59,850,883	33,720,976

Annik Inc.

Notes to the financial statements (Continued)
for the year ended 31 March 2024

	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	(USD)	(USD)	(INR)	(INR)
10 Other expenses				
Sub-contracting expenses	420,582	3,889,783	34,626,354	308,064,138
Legal and professional charges	-	5,969	-	457,233
Bank charges	3,354	5,210	277,851	418,404
Provision for doubtful trade receivables written back	(19,249)	(6,829)	(1,604,311)	(561,583)
Software and hardware expenses	-	(6,500)	-	(519,030)
Group management fee	4,004	(24,403)	332,023	(1,880,364)
Net loss on foreign currency transactions	386,326	247,120	32,032,785	19,583,383
Miscellaneous expenses	(69,577)	-	(5,798,895)	-
	<u>725,440</u>	<u>4,110,350</u>	<u>59,865,807</u>	<u>325,562,181</u>
11 Statement of other comprehensive income				
Items that will be reclassified subsequently to Statement of Profit and Loss				
Exchange differences on translation of foreign operations	-	-	15,032,684	81,478,784

Annik Inc.

Notes to the financial statements *(Continued)*

for the year ended 31 March 2024

12 Tax expense

(a) Income tax expense recognised in Statement of Profit and Loss:

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
1. Current income tax	122,922	375,584	10,311,696	30,515,125
2. Deferred Tax credit	4,980	(50,931)	415,058	(4,188,311)
Tax expense for the year	127,902	324,653	10,726,754	26,326,814

(b) Reconciliation of effective tax rate

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
Profit before tax	488,957	1,368,615	40,362,948	107,255,582
Tax using the Company's domestic tax rate (Current year and previous year)	127,813	357,756	10,550,875	28,036,609
Tax effect of:				
Incremental deduction allowed for research and				
Others	89	(33,103)	175,879	(1,709,795)
Total income tax expense	127,902	324,653	10,726,754	26,326,814
Effective Tax Rate	26%	24%	27%	25%

Annik Inc.

Notes to the financial statements (Continued) for the year ended 31 March 2024

12 Tax expense (Continued)

(c) Income tax assets and liabilities

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
Income tax assets (net)*	-	-	-	-
Income tax liabilities (net)	233,462	105,669	19,457,869	8,689,673

* Includes deposits paid under dispute of Rs. 5,090 (31 March 2019 - Rs. 4,891)

(d) Movement in deferred tax balances

(INR)	Net balance 1 April 2023	Recognised in Statement	Foreign Currency Translation Reserve	Net balance 31 March 2024
Deferred tax liability				
Cash flow hedges	558,909	667	7,504	567,079
	558,909	667	7,504	567,079
Deferred tax asset				
Cash flow hedges	-	-	-	-
Property, plant and equipment and intangible assets	1,268,766	1,500	17,081	1,287,347
Provisions - employee benefits	-	-	-	-
Provision for doubtful trade receivables	1,135,337	(418,559)	15,324	732,102
Lease liabilities	-	-	-	-
Others	2,343,117	2,667	31,632	2,377,416
MAT Credit carried forward	-	-	-	-
	4,747,220	(414,391)	64,037	4,396,865
Deferred tax asset (net)	4,188,311	(415,058)	56,533	3,829,786

(INR)	Net balance 1 April 2022	Recognised in Statement of Profit and Loss	Foreign Currency Translation Reserve	Net balance 31 March 2023
Cash flow hedges	-	558,909	-	558,909
	-	558,909	-	558,909
Property, plant and equipment and intangible assets	-	1,268,766	-	1,268,766
Provision for doubtful trade receivables	-	1,135,337	-	1,135,337
Others	-	2,343,117	-	2,343,117
	-	4,747,220	-	4,747,220
Deferred tax asset (net)	-	4,188,311	-	4,188,311

*amount below rounding off

Annik Inc.

Notes to the financial statements *(Continued)*

for the year ended 31 March 2024

13 Earnings per share (EPS)

The following table reflects the profit and share data used to compute basic and diluted EPS:

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
(A) Profit attributable to equity shareholders	361,055	1,043,962	29,636,194	80,928,768
Weighted average number of equity shares in calculating basic and diluted EPS (nos.)	25,000	25,000	25,000	25,000
Basic earning per share of face value of Rs.10/- each (A/B)	14.44	41.76	1,185.45	3,237.15

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2024

14 Segment reporting

The Company reports segmental information by considering geographical segmentation.

The Company's geographic segmentation is based on the location of customers. Revenue in relation to geographic segments is categorised based on the location of the specific customer entity for which services are rendered.

Geographic Area	Country
America	Argentina, Brazil, Canada, Chile, Colombia, Guatemala, Mexico and United States of America
Europe	Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Hungary, Ireland, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland and United Kingdom
India	India
Rest of the World	Australia, Bangladesh, China, Hong Kong, Japan, Malaysia, Mauritius, Oman, Philippines, Saudi Arabia, Singapore, South Africa, Turkey, Tunisia, United Arab Emirates and Vietnam

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
Revenue				
- India	-	26,652	-	2,100,040
- America	491,744	4,947,261	40,377,872	389,818,480
- Rest of the world	-	91,101	-	7,178,267
	<u>491,744</u>	<u>5,065,013</u>	<u>40,377,872</u>	<u>399,096,787</u>
Segment assets				
Trade receivables (excluding allowance for doubtful receivables)				
- America	33,566	340,078	2,797,558	27,966,394
- Rest of the world	-	8,290	-	681,730
	<u>33,566</u>	<u>348,368</u>	<u>2,797,558</u>	<u>28,648,125</u>
Unbilled revenue				
- America	-	146,401	-	12,039,324
	<u>-</u>	<u>146,401</u>	<u>-</u>	<u>12,039,324</u>

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2024

15 Related party disclosures

Related Party Disclosures in accordance with Ind AS 24 - "Related Party Disclosures" are given below.

Names of related parties and related party relationship

Related parties where control exists

Parent companies

Capgemini Technology Services India Limited,

Ultimate Parent companies

Capgemini SE, the Ultimate Parent Company

The ultimate parent company holds 99.77% in the Capgemini Technology Services India Limited through the below group companies:

Capgemini North America, Inc., a subsidiary of the ultimate parent company

Capgemini America, Inc., subsidiary of Capgemini North America, Inc.

Other related parties

Key Management Personnel

Mr. Jim Bailey

Mr. Jean-Philippe Bol

Fellow subsidiaries

Capgemini Singapore Pte Ltd

LiquidHub PTE. LTD.

Capgemini Service SAS

Capgemini Polska Sp Z.O.O

Capgemini (China) Co Ltd

Related party transactions	(USD)	(USD)	(INR)	(INR)
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
a) Revenues from operations				
Capgemini America, Inc.	413,198	4,463,636	33,944,656	351,139,868
Capgemini Technology Services India Limited	-	26,652	-	2,041,676
b) Expenses cross charged*				
Capgemini Singapore Pte Ltd	-	503,906	-	39,977,964
Capgemini Technology Services India Limited	-	1,993,218	-	158,055,126
LiquidHub PTE. LTD.	238,438	329,418	19,670,139	25,660,825
Capgemini America, Inc.	125,245	607,815	10,271,145	48,870,977
Capgemini Service SAS	3,923	(24,403)	325,262	(1,880,364)
Capgemini Polska Sp Z.O.O	-	440,245	-	34,325,876
Capgemini (China) Co Ltd	(4,405)	65,561	(345,042)	5,435,998
c) Interest on loan given				
Capgemini North America, Inc.	722,653	413,952	59,850,883	33,720,976

Annik Inc.

Notes to the financial statements (Continued)
for the year ended 31 March 2024

Annik Inc.

Notes to the financial statements (Continued)
for the year ended 31 March 2024

Balances outstanding	(USD) 31 March 2024	(USD) 31 March 2023	(INR) 31 March 2024	(INR) 31 March 2023
a) Trade receivables				
Capgemini America, Inc.	-	274,917	-	22,607,836
b) Other financial assets - loans				
Capgemini North America, Inc.	12,530,032	12,515,029	1,044,315,524	1,029,173,402
d) Trade payables				
Capgemini Technology Services India Limited	158	302,666	13,151	24,889,704
Capgemini America Inc	-	369,016	-	30,346,031
Capgemini Service SAS	25,900	(25,510)	2,158,300	(2,097,821)
Capgemini (China) Co Ltd	-	65,561	-	5,391,416
e) Others - unbilled revenues				
Capgemini America, Inc.	-	136,637	-	11,236,356

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2024

16 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation state.

The Company classifies its inputs used to measure fair value into the following hierarchy :

Level 1 : Unadjusted quoted prices in active market for identical assets or liabilities

Level 2 : Inputs other than quoted prices that are observable for assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 : Unobservable inputs for assets and liabilities that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

31 March 2024	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets								
Cash and cash equivalents	-	-	1,134,729	1,134,729	-	-	-	-
Trade receivables	-	-	-	-	-	-	-	-
Other current financial assets	-	-	-	-	-	-	-	-
	-	-	13,664,761	13,664,761	-	-	-	-
Financial liabilities								
Trade and other payables	-	-	(15,063)	(15,063)	-	-	-	-
	-	-	(15,063)	(15,063)	-	-	-	-

31 March 2023	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets								
Cash and cash equivalents	-	-	1,015,888	1,015,888	-	-	-	-
Trade receivables	-	-	295,552	295,552	-	-	-	-
Other current financial assets	-	-	6,500	6,500	-	-	-	-
	-	-	13,832,969	13,832,969	-	-	-	-
Financial liabilities								
Trade and other payables	-	-	793,374	793,374	-	-	-	-
	-	-	793,374	793,374	-	-	-	-

(1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) amounting to USD and USD 146,401 as of March 31, 2024 and March 31, 2023 respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) amounting to USD 233,462 and USD 105,669 as of March 31, 2024 and March 31, 2023, respectively, are not included.

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2024

16 Financial instruments – Fair values and risk management (Continued)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade and other receivables

The Company periodically assesses the financial reliability of its customers, taking into account the financial conditions, current economic trends and analysis of historic bad debts and ageing of accounts receivable. Financial assets are written off when there is no reasonable expectation of recovery from the customer.

The Company has trade receivables primarily from intercompanies for which it does not foresee any credit risk.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. Out of the total trade and other receivables of USD 33566. and USD 348367. as of 31 March 2024 and 31 March 2023 respectively, the Company has receivables which are past due and impaired as detailed below -

	31 March 2024 (USD)	31 March 2023 (USD)	31 March 2024 (INR)	31 March 2023 (INR)
Balance at the beginning of the year	52,815	59,644	4,343,242	4,527,051
Impairment loss recognised	-	-	-	-
Impairment provision written back	(19,249)	(6,829)	(1,604,311)	(538,090)
Translation exchange difference	-	-	58,627	354,281
Balance at the end of the year	<u>33,566</u>	<u>52,815</u>	<u>2,797,558</u>	<u>4,343,242</u>

Others

Credit risk of the Company on cash and cash equivalents and investments is subject to low credit risk since the investments of the Company are only in liquid debt securities with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Counter parties to foreign currency forward contracts are typically multinational and domestic banks with appropriate market reputation.

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2024

16 Financial instruments – Fair values and risk management (Continued)

B. Financial risk management (Continued)

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 March 2024	Carrying amount	Contractual cash flows		
		Within one year	One year but not more than five years	More than five years
Trade and other payables	(15,063)	(15,063)	-	-

31 March 2023	Carrying amount	Contractual cash flows		
		Within one year	One year but not more than five years	More than five years
Trade and other payables	793,374	793,374	-	-

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2024

16 Financial instruments – Fair values and risk management (Continued)

B. Financial risk management (Continued)

iii. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and market value of its investments. The exposure to market risk is a function of investing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in foreign currency revenues and costs.

The currency profile of financial assets and financial liabilities as at 31 March 2024 and 31 March 2023 is as below:

Foreign currency exposures as on 31 March 2024

Particulars	Cash and cash equivalents	Trade receivables*	Trade Payables	Other financial liabilities
EUR	-	-	-	-
USD	-	-	(1,255,237)	-
INR	-	-	-	-
CNY	-	-	-	-

*excludes allowance for doubtful receivables

Foreign currency exposures as on 31 March 2023

Particulars	Cash and cash equivalents	Trade receivables*	Trade Payables	Other financial liabilities
USD	-	-	(2,097,948)	-
EUR	-	-	49,423,298	-
INR	-	-	5,815,795	-
CNY	-	-	5,391,744	-

*excludes allowance for doubtful receivables

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2024

17 Other Notes:

- A** In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities has been made.
- B** The management is of the opinion that its international transactions are at arm's length, therefore the related taxation laws have no impact on the financial statements, particularly on the amount of tax expenses and that of provision for taxation.

Annik Inc.

Sujit Sircar
Place : Bengaluru