

**INDEPENDENT AUDITORS' REPORT**

To,  
The Members of,  
Expleo Engineering India Private Limited

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of Expleo Engineering India Private Limited (formerly known as Assystem India Private Limited) ("the Company"), which comprise the balance sheet as at 31 March 2021, the Profit and Loss statement, and cash flow statement for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, its loss, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 12.1 of the accompanying financial statements for the year ended 31 March 2021. As stated therein, the Company had sold its business on slump sale on a going concern to Expleo Technology India Private Limited in an earlier year. The company is yet to decide on the future course of business. Accordingly, these financial statements have not been prepared on a going concern basis.

Our opinion is not modified in respect of the above matter.

### **Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- (i) Identify and assess the risks of material misstatement of the 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.
- (ii) 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 whether the company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting or otherwise and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### **Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditor's Report) Order, 2016 (" the Order ") issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the said Order to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- (c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The going concern matter described under the Emphasis of Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company
- (f) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) As per the notification of the Ministry of Corporate Affairs G.S.R. 464(E) dated 5th June, 2015 read with amended notification G.S.R. 583(E) dated 13th June, 2017 the reporting requirement on Internal Financial Control under section 143(3)(i) of the Act is not applicable to the company since the turnover of the company is less than the prescribed threshold of rupees fifty crores as per last audited financial statements and the aggregate outstanding borrowings (excluding Non-fund based facilities) from banks or financial institutions or anybody corporate at any point of time during the financial year is less than the prescribed threshold of rupees twenty five crores.
- (h) In our opinion and to the best of our information and according to the explanation given to us, the provisions of section 197 of the Act is not applicable to the company for the year under audit.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company does not have any pending litigations which would impact its financial position.
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

for **VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

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**K P SRINIVAS**  
Partner

M. No.208520  
UDIN: 21208520AAAAJC2866

Place: Bangalore  
Date: June 16, 2021

**ANNEXURE A TO THE AUDITORS' REPORT**

**The Annexure referred to in paragraph (1) under the heading 'Report on Other Legal and Regulatory Requirements' of our Independent Audit Report of even date on the financial statements of Expleo Engineering India Private Limited for the year ended 31 March 2021**

- (i) The company did not have any property, plant and equipments during the year and at the year end. Accordingly, paragraph 3(i) of the Order is not applicable to the company.
- (ii) The company was engaged in the business of rendering engineering consultancy services and it had no business operation during the year and immediately preceding year. Accordingly, paragraph 3(ii) of the Order is not applicable to the company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies/firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the company.
- (iv) As per the information and explanations given to us, the Company has not granted any loans, investments, guarantees and security to parties covered under section 185 and 186 of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the company.
- (v) As per the information and explanations given to us, the Company has not accepted deposits in accordance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules there under. Accordingly, paragraph 3(v) of the Order is not applicable to the company.
- (vi) As per the information and explanations given to us, the provisions of maintenance of cost records prescribed by the Central Government are not applicable to the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the company.
- (vii)
  - (a.) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has been generally regular in depositing the statutory dues including provident fund, Employees State Insurance, income tax, sales tax, Goods and Service Tax, wealth tax, service tax, duty of customs, excise duty, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable. There are no arrears of undisputed statutory dues of a material nature outstanding as at the last day of the financial year for a period of more than six months from its due date.
  - (b.) According to the information and explanations given to us and as per the records of the Company examined by us, no dues of income tax or sales tax or wealth tax or service tax or Goods and Service Tax or duty of customs or duty of excise or value added tax or cess have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and as per our verification of the records of the Company, the Company has not taken any loans from banks or financial institutions. Accordingly, paragraph 3(vii) of the Order is not applicable to the company.

# *Varma & Varma*

Chartered Accountants

- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised money by way of initial public offer/ further public offer. Accordingly, paragraph 3(ix) of the Order is not applicable to the company.
- (x) According to the information and explanations given to us and the records of the company examined by us, no frauds by the Company or on the Company by its officers or employees has been noticed or reported during the year. Accordingly, paragraph 3(x) of the Order is not applicable to the company.
- (xi) Since the Company is a Private Company, the provisions of section 197 of the Act and the rules made thereunder are not applicable to the Company. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable and details of such transactions have been appropriately disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with the Directors. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934, since the principal business of the Company is not that of financing activity. Accordingly, paragraph 3(xvi) of the Order is not applicable.

*for* **VARMA & VARMA**  
Chartered Accountants  
FRN 04532S

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**K P SRINIVAS**  
Partner  
M No.208520

Place: Bengaluru  
Date: June 16, 2021

Expleo Engineering India Private Limited

**BALANCE SHEET**

CIN: U72900KA2003PTC031849

(Amounts in Indian Rupees)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	1	87,35,850	87,35,850
(b) Reserves and Surplus	2	72,53,189	73,83,605
		<b>1,59,89,039</b>	<b>1,61,19,455</b>
<b>(2) Current Liabilities</b>			
(a) Trade payables	3	-	-
- total outstanding dues of micro and small enterprises		-	-
- total outstanding dues of creditors other than micro and small enterprises		2,56,600	1,40,000
(b) Short-term provisions	4	-	33,217
		<b>2,56,600</b>	<b>1,73,217</b>
<b>TOTAL</b>		<b>1,62,45,639</b>	<b>1,62,92,672</b>
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Long-term loans and advances	5	34,55,595	35,55,747
<b>(2) Current assets</b>			
(a) Cash and bank balances	6	1,21,24,923	1,21,73,677
(b) Other current assets	7	6,65,121	5,63,248
		<b>1,27,90,044</b>	<b>1,27,36,925</b>
<b>TOTAL</b>		<b>1,62,45,639</b>	<b>1,62,92,672</b>

Corporate Information & Significant Accounting Policies 11-12  
 The accompanying notes form an integral part of the financial statements 13-16

**For and behalf of the Board of Directors of**  
 Expleo Engineering India Private Limited

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As per our report of the even date attached.  
**for VARMA & VARMA**  
 Chartered Accountants  
 FRN 004532S

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**VENKATARAMANA MANTHA**  
 Director  
 DIN:07485325

**PRASHANT EKNATH BRAMHANKAR**  
 Director  
 DIN:07439819

**K P SRINIVAS**  
 Partner  
 M No. 208520

Place: Bengaluru  
 Date: 16-06-2021

Place: Pune  
 Date: 16-06-2021

Place: Bengaluru  
 Date: 16-06-2021

**Expleo Engineering India Private Limited**  
**PROFIT AND LOSS STATEMENT**  
**CIN: U72900KA2003PTC031849**

(Amounts in Indian Rupees)

Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>OTHER INCOME</b>	8	1,30,193	3,67,110
		<b>1,30,193</b>	<b>3,67,110</b>
<b>EXPENSES</b>			
Finance Costs	9	-	9,979
Other expenses	10	2,60,609	1,64,414
		<b>2,60,609</b>	<b>1,74,393</b>
<b>Profit (Loss) before Tax expense</b>		<b>(1,30,416)</b>	<b>1,92,717</b>
<b>Tax expense for the year</b>			
Current year		-	31,620
Earlier year		-	(8,382)
		-	<b>23,238</b>
<b>Profit (Loss) for the year after tax</b>		<b>(1,30,416)</b>	<b>1,69,479</b>
<b>Earnings per equity share (Rs.10 each)</b>			
Weighted Average Number of Equity Shares outstanding		8,73,585	8,73,585
Basic & Diluted Earnings/ (Loss) per equity share(in Rupees)		(0.15)	0.19
Corporate Information & Significant Accounting Policies	11-12		
The accompanying notes form an integral part of the financial statements	13-16		

As per our report of the even date attached.

**For and behalf of the Board of Directors of**  
Expleo Engineering India Private Limited

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**VENKATARAMANA MANTHA**  
Director  
DIN:07485325

Place : Bengaluru  
Date: 16-06-2021

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**PRASHANT EKNATH BRAMHANKAR**  
Director  
DIN:07439819

Place: Pune  
Date: 16-06-2021

**For VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

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**K P SRINIVAS**  
Partner  
M No. 208520

Place : Bengaluru  
Date: 16-06-2021

Expleo Engineering India Private Limited

CASH FLOW STATEMENT

CIN: U72900KA2003PTC031849

(Amounts in Indian Rupees)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>A. Cash flow from operating activities :</b>		
<b>Net Profit Before Taxes</b>	<b>(1,30,416)</b>	<b>1,92,717</b>
<i>Adjustments for:</i>		
Provision for goods and service tax input credit	1,04,472	-
Interest Income	(1,30,193)	(3,67,110)
<b>Operating Profit before Working Capital Changes</b>	<b>(1,56,137)</b>	<b>(1,74,393)</b>
<i>Adjustments for working capital changes:</i>		
Other current assets	(2,17,229)	(2,30,392)
Loans and Advances	(4,320)	(24,120)
Trade payables	1,16,600	(72,186)
Other Liabilities	-	(4,000)
<b>Cash generated from operations</b>	<b>(2,61,086)</b>	<b>(5,05,091)</b>
<b>Less: Income tax paid (net of refund)</b>	<b>(33,217)</b>	<b>21,23,015</b>
<b>Net cash from operating activities</b>	<b>(2,94,303)</b>	<b>16,17,924</b>
<b>B. Cash flow from investing activities :</b>		
Increase in fixed deposit	(51,29,644)	(29,352)
Interest received	2,45,549	2,89,224
<b>Net Cash used in investing activities</b>	<b>(48,84,095)</b>	<b>2,59,872</b>
<b>C. Cash flow from financing activities :</b>	-	-
<b>Net increase in Cash and Cash Equivalents ( A+B+C)</b>	<b>(51,78,398)</b>	<b>18,77,796</b>
<b>Cash and cash equivalents (Refer Note No. 6)</b>		
At the beginning of the year	1,16,15,256	97,37,460
At the end of the year	64,36,858	1,16,15,256

As per our report of the even date attached.

**For and behalf of the Board of Directors of**  
Expleo Engineering India Private Limited

VENKATARAM  
ANA MANTHA

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**VENKATARAMANA MANTHA**  
Director  
DIN:07485325

Place : Bengaluru  
Date: 16-06-2021

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BRAMHANKAR

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**PRASHANT EKNATH BRAMHANKAR**  
Director  
DIN:07439819

Place : Pune  
Date: 16-06-2021

**For VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

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**K P SRINIVAS**  
Partner  
M No. 208520

Place : Bengaluru  
Date: 16-06-2021

**Expleo Engineering India Private Limited**  
**NOTES FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**  
(Amounts in Indian Rupees)

	As at 31 March 2021	As at 31 March 2020
<b>1 Share Capital</b>		
<b>1.1 Equity Share Capital</b>		
<b>a. Authorised Equity Share Capital:-</b> 2,350,000 (2020: 2,350,000) Equity Shares of Rs.10 each	2,35,00,000	2,35,00,000
<b>b. Issued, Subscribed and Fully Paid Up:-</b> 8,73,585 (2020: 8,73,585) Equity Shares of Rs.10 each	<b>87,35,850</b>	<b>87,35,850</b>

**1.2 Reconciliation of number of shares outstanding is given below:**

Equity shares of Rs.10 each	31 March 2021 No. of shares	31 March 2020 No. of shares
Equity Shares outstanding as at the beginning and end of the year	8,73,585	8,73,585

Note: There has been no change in shares outstanding as at and during the year ended 31 March 2021

**1.3 Shares held by holding company, its subsidiaries and associates;**

Equity shares of Rs.10 each	31 March 2021		31 March 2020	
	No. of shares	%	No. of shares	%
Expleo International SASU, France - the Holding Company	8,73,575	99.9989%	8,73,575	99.9989%
Expleo Germany Holding GmbH, Germany - the subsidiary of holding company	10	0.0011%	10	0.0011%
<b>Total</b>	<b>8,73,585</b>	<b>100.00%</b>	<b>8,73,585</b>	<b>100.00%</b>

Note: The above disclosures are as per the records maintained by the Company including its members register.

**1.4 Other notes on 'Share Capital':**

- a. The company has only one class of shares referred to as Equity Shares having a par value of Rs.10/-. Each holder of equity share is entitled to one vote per share.
- b. For the period of five years immediately preceding 31 March 2021, there were;  
No shares were allotted as fully paid up pursuant to contract(s) without payment being received in cash.  
No shares were allotted as fully paid up by way of bonus shares.  
No shares were bought back.
- c. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2 Reserves and Surplus**

**2.1 Reserves**

<b>Securities Premium Account</b>	66,85,000	66,85,000
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Note: As per the earlier financial statements

**2.2 Surplus in Profit and Loss Statement**

Surplus as at the beginning of the year	6,98,605	5,29,126
Profit / (Loss) for the year	(1,30,416)	1,69,479
<b>Surplus as at the end of the year</b>	<b>5,68,189</b>	<b>6,98,605</b>
<b>Total of Reserves and Surplus</b>	<b>72,53,189</b>	<b>73,83,605</b>

	As at 31 March 2021	As at 31 March 2020
<b>Current Liabilities</b>		
<b>3 Trade Payables</b>		
(Unsecured, considered good)		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	2,56,600	1,40,000
<b>Total of Trade Payables</b>	<b>2,56,600</b>	<b>1,40,000</b>
<b>3.1</b> There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding beyond the time period stipulated in the Micro, Small & Medium Enterprises Development (MSMED) Act, 2006, as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the company.		
<b>4 Short-term Provisions</b>		
Provision for Income Tax (net of advance tax)	-	33,217
<b>Total of Short-term provisions</b>	<b>-</b>	<b>33,217</b>

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Particulars	As at 31 March 2021	As at 31 March 2020
<b>5 Long-term Loans and Advances</b>		
<i>(Unsecured considered good, unless stated otherwise)</i>		
<b>Others</b>		
Goods and service tax Input Credit	1,04,472	1,00,152
Less: Provision for Goods and service tax Input Credit	(1,04,472)	-
Advance Income Tax & Tax deducted at source (Net of provisions)	34,55,595	34,55,595
<b>Total of Long-term loans and advances</b>	<b>34,55,595</b>	<b>35,55,747</b>
<b>5.1</b> The management of the company expects that these income tax refunds will be received in full without any material adjustments and hence no provision is considered necessary at this stage.		
<b>6 Cash and Bank Balances</b>		
<b>6.1 Cash and Cash equivalents</b>		
<b>Balances held with banks</b>		
In current accounts	64,36,858	64,85,612
In fixed deposits with less than 3 months maturity	-	51,29,644
	<b>64,36,858</b>	<b>1,16,15,256</b>
<b>6.2 Other bank balances</b>		
<b>Balances held with banks in deposit accounts</b>		
With maturity period more than 3 months but less than 12 months	56,88,065	5,58,421
	<b>56,88,065</b>	<b>5,58,421</b>
<b>Total of Cash and Bank Balances</b>	<b>1,21,24,923</b>	<b>1,21,73,677</b>
<b>7 Other current assets</b>		
Interest receivable	34,554	1,49,910
Other recoverables from related party	6,30,567	4,13,338
<b>Total of Other current assets</b>	<b>6,65,121</b>	<b>5,63,248</b>

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Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>8 Other Income</b>		
Interest on deposits with bank (net of reversal of interest excess accrued in earlier year Rs.1,49,910 (previous year : Nil))	1,30,193	3,67,110
<b>Total of Other Income</b>	<b>1,30,193</b>	<b>3,67,110</b>
<b>9 Finance Costs</b>		
Interest on Income Tax	-	9,979
<b>Total of finance cost</b>	<b>-</b>	<b>9,979</b>
<b>10 Other Expenses</b>		
Office Rent	24,000	24,000
Professional fees	13,800	15,300
Provision for Goods and Service tax input credit	1,04,472	-
Auditors' Remuneration;		
- as statutory auditor	1,00,000	1,00,000
- for taxation services	10,000	10,000
Bank Charges	24	9,458
Rates and taxes	8,313	5,656
<b>Total of other expenses</b>	<b>2,60,609</b>	<b>1,64,414</b>

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## **11 CORPORATE INFORMATION:**

Expleo Engineering India Private Limited ("the Company") was incorporated on 23 April 2003 under the provisions of Companies Act with its registered office in Bengaluru, Karnataka. The Company changed its name to Expleo Engineering India Private Limited with effect from 29 March 2019. The principal activities of the company include providing engineering consultancy services to its clients.

## **12 SIGNIFICANT ACCOUNTING POLICIES**

### **12.1 Basis of Preparation of Financial Statements**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on the accrual basis. IGAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, and the provisions of the Act. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

The Company is a Small and Medium Sized Company (SMC) as defined in the General instructions in respect of Accounting Standards notified under the Companies Act, 1956, which is also made applicable under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (accounts) Rules, 2014. Accordingly, the Company has complied with the Accounting Standards as applicable to a SMC.

#### **Going Concern**

The Company had sold its business on a slump sale on a going concern to Expleo Technology India Private Limited (formerly known as Assystem Technology India Private Limited) w.e.f 1st November 2015 based on the approval accorded at the extra-ordinary general meeting of the Company. The company is yet to decide on the future course of business and accordingly these financial statements have not been prepared on a going concern basis which is considered appropriate by the Management of the company.

### **12.2 Use of Estimates**

The preparation of financial statements in conformity with IGAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as on the date of financial statements and the result of operations during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods as applicable.

### **12.3 Cash Flow**

The Cash flow statement is prepared in accordance with Accounting Standard – 3 issued by the Institute of Chartered Accountants of India using indirect method to determine cash flow from operating activities.

### **12.4 Revenue Recognition**

#### **Revenue from operations**

- a. Revenue from engineering consultancy services is recorded as per the terms of the contract entered into with the clients primarily following a time and material model which are recognised when services are rendered and related costs are incurred.
- b. Revenue from delivery based engineering consultancy services contracts are recognized in accordance with the terms of the contracts with customers as the service is performed by the proportionate completion method and when it is reasonably certain that the ultimate collection will be made. Unbilled revenue represents services provided and not yet billed to the customer.

There were no commercial operations during the year and immediately preceding financial year.

#### **Other Income**

- c. Interest is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.

### **12.5 Foreign exchange transactions**

Foreign exchange transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the Profit and Loss Statement for the year.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rate on that date, the resultant exchange differences are recognised in the Profit and Loss Statement.

### **12.6 Provisions and contingent liabilities**

The Company recognises a provision when there is a present obligation as a result of an obligating event that probably requires outflow of resources and a reliable estimate can be made of the amount of the obligation.

The disclosure of contingent liability is made when, as a result of obligating events, there is a possible obligation or a present obligation that may, but probably will not, require outflow of resources.

No provision or disclosure is made when, as a result of obligating events, there is a possible obligation or a present obligation where the likelihood of outflow of resources is remote.

Provision for onerous contracts, i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

### **12.7 Taxation**

Tax expense comprising of current tax and deferred tax are recognised in Profit and Loss statement for the year. Current tax is the amount of income tax determined to be payable in respect of taxable income for the year, computed under the tax laws.

Certain items of income and expenditure are not reported in tax returns and financial statements in the same year. The net tax effect calculated at the current enacted tax rates on these timing differences and also that relating to carry forward unabsorbed depreciation and business loss at end of the year is reported as deferred tax asset/liability. Deferred tax assets are recognized only if there is a reasonable certainty of their realisation except in the case of deferred tax asset arising on unabsorbed depreciation or carried forward business losses which are recognized only if there is virtual certainty of their realisation.

### **12.8 Earnings per share**

The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the adjusted net profit for the period attributable to equity shareholders by weighted average number of shares adjusted for effects of dilutive potential equity shares.

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**Expleo Engineering India Private Limited**  
**NOTES FORMING AN INTEGRAL PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**  
(Amounts in Indian Rupees)

**13 CONTINGENT LIABILITIES & COMMITMENTS**

**13.1 Contingent liabilities not provided for**

Particulars	As at 31st March 2021	As at 31st March 2020
Bond furnished to the Customs Authorities (the bank guarantee furnished for Rs.4,32,000 (2020:Rs.4,32,000) in this regard had expired on 02.03.2018)	20,06,000	20,06,000

**14 Related Party Disclosures are given below:**

**14.1 Related parties and their relationship:**

**a. Parties having significant control**

Name of the Related Party	Nature of Relationship
Expleo Groupe SAS, France	Ultimate Holding company
Expleo International SASU, France	Holding Company

**b. Parties with whom there were transactions**

Expleo Technologies India Private Limited	Fellow Subsidiary
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**c. Key Management Personnel**

Mr. David Christopher Caunce	Director
Mr Venkataramana Mantha	Director
Mr. Prashant Eknath Bramhankar	Director (appointed w.e.f. 04.05.2020)

**14.2 Transactions during the**

Description	For the year ended 31 March, 2021	For the year ended 31 March, 2020
<b>Expleo Technologies India Private Limited</b>		
(i) Interest on deposits of the Company credited to the bank account of related entity	2,45,549	2,59,872
(ii) Rent Paid	24,000	24,000
(iii) Expense paid on behalf of company	-	1,160

**14.3 Balance as at the year end with related parties.**

Description	As at 31 March, 2021	As at 31 March, 2020
<b>Expleo Technologies India Private Limited, India</b>		
Other recoverables- Year-end Receivable	6,30,567	4,13,338

**14.4** The above information is determined to the extent such parties have been identified on the basis of information available with the company.

**15 Taxation:**

In view of losses for the year no provision for tax expenses are made during the year. The deferred tax asset arising mainly from unabsorbed depreciation and carry forward loss has not been recognised in financial statements as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets will be realised.

**16** Previous year's figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification/ disclosure.

(Signatures to Notes 1 to 16)

**For and behalf of the Board of Directors of**  
Expleo Engineering India Private Limited

VENKATARAM  
Digitally signed by  
VENKATARAMANA  
MANTHA  
Date: 2021.06.16  
19:28:35 +05'30'

**VENKATARAMANA MANTHA**  
Director  
DIN:07485325

Place: Bengaluru  
Date: 16-06-2021

PRASHANT  
EKNATH  
BRAMHANKAR  
Digitally signed by  
PRASHANT EKNATH  
BRAMHANKAR  
Date: 2021.06.16 20:41:41  
+05'30'

**PRASHANT EKNATH BRAMHANKAR**  
Director  
DIN:07439819

Place: Pune  
Date: 16-06-2021

As per our report of the even date attached.

**For VARMA & VARMA**  
Chartered Accountants  
FRN 004532S

Srinivas K P  
Digitally signed by Srinivas K P  
Date: 2021.06.16 21:13:24  
+05'30'

**K P SRINIVAS**  
Partner  
M No. 208520

Place: Bengaluru  
Date: 16-06-2021