

# EXPANDING HORIZONS

ANNUAL REPORT 2022-23



# EXPANDING HORIZONS



**YOU CANNOT SWIM  
FOR NEW HORIZONS  
UNTIL YOU HAVE  
COURAGE TO LOSE  
SIGHT OF THE SHORE**

**- WILLIAM FAULKNER**





Expanding horizons refers to broadening one's knowledge, experience, or perspective beyond what is currently familiar or comfortable. This can involve exploring new ideas, meeting people from different cultures, learning new skills, trying new activities or simply being open to different ways of thinking and living. Expanding horizons can lead to personal growth, increased empathy and understanding of others, and a greater sense of connectedness to the world around us. It can also help to break down barriers and prejudices, and promote tolerance and diversity.

Hence, FY22-23 Annual Report has been designed on the theme: **Expanding Horizons**



# BOARD OF DIRECTORS



**Mr. K. Pandiarajan**

Executive Chairperson and Director



**Mr. Santhosh Kumar Nair**

Director & COO



**Mrs. Hemalatha Rajan**

Director



**Mr. Doraiswamy Krishnan Rajiv**

Non-Executive Director



**Mr. Aditya Narayan Mishra**

Managing Director & CEO



**Mr. Arunkumar Nerur Thiagarajan**

Non-Executive Director

## **Company Secretary (External)**

**M/s. Sandeep and Associates**

No. 20, F-Block, Ground Floor,  
Gemini Parson Apts, New No. 448,  
old No. 599, Cathedral Gardem Rpad,  
Anna Salai, Chennai, Tamil Nadu 600006

## **Statutory auditors**

**M/s. A. John Moris & Co.**

No. 5, Lakshmi Puram 1<sup>st</sup> Street,  
Deivasigami Street, Royapettah,  
Chennai, Tamil Nadu 600014

## **Registered Office**

Plot No. 3726, Door No. 41, 'Ma Foi  
House', 6<sup>th</sup> Avenue, Q-Block, Anna Nagar,  
Chennai, Tamil Nadu - 600040

## **Corporate Office**

2802 (Broadway building) 2<sup>nd</sup> & 3<sup>rd</sup> Floor,  
27<sup>th</sup> Main Road, HSR Layout, Sector 1,  
Bengaluru 560102



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PRESENCE

# CHAIRPERSON'S MESSAGE

## Dear Shareholders,

As soon as we heaved a sigh of relief from COVID-19, FY23 brought several challenges together, right from a broad-based and sharp slowdown to high inflation across major economies of the world, resulting in a sharp drop in global growth and a long phase of investment winter. Amidst this gloom, India has remained resilient compared to most other economies. Though the spillovers from the developments in the US and Europe pose some risks for the investment flows into India, India's growth is projected to be the fastest in the world.



We took cognizance of the changes around us and kept adjusting our strategies in hunting for greener pastures. We see demand growth in core sectors supported by budgetary reforms and allocations. This development creates a favourable local job environment; as a result, Infrastructure as a sector will see a boom in the next couple of years. The continued focus on making India a self-reliant nation creates opportunities for our manufacturing sector and we have started seeing the impact on our industry. The increasing adoption of Internet of Things (IoT) devices and the introduction of 5G technology are likely to result in a surge in the job market of the telecom industry. We will increasingly see greenfield projects set up in the domain of defence manufacturing to space-tech startups. The MSME sector has always been a large employer in India and the revival of this sector is evident from the credit growth of ~31% in 2022.

Technology has always been a major force in businesses all over the world. In the last couple of quarters, the world has gone from not knowing about ChatGPT 1, 2, 3 to gaining a record 1M followers in the 1<sup>st</sup> week of the launch of ChatGPT 3.5. It currently boasts of 100M active users with over a billion visits every month. With India surpassing China as the most populous country, technologies like ChatGPT will help our sector take appropriate steps to remove biases in hiring, improve candidate experience, avoid dummy candidatures and provide information with greater ease.



We leveraged favourable market developments by continuously refocusing efforts, deploying technology effectively, expanding geographically, and improving continuously to meet stakeholder expectations. We have been closer to our stakeholders more than ever with 80+ offices and growing. Our focus on continuous improvement goes on to give us rich dividends.

Our revenues in the FY have grown by ~57% over the previous year, registering ~136% CAGR over 7 years. We estimate the industry growth to be ~16%. By maintaining engagement with a diverse range of customers in multiple industry sectors, strengthening those relationships through the use of technology, building our teams geographically pan-India, welcoming diversity in the thinking and perspectives and fostering the CIEL spirit among our members, our company has remained in a favourable position and turned in a strong performance. We have been certified as a Great Place to Work for 4 consecutive years, and we continuously strive to create an overall positive employee experience to both attract and retain talent. This factor has played a vital role in our long-term success as an organisation.

We see that measures like the launch of the National Single-Window system for approvals and clearances needed by investors, entrepreneurs and businesses have encouraged FDI inflows in FY22. Though the inflows reduced in FY23, it is expected to rebound in the coming months on account of India's high

economic growth (predicted to grow at ~7% in 2023-24) and steps to further improve the business environment of India. With 115 unicorns as on April 2023, India continues to be the third largest tech startup eco-system, as per Global Unicorn Index by Hurun. Furthermore, Indian Rupee has performed well compared to other Emerging Market Economies in Apr-Dec 2022. We expect the market sentiments to rebound and startups will be back in the days of glory again. We will be well placed to be a front-runner in our sector to seize the opportunities.

We have been on the lookout for assets that compliment our strengths in providing talent solutions apart from growing organically. We could successfully acquire a controlling stake in Jombay, one of the largest HR Tech companies in India specialising in talent assessment and development. This strategic investment was funded by the private placements carried out in FY23. The acquisition was consummated on 10<sup>th</sup> January 2023; and it has not only strengthened our portfolio of services but also enriched our capabilities and bottomlines.

We are raising further growth capital to support our organic and inorganic growth plans. Our goal is to become a globally respected organisation, and we plan to go public within the next 4-6 quarters at a favourable market condition to strengthen our future prospects.

We will continue to invest in developing our people capabilities and technology infrastructure. At the same

time, we will expand our geographic reach to enhance our client base and deliver best-in-class services to our stakeholders. We believe our culture is the fuel that drives us and we aim to maintain and leverage its positivity throughout our growth, both organically and inorganically.

I take this occasion to convey my heartfelt appreciation to all of our valued customers, partners, members, alumni, bankers and shareholders for their unwavering support and commitment to CIEL.

William Faulkner, one of the most celebrated American writers, a Nobel Laureate and 2 time Pulitzer Prize winner said, "You cannot swim for New Horizons until you have the courage to lose sight of the shore". We are committed to **Expanding Horizons** by broadening our knowledge, experience and perspective beyond what is currently familiar or comfortable.

May Almighty bless us with abundance!

**#GetTheBestOutOfUs**  
**Sd/- K Pandiarajan**  
**Executive Chairperson & Director**

\*Member: full time employees of CIEL HR

\*Deputies: Flex Staff of CIEL HR

# ABOUT CIEL GROUP



**CIEL GROUP IS A HOLISTIC  
TALENT SOLUTIONS  
PROVIDER, ONE DESTINATION  
FOR ALL YOUR HR NEEDS.  
ORGANISATIONS ACROSS  
INDUSTRY SECTORS, OF ALL  
SIZES, HAVE FOUND US AS A  
RELIABLE PARTNER IN THEIR  
GROWTH JOURNEY.**



Our leaders founded Ma Foi in 1992, where they pioneered several practices in the HR industry in India. Using their experience, CIEL was born in 2015 and is now ranked among the Top 10 HR Services companies in India. We have provided talent solutions to 3000+ organisations and have 83 offices in 51 locations across India, making us the largest HR services company to meet the country's diverse requirements.

Our solutions are aimed at attracting the Right Talent, Developing and Retaining them and maximising their efficiency. These are:



**Search, Selection  
and RPO**



**HR Consulting**



**Value Staffing /  
Professional Staffing**



**Growth  
Consulting**



**Managerial Assessment and  
Leadership Development**



**Payroll and  
Compliance**



**HR Tech**



**Skill  
Development**

CIEL means 'sky' in French, representing our commitment to achieving excellence in fulfilling talent needs and career aspirations. We're excited to partner with you in a mutually rewarding and fulfilling way.

**#GetTheBestOutOfUs**



## GROUP COMPANIES



Delivering strategic HR solutions for 12+ years across diverse organisations and industries into HR Consulting, Growth Consulting and Payroll & Compliance Consulting



India's largest Talent Assessment and Development platform to build great managers and leaders



India's First SkillTech Platform for candidates to upskill



A unified HR Tech platform to manage end-to-end employee lifecycle



Optimising projects and setting up a team with highly skilled professionals for organisations across the nation

## DIGITAL OFFERINGS



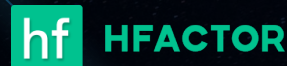
India's First SkillTech platform for candidates to upskill and find the right job



Connecting the 4 pillars of the educational ecosystem



A unified HR Tech platform to manage end-to-end employee lifecycle



A Plug & Play HCM software as a service to help companies of all sizes to automate and simplify their HR processes.



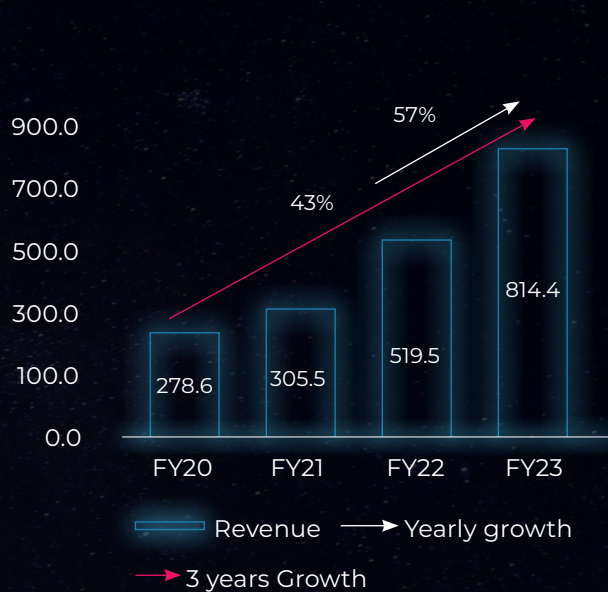
A consolidated platform combining technology with behavioral science to help organisations relook their hiring, development and succession planning processes



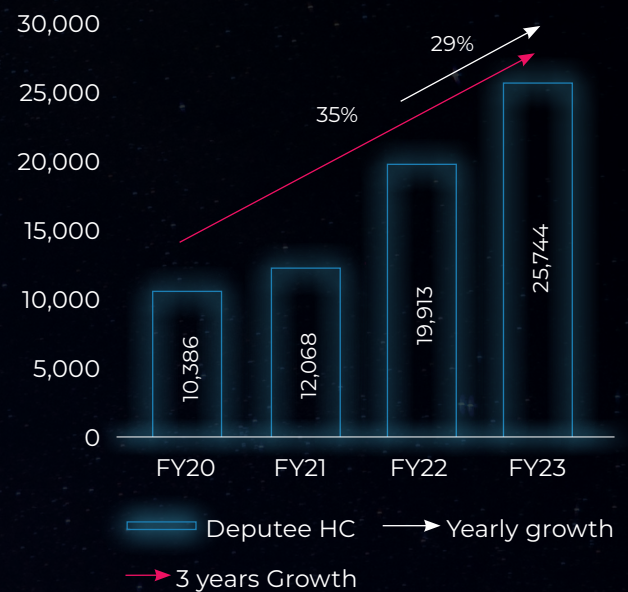
# NUMBERS AT GLANCE

Numbers in ₹ Cr except headcount

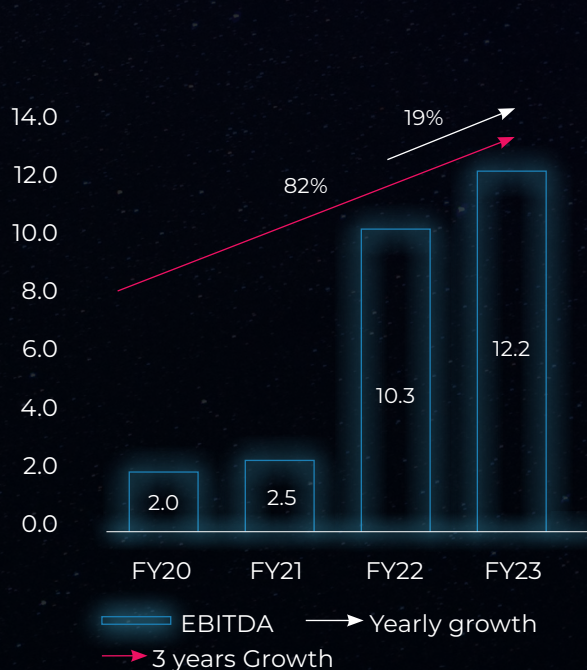
### Revenue



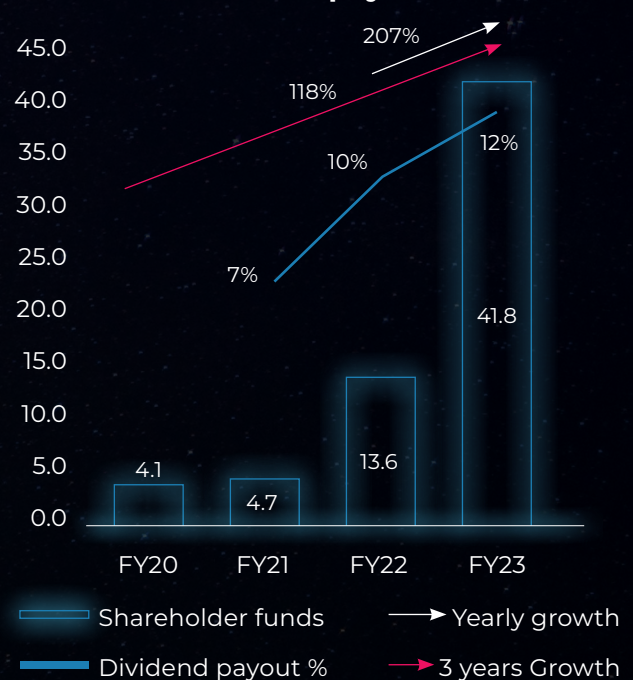
### Deputee HC



### EBITDA



### Shareholder funds & Dividend payout %





# OUR ESG PHILOSOPHY

## VALUE CREATION WITH COMMITMENT

### ESG Framework:

1. **Environmentally Conscious** - LED, e-waste disposal, we encourage digital copies vs printed, LED lighting, encourage stakeholders to use public transport/shared transport and EVs for business and daily office commute.
2. **Humanly Conscious** - Diversity Ratio, Geo-spread, Deputee, Specially-abled, GPTW, Director Designated to act as Culture Officer (IM etc.).
3. **Robust Governance** - VAPT, ISO, Board Sub-committees, POSH, GMC formation & meetings, Non-exec directors, Transparency in processes & inclusive decision making, Usage of strong internal systems.
3. **Digital Copies:** We advise our members to use digital copies instead of printed materials wherever possible. This includes encouraging stakeholders to receive communications via email, providing online resources instead of printed copies, and reducing the number of printed documents in internal operations. We encourage members to use double-sided printing and appropriate formatting of the documents to optimise use of paper.
4. **Promoting Public/Shared Transport:** All stakeholders of CIEL are encouraged to use public transport, EVs or shared transport options for commuting to and from work. This includes promoting the use of public transport passes, providing incentives for carpooling or ride-sharing, and ensuring that public transport options are accessible to employees.

### Environmentally Conscious

1. **LED Lighting:** CIEL Group has implemented LED lighting in all its facilities, resulting in significant energy savings and a reduction in greenhouse gas emissions. The company is committed to continuing to use energy-efficient lighting in all future projects.

We encourage our members to be conscious of the energy resources they use and act proactively to reduce their energy consumption, right from switching off devices and appliances while not in use to using energy-efficient devices and gadgets in all walks of their lives, share resources and allow remote work whenever possible.

2. **E-Waste Disposal:** All offices of CIEL have a comprehensive e-waste disposal program to ensure that all electronic waste is disposed-off responsibly and in compliance with all relevant regulations. The company works with certified e-waste recyclers to ensure that all materials are disposed-off in an environmentally-friendly manner.

### Humanly Conscious

1. **CSR:** CIEL's Corporate, Social Responsibilities are focused around
  - a) Education and skill development
  - b) Environment protection and sustainability
  - c) Health and safety





The aim is to deliver the first objective of education and skill development to give back to society by providing career guidance to our nation's future generation.

We started our CSR journey by partnering with The Akshaya Patra Foundation to provide nutrition to the 235 children by serving them mid-day meals at their schools for a year and preparing them for joining the world of work and creating a positive impact on the Indian economy.

CIEL collaborated with Goonj in organising a collection drive aimed at promoting environmental protection and sustainability. The drive encouraged CIEL members to donate various items, including clothes, stationary, woollens, toys and games, with the goal of improving the quality of life for those in need.

2. **Great Place to Work (GPTW):** We have been certified as a Great Place to Work for 4 consecutive years, and we continuously strive to create an overall positive employee experience to both attract and retain talent. We foster the spirit of CIEL among our members and implement practices to promote employee well-being, such as flexible work arrangements, employee wellness programs and access to healthcare services for CIEL's members and their families.



3. **Diversity Ratio:** CIEL recognises the importance of diversity and inclusivity in the workplace, not just diversity in terms of team members, but also welcomes diversity in thinking. Taking measures to increase diversity among its workforce is an ongoing process at CIEL. This includes tracking diversity metrics and setting diversity goals, implementing training programs to promote diversity and inclusivity, and actively seeking out a diverse pool of candidates for open positions. CIEL currently has a Male to Female ratio of 49:51.



4. **Geo-spread:** CIEL has a geo presence throughout the nation with employees

spread across 83 offices in 51 locations.

The company values this diversity and has implemented policies and practices to ensure that all employees and temp workforce receive fair and equal treatment, regardless of their location.

5. **Deputee and Specially-abled Employees:** CIEL placed 26000+ temp employees (Deputees) overall and in the last 6 months helped 63% of candidates from Tier 2 & 3 locations find their dream jobs, in FY23. We are committed to promoting diversity and inclusivity, including for the Deputees and specially-abled employees. Policies and practices have been implemented to ensure that all employees receive equal opportunities for career growth and development, including providing suitable work environment for employees with disabilities.
6. **Director Designated as Culture Officer:** The company has designated a director to act as a culture officer, responsible for promoting the company's values and ensuring that all employees feel valued and supported. This includes implementing policies and practices to promote diversity and inclusivity, providing opportunities for employee feedback and engagement, and promoting a positive work culture.

CIEL holds an annual event called Institutional Meet for its members in critical roles across the organisation hierarchy to come together, network and share insights with in one another. This forum serves as a key binding force in culture building, a platform to introspect if the core values and beliefs of the organisation are in operation in their true spirit, reflect upon the progress made and co-create the path for the future journey of the organisation. This practice is not only unique in our industry but also a key factor that spurs our key members to wear their organisational hat with pride and own up the ambitions and goals ahead with high levels of sincerity.

## Robust Governance

1. **Vulnerability Assessment and Penetration Testing (VAPT):** CIEL regularly conducts VAPT assessments to identify and address potential security vulnerabilities in the systems and infrastructure. We also implement regular security updates and patches to ensure that our systems are protected against the latest threats.



2. **ISO Certification:** CIEL has obtained ISO 9001:2015 certification and ISO/IEC 27001:2013 certifications. The certification demonstrates the company's commitment to providing products and services that meet the customer and applicable statutory and regulatory requirements. Also, to ensure maintaining high standards for enhanced customer satisfaction and information security.
3. **Board Sub-Committees:** CIEL has established board sub-committees to oversee key areas of governance, such as audit, risk management, and compensation. The independent directors form part of the sub-committees and bring in their expertise and external perspective to ensure that the company's governance practices are aligned with best practices.
4. **POSH Committee:** We are committed to creating a safe and inclusive workplace and have implemented policies and practices to prevent and address sexual harassment in the workplace. This includes conducting regular training and awareness programs, establishing a POSH committee and implementing a whistleblower policy.
5. **Group Management Council (GMC):** CIEL established a GMC as an apex decision making body, comprising senior leaders and key management personhel, responsible for overseeing critical governance and management practices. The GMC meets once a month to review and assess the company's performance and ensure that its operations are aligned with the best practices.
6. **Non-Executive Directors:** The non-executive directors of CIEL bring diverse perspectives and best in class industry expertise to the company's governance practices. These directors provide oversight and guidance on key areas of governance, such as risk management and compensation. These members are also responsible for consistently reviewing and updating CIEL's ESG policies.
7. **Transparency and Inclusive Decision-Making:** CIEL ensures transparency in its decision-making processes and seeks to involve key stakeholders in its governance practices. This includes regular communication with shareholders, engaging with employee representatives, and seeking feedback from customers and other stakeholders.
8. **Strong Internal Systems:** CIEL has implemented strong internal systems and controls using softwares to ensure that all the processes are recorded, accessed as required and can create a seamless flow of information with other systems. This helps us improve transparency, drive efficiency and store information in a secured manner.
9. **Anti-bribery Policy:** CIEL conducts itself from a body of integrity to ensure that its operations are conducted in a responsible and ethical manner. This includes establishing a code of conduct for our members. We prohibit all our employees including members of the Board and the Business Partners who represent CIEL in the market from offering, promising to offer, authorising to offer bribes. Similarly, we prohibit all of them from accepting or authorising to accept bribes.





# Directors' Report

## CIEL HR SERVICES PRIVATE LIMITED

Your Directors have great pleasure in presenting the 13th Annual Report and Audited Statement of Accounts for the financial year ended 31st March 2023. The summarised financial results of the Company are presented hereunder:

### 1. Financial Results - Financial Highlights

Your Company during the financial year under review clocked operating revenue of over ₹ 814.4 Crores as against the previous financial year operating revenue of ₹ 519.5 Crores achieving 57% growth. Your Company attained a PAT of ₹ 781.6 lacs (before exceptional items) and ₹ 421.0 lacs (after exceptional items) for the Financial Year ended 31<sup>st</sup> March 2023 as against ₹ 714.4 lacs in the previous financial year achieving 9% growth.

In spite of the several challenges, right from a broad-based and sharp slowdown to high

inflation across major economies of the world, resulting in a sharp drop in global growth and a long phase of funding winter, your Company could not only clock a revenue growth which is higher than the staffing industry growth rate, but also a marginal growth in profitability. Your directors are confident of continuing the momentum of profitable growth. Your Company has ambitious plans ahead of growing organically as well as in the inorganic route; has its sight on crossing Revenue milestone of ₹ 20 Billion in next two years.

### The Consolidated Financial Results of the Company are as under \* :

(Amount in ₹ Lakhs)

| Financial Results                             | Consolidated* |           |           | Standalone |           |           |
|---|---------------|-----------|-----------|------------|-----------|-----------|
|   | FY2022-23     | FY2021-22 | FY2020-21 | FY2022-23  | FY2021-22 | FY2020-21 |
| Revenue from operations                       | 81,440        | 51,952    | 30,547    | 78,425     | 51,531    | 30,546    |
| Other Income                                  | 102           | 82        | 57        | 75         | 82        | 57        |
| Total Income                                  | 81,542        | 52,034    | 30,604    | 78,500     | 51,613    | 30,603    |
| Employee benefits and other expenses          | 80,266        | 50,923    | 30,298    | 77,410     | 50,508    | 30,277    |
| Depreciation                                  | 119           | 96        | 25        | 112        | 96        | 24        |
| Finance Costs                                 | 322           | 314       | 193       | 317        | 314       | 193       |
| Profit/ (Loss) before tax                     | 834           | 702       | 88        | 660        | 695       | 109       |
| Tax Expenses                                  | 53            | (13)      | 5         | (1)        | (14)      | 5         |
| profit /(Loss) after Tax (before exceptional) | 782           | 714       | 83        | 662        | 709       | 104       |
| Exceptional items                             | 361           | -         | -         | 361        | -         | -         |
| Profit / Loss after Tax for the year          | 421           | 714       | 83        | 301        | 709       | 104       |
| Earning ₹ per share (Basic)                   | 9             | 20        | 2         | 7          | 19        | 3         |
| Earning ₹ per share (Diluted)                 | 9             | 20        | 2         | 7          | 19        | 3         |

\* Includes Integrum Technologies Private Limited, CIEL Technologies Private Limited (Formerly known as CIEL IT Solutions Private Limited), Ma Foi Strategic Consultants Private Limited (wef 01/02/2023), CIEL Skills and Careers Private Limited (Formerly known as Ma Foi Educational Services Private Limited) (wef 20/07/2022) and Next Leap Career Solutions Private Limited (Brand name: Jombay (wef 10/01/2023) during FY2022-23

### 2. State of Company's Affairs and Future Outlook

Your Company has taken huge strides forward in the year: grown by 57% while the industry has grown by 20% and the GDP by 6%.

Our industry faced extensive challenges in the year starting from Russia-Ukraine war, sharp rise in inflation, slowdown in economy to funding winter. CIEL has been able to step up the growth momentum by investing in its growth muscles and refocusing its efforts on the sectors that have been recruiting and growing. We could

rearrange our working methods to adapt to the new normal such as hybrid working style, use of gig workers and digitization of work processes.

Newly acquired clients contributed immensely to our business in the year, signifying our efforts to keep on extending our client portfolio. We billed more than 1100 clients in the year, top 10 customers contribute 41% of the business. We have consciously built the business with a well-distributed client portfolio minimising the risk of client concentration. Your Company has placed over 1,20,000 candidates in 3000 companies.

Your Company has a leadership team which is fairly hands-on in leading engagements with key customers, working with teams at various levels in delivering upon the assignments and in the process, coaching and inspiring team members to maximise the results. CIEL uses a performance management system that tracks the performance of every member in the business against predefined key performance indicators and targets. Reporting managers across all levels provide weekly feedback to their team members on their achievements of the week and the pipeline for the coming week. This works at the core of CIEL's execution excellence.

Your Company has been able to win Great Place to Work certification for the 4th time in a row for preserving the goodness of its work culture. The leaders continue to be personally involved not only in the rigorous execution of the strategy but also in connecting with the members and business partners spread across India, listening to their experiences and suggestions for improvement. They have been proactive in implementing new ideas and methods gathered from the market as well as the members in CIEL.

Institutional Meet continues to be held once a year to bring together the members delivering critical business impact and drawn from all levels in the organisation across the hierarchy. This unique platform stands out in our organisation's culture; it serves as a forum to reflect upon the progress made and chart the future course for the organisation. This practice encourages members in CIEL to belong to the institution and walk the extra mile to contribute to its development.

Your Company continues to invest energy in delivering best-in-class services to its customers and build its reputation as a reliable service provider. In FY23, a significant part of business has been the result of its continuous efforts in customer relationships and aligning internal systems and processes to create consistent value for them. The journey of quality management continues in the form of retaining ISO 9001:2015 certification by QACS International.

Right from onboarding of the new joiners in the Company and bringing them to the mainstream of the business to developing the capability of the members have been key focus areas for the human resources function in CIEL. Dedicated efforts on an ongoing basis are invested consciously under the active involvement of the CEO's office. The development programme has helped CIEL absorb the new joiners effectively and deliver high levels of productivity.

83 offices in 51 locations in India bring CIEL closest to the candidates and hence, puts your Company in the best position to tap the local talent pool servicing the ever-expanding needs of its clients, particularly in Consumer Goods, Engineering and IT. CIEL has been able to find the right-matching candidates pan India

with industry-leading conversion ratios and is acknowledged as one of the largest by Staffing Industry Analyst (SIA) in its last report on 'Largest Staffing Companies in India'.

Your Company continues its investment in technology by building digital assets which boost internal efficiencies and at the same time, deliver increasing value to our clients, candidates and deputees. In FY23, CIEL has brought out new features in its platforms which make them safer and more secure against external threats and enable the users to carry out their business seamlessly and efficiently. Integrum Technologies, the subsidiary of CIEL has played a pivotal role in making sure that the tech infrastructure runs well and stays as a top-runner in the market, thus creating further value for CIEL.

### Significant Developments

Your Company remains committed to "HR inspired by Science" while delivering value to all its stakeholders.

During the year, your company has made significant inorganic expansions by acquiring controlling stake in three renowned companies namely Ma Foi Strategic Consultants Private Limited, CIEL Skills and Careers Private Limited and Next Leap Career Solutions Private Limited. Together, these three companies have added more than ₹ 2850 lacs to the annual run rate of your company. These acquisitions have further helped us position CIEL as an integrated HR services company.

Your company has a great focus on digital asset creation and has built and launched four mainstream digital properties during the year namely CIEL Jobs, CIEL Rapid, HFactor and ProSculpt.

To fuel the growth engine, your company has successfully raised capital of over ₹ 5000 lacs in the form of equity, debentures as well as secured working capital loans.

### Market Outlook

India is among the fastest growing economies globally, slated to grow at 7%. The government schemes like PLI aimed at development and encouragement of setting up new projects and expanding existing capacities has prompted many large companies to invest further. India is touted to become the next semiconductor manufacturing hub; our traditional sectors like railways and aviation are increasingly adopting PPP models and FDIs to modernise and expand rapidly. India is taking strides in green technology adoption and policy implementation promoting environmentally responsible behaviour and sustainability. All these initiatives will not only boost the pace of development but will also create a virtuous cycle of job creation and economic growth. To aid this, we witness policy support in skill building by implementation of National Apprenticeship Promotion Scheme (NAPS) across all sectors of the economy. The players in our industry have an opportunity to participate in the process of job creation and nation building.



With talent brimming in every part of the country, India is home to World's 2nd largest startup ecosystem. Focus on indigenous development in the Defence and Space from Indian startups is a welcome change for the future of the nation. India is leading the world in Tech innovation and implementation at large scale and strengthening its prominence in the global arena through its G20 Presidency and many such acts of leadership. We are world's largest real-time payments market, India's own UPI is being adopted globally in 11 countries while talks are on to launch it in many other economies. The significant impact of AI in different sectors and the threat it poses to many job roles will push companies and individuals to redeploy and upskill. India has become a breeding ground for tech-talent not only for Indian companies but also for global conglomerates.

The Indian Healthcare sector has grown beyond the traditional definition of hospitals, medical devices and clinical trials. New opportunities in the domains of outsourcing, telemedicine, medical tourism and Healthtech are helping the sector grow at a faster pace. Government support in the form of schemes like Ayushman Bharat and Pradhan Mantri Swasthya Suraksha Yojana (PMSSY) will address growing incidence of lifestyle diseases and rising demand for affordable healthcare. These developments present an opportunity for our sector to contribute meaningfully in this industry. Globally, we find this sector to be of significant focus among the Top 100 Staffing Companies in the world; Indian markets will follow this trend soon.

Your Company has established itself as the fastest-growing among the Top 10 HR Services companies in India. With the largest geographic presence in an asset-light manner, CIEL has emerged as a holistic talent solutions provider with an array of digital platforms aimed at delivering non-linear growth. Your company's leadership team continues to be known as a Thought Leader in the market and is well poised to expand its horizon and sustain its growth.

### 3. Change in Nature of Business

The Company carries on the business of HR services anchored on the values of growth, professionalism, dignity and diversity. There is no change in the nature of business of your Company during the financial year under review.

### 4. Dividend

Your Directors have declared final dividend of ₹ 1.20 per fully paid-up equity share (12%) of ₹ 10/- each for the FY23 on 43,91,639 fully paid up equity shares for the financial year ended 31<sup>st</sup> March, 2023 aggregating to ₹ 52,69,967/- (Rupees Fifty-Two Lacs Sixty Nine Thousand Nine Hundred Sixty Seven only).

### 5. Employee Stock Options Scheme

During the financial year 2021-22, your Company has implemented an Employees Stock Option Scheme titled CIEL HR Services Private Limited Employee Stock Option Plan, 2022. Pursuant to the ESOP scheme, 70,300 Options have been granted to eligible employees of the company till the end of year.

## 6. Changes in Share Capital and Debentures

As at 31<sup>st</sup> March 2023, the capital structure of your Company was as under:

| Particulars                                    | No of Shares | Face Value (in ₹) | Total Amount (in ₹) |
|--|--------------|-------------------|---------------------|
| <b>Authorized Share Capital:</b>               | 48,00,000    | 10/-              | 4,80,00,000         |
| <b>Equity Shares</b>                           |              |                   |                     |
| <b>Total</b>                                   | 48,00,000    | 10/-              | 4,80,00,000         |
| <b>Issued, Subscribed and Paid Up Capital:</b> | 43,91,639    | 10/-              | 4,39,16,390         |
| <b>Equity Shares</b>                           |              |                   |                     |
| <b>Total</b>                                   | 43,91,639    | 10/-              | 4,39,16,390         |

During the financial year under review,

- The authorised capital of 3,00,000 0.01% Optional Convertible Preference Shares of ₹ 10/- each aggregating to ₹ 30,00,000/- were reclassified into Equity Shares on 24<sup>th</sup> January 2023.
- 22,784 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 2,73,86,368/- were allotted on 26<sup>th</sup> April 2022 on private placement basis.
- 19,75,000 Compulsorily Convertible Debentures were allotted on 26<sup>th</sup> April 2021 at ₹ 10/- each aggregating to ₹ 1,97,00,000/-.
- 44,429 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 5,34,03,658/- were allotted on 2<sup>nd</sup> May 2022 on private placement basis.
- 10,25,000 Compulsorily Convertible Debentures were allotted on 2<sup>nd</sup> May 2022 at ₹ 10/- each aggregating to ₹ 1,02,50,000/-.
- 831 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 9,98,862/- were allotted on 5<sup>th</sup> May 2022 on private placement basis.
- 5,00,000 Compulsorily Convertible Debentures were allotted on 5<sup>th</sup> May 2022 at ₹ 10/- each aggregating to ₹ 50,00,000/-.
- 12,202 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 1,46,66,804/- were allotted on 21<sup>st</sup> May 2022 on private placement basis.
- 9,588 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 1,15,24,776/- were allotted on 16<sup>th</sup> June 2022 on private placement basis.

- j. 2,50,000 Compulsorily Convertible Debentures were allotted on 16<sup>th</sup> June 2022 at ₹ 10/- each aggregating to ₹ 25,00,000/-.
- k. 14,733 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 1,77,09,066/- were allotted on 2<sup>nd</sup> July 2022 on private placement basis.
- l. 5,824 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 70,00,448/- were allotted on 4<sup>th</sup> August 2022 on private placement basis.
- m. 31,432 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 3,77,81,264/- were allotted on 10<sup>th</sup> January 2023 on private placement basis on non cash consideration.
- n. 33,375 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 4,01,16,750/- were allotted on 1<sup>st</sup> February 2023 on private placement basis on non cash consideration.
- o. 2,579 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 30,99,958/- were allotted on 6<sup>th</sup> March 2023 on private placement basis.
- p. 14,058 equity shares having face value of ₹ 10/- each and at a premium of ₹ 1,192/- aggregating to ₹ 1,68,97,716/- were allotted on 31<sup>st</sup> March 2023 on private placement basis.
- q. 6,00,000 Non-Convertible Debentures were allotted on 31<sup>st</sup> March 2023 at ₹ 10/- each aggregating to ₹ 60,00,000/-.

## 7. Transfer to Reserves

During the financial year under review, the company has not transferred any amount to General Reserves.

## 8. Annual Return

As per Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the annual return of the Company for the financial year ended 31<sup>st</sup> March 2023 is available at the web address: <https://www.cielhr.com/financial/>

## 9. Cost Records

Your Company is not required to maintain cost records and accounts as specified by the Central Government under Sub-section (1) of Section 148 of the Companies Act, 2013.

## 10. Reporting of Frauds by Auditors

During the financial year, no frauds were reported by the auditors under sub-section (12) of section 143 of the Companies Act, 2013.

## 11. Board Meetings

During the financial year ended 31<sup>st</sup> March 2023, 15 Board Meetings were held.

## 12. Subsidiaries, Joint Ventures and Associate Companies

1. Integrum Technologies Private Limited became a subsidiary company during the financial year 2018 - 19.

Integrum Technologies Private Limited is a subsidiary of the Company incorporated on 13<sup>th</sup> August 2018. In accordance with the provisions of section 129 (3) of the Companies Act 2013, the Consolidated Financial Statements drawn up in accordance with the applicable accounting standards form part of the Annual Report.

2. CIEL Technologies Private Limited (Formerly known as CIEL IT Solutions Private Limited) became a wholly owned subsidiary company during the financial year 2021-22

CIEL Technologies Private Limited (Formerly known as CIEL IT Solutions Private Limited), incorporated on 23<sup>rd</sup> November 2011, is a wholly owned subsidiary of the Company. In accordance with the provisions of section 129 (3) of the Companies Act 2013, the Consolidated Financial Statements drawn up in accordance with the applicable accounting standards form part of the Annual Report

3. Ma Foi Strategic Consultants Private Limited became a subsidiary company during the financial year 2022-23

Ma Foi Strategic Consultants Private Limited, incorporated on 6<sup>th</sup> January 2011, is a subsidiary of the Company wef 01/02/2023. In accordance with the provisions of section 129 (3) of the Companies Act 2013, the Consolidated Financial Statements drawn up in accordance with the applicable accounting standards form part of the Annual Report

4. CIEL Skills and Careers Private Limited (Formerly known as Ma Foi Educational Services Private Limited) became a subsidiary company during the financial year 2022-23

CIEL Skills and Careers Private Limited (Formerly known as Ma Foi Educational Services Private Limited), incorporated on 30<sup>th</sup> December 2011, is a subsidiary of the Company wef 20/07/2022. In accordance with the provisions of section 129 (3) of the Companies Act 2013, the Consolidated Financial Statements drawn up in accordance with the applicable accounting standards form part of the Annual Report

5. Next Leap Career Solutions Private Limited became a subsidiary company during the financial year 2022-23

Next Leap Career Solutions Private Limited, incorporated on 18<sup>th</sup> October 2010, is a subsidiary of the Company wef 10/01/2023. In accordance with the provisions of section 129 (3) of the Companies Act 2013, the Consolidated Financial Statements drawn up in accordance with the applicable accounting standards form part of the Annual Report

Statement containing salient features of the financial statement of the subsidiary, pursuant to first proviso to sub – section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014 forms part of the financial statements in **Form AOC -I**.

### 13. Particulars of Loans, Guarantees or Investments under Section 186 of Companies Act, 2013

- The Company has entered into an agreement to grant an inter-corporate loan of ₹ 50,00,000 (Rupees Fifty Lakhs Only) to CIEL Skills and Careers Private Limited (Formerly known as Ma Foi Educational Services Private Limited) under Section 186 of the Companies Act, 2013 and the Rules framed thereunder.
- The Company has entered into an agreement to grant an inter-corporate loan of ₹ 4,00,00,000 (Rupees Four Crores Only) to M/s Ma Foi Strategic Consultants Private Limited under Section 186 of the Companies Act, 2013 and the Rules framed thereunder.
- The Company has entered into an agreement to grant an inter-corporate loan of ₹ 1,00,00,000 (Rupees One Crore Only) to M/s Integrum Technologies Private Limited under Section 186 of the Companies Act, 2013 and the Rules framed thereunder.
- The Company has made investment in the equity share capital of M/s CIEL Skills And Careers Private Limited (Formerly known as Ma Foi Educational Services Private Limited), as given below:

| S. No. | Date of Allotment | No. of shares | Face Value (₹) |
|--------|-------------------|---------------|----------------|
| 1      | 20/07/2022        | 1,04,00,000   | 10             |

- The Company has made investment in the equity share capital of M/s Ma Foi Strategic Consultants Private Limited, as given below:

| S. No. | Date of Transfer | No. of shares | Face Value (₹) |
|--------|------------------|---------------|----------------|
| 1      | 01/02/2023       | 40,11,675     | 10             |

- The Company has made investment in the equity share capital of M/s Next Leap Career Solutions Private Limited, as given below:

| S. No. | Date of Transfer | No. of shares | Face Value (₹) |
|--------|------------------|---------------|----------------|
| 1      | 10/01/2023       | 2,66,752      | 10             |
| 2      | 12/01/2023       | 2,04,082      | 10             |

### 14. Particulars of Contracts or Arrangements with Related Parties

All transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. The Company did not enter into any material transaction with such related parties, under Section 188 of the Companies Act, 2013, during the year.

### 15. Material Changes Affecting the Financial Position of the Company

There are no material changes and commitments between 31<sup>st</sup> March 2023 and the date of this report having an adverse bearing on the financial position of the Company.

### 16. Conservation of Energy, Technological Absorption & Foreign Exchange Earnings/ Outgo

- Conservation of Energy & Technology Absorption

The Company does not have any activity relating to conservation of energy and technology absorption and does not own any manufacturing facility. Hence, the requirement of disclosure of particulars relating to conservation of energy and technology absorption in terms of Section 134 of the Companies Act, 2013 and the rules framed thereunder is not applicable. Moreover the Company has taken significant measures to reduce the energy consumption by using energy-efficient equipment.

Technology upgradation is constantly being undertaken to improve service quality and reduce costs. Training is also imparted to the company's personnel on the improved techniques of quality controls.

- Research & Development (R & D)

Your company does not have any research and development facility and has not incurred any expenditure towards research and development.

- Foreign Exchange Earnings and Outgo

Your company has made net earnings in foreign currency of ₹ 347 lacs during the financial year under review.

### 17. Risk Management Policy

Your Company, being in the business of service industry, has to manage various risks. The management reviews and monitors these risks at periodic intervals.

Also, your Company has introduced and adopted appropriate risk-management measures, policies, systems and processes that seek to strike an appropriate balance between risk and returns.

There are no elements of risk, which in the opinion of the Board may threaten the existence of the company.



**18. Directors and Key Managerial Personnel**

As on date of this report, your Company's Board of Directors comprises of the following members, namely:

1. K. Pandiarajan Executive Chairperson and Director (holding DIN: 00116011)
2. Hemalatha Rajan Non-Executive Director (holding DIN: 00115674)
3. Aditya Narayan Mishra Managing Director & CEO (holding DIN: 05303409)
4. Santhosh Kumar Nair Executive Director & COO (holding DIN: 07279988)
5. Doraiswamy Krishnan Rajiv Non-Executive Director (holding DIN: 00221856)
6. Arunkumar Nerur Thiagarajan Non-Executive Director (holding DIN: 02407722)
7. Saurabh Ashok More Chief Financial Officer

Mr. Arunkumar Nerur Thiagarajan, (holding DIN: 02407722) was regularized as a Non Executive Director at the 12<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> May 2022.

Mr. Doraiswamy Krishnan Rajiv, (holding DIN: 00221856) was regularized as a Non Executive Director at the 12<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> May 2022.

Mr. Saurabh Ashok More, (holding PAN: APOPM3000R) was appointed as the Chief Financial Officer of the company with effect from 9<sup>th</sup> June 2022.

Mr. Aditya Narayan Mishra, (holding DIN: 05303409) was appointed as the Managing Director and Chief Executive Officer of the company with effect from 1<sup>st</sup> July 2022.

**19. Details of Significant & Material Orders Passed by the Regulators or Court or Tribunal**

During the financial year, there are no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and your Company's operations in future.

**20. Information as per clauses (xi) and (xii) of Rule 8(5) of the Companies (Accounts) Rules, 2014**

There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 in respect of the Company during the financial year ended 31<sup>st</sup> March 2023 and there was no such application made or any proceeding as at 31<sup>st</sup> March 2023.

The Company has not entered into any one-time settlement with its lenders during the financial year ended 31<sup>st</sup> March 2023 and therefore the requirements of clause (xii) of Rule 8(5) of the Companies (Accounts) Rules, 2014 are not applicable.

**21. Details of Adequacy of Internal Financial Controls**

Your Company has an internal control system, commensurate with the size, scale and complexity of its operations. Your company has adopted the policies and procedures for ensuring the orderly

and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

**22. Deposits**

Your Company has not accepted any deposits during the financial year under review.

**23. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013**

Your Company has in place an Anti-Sexual Harassment Policy named "Policy Against Sexual Harassment" in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committees (ICC) has been set up to redress complaints received regarding sexual harassment

Your Directors further state that no complaints were received or pending disposal during the financial year ended 31<sup>st</sup> March 2023 pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**24. Loan from Director**

Your Company has not availed any loan from directors during the financial year under review.

**25. Transfer to Investor Education and Protection Fund**

Pursuant to Section 125 of the Companies Act, 2013, Your Company did not have any funds lying unpaid or unclaimed for a period of Seven years Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**26. Credit Rating**

The company has received credit ratings from Informerics. As of 10<sup>th</sup> November 2022, rating assigned to the company's long-term fund based limits is IVR BBB-/ Stable and short-term fund based limits is IVR A3.

**27. Corporate Social Responsibility**

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has adopted a Policy on CSR and the Policy has been placed in the website of the Company at <https://www.cielhr.com>

The Company has duly constituted a Corporate Social Responsibility Committee as per the provisions of Section 135 of the Companies Act, 2013 and devised a Policy for the implementation of the CSR framework, broadly defining the areas of spending for its promotion / development, of at least two percent of the average net profits made during the last three immediately preceding Financial Years on the activities mentioned under Schedule VII to the Companies Act, 2013.

The CSR Committee monitors the Policy of the Company from time to time and endeavours to ensure that the requisite amount is spent on CSR activities as per the framework.

The Company vide the CSR Amendment Rules, January 2021, has formulated an Annual Action Plan for the financial year 2022-2023 and has adopted the CSR Policy as per the amended rules.

The CSR Committee consists of three Members, viz. Mr. Adityanarayan Mishra, Managing Director and CEO (DIN: 05303409), Mr. Doraiswamy Krishnan Rajiv, Non-Executive Director (DIN: 00221856) and Mr. Arunkumar Nerur Thiagarajan, Non-Executive Director (DIN: 02407722). Annual Report on CSR for the financial year ended 31<sup>st</sup> March 2023 is attached as **Annexure B** to this Report.

## 28. Remuneration Policy

The provisions of Section 178 relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

## 29. Independent Directors

Since the Company is not required to appoint independent Directors the requirements of submitting their disclosures to the Board under section 149 of the Companies Act, 2013 does not arise.

## 30. Audit Committee and Vigil Mechanism

The requirement of formation of Audit Committee and the concept of vigil mechanism under Section 177 of Companies Act 2013 are not applicable to your company.

## 31. Auditor

M/s. A John Moris & Co, Chartered Accountants having FRN No: 007220S were appointed as the statutory auditors of the Company at the Annual General Meeting (AGM) of the shareholders held on 28<sup>th</sup> July 2021 to hold office up to the conclusion of the 16<sup>th</sup> AGM to be held in the year 2026. The report of the Auditors to the Shareholders is attached herewith.

The notes to the accounts forming part of the financial statements are self-explanatory and need no further clarifications or explanations. The report of the auditors to the shareholders is attached herewith and the same do not contain any qualifications, reservation, disclaimer or adverse remarks.

## 32. Internal Auditor

Your Company has engaged M/s MSR & Associates, Chartered Accountants as its External Internal Auditors. Their audit is complemented by an In-

house audit team. Between them, they cover the entire Internal Audit Scope which covers the activities carried out at the Corporate Office and across the branches of the Company. As a part of its efforts to evaluate the effectiveness of the internal control systems, your Company's audit teams evaluate the adequacy of control measures on a periodic basis and recommend improvements, wherever appropriate.

## 33. Compliance with Secretarial Standards as Issued by the Institute of Company Secretaries of India

The Company is in compliance with the relevant provisions of applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government.

## 34. Directors' Responsibility Statement

To the best of their knowledge and belief, and according to the information and explanations obtained by them, your Directors confirm the following in terms of Section 134 of the Companies Act, 2013 and the Rules made thereunder:-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors have prepared the annual accounts on a going concern basis; and
- the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Acknowledgement

The Directors wish to thank the bankers, customers, service agencies, shareholders and other stakeholders for their support. The directors also thank the employees for their contribution during the financial year under review.

For and on behalf of the board  
For CIEL HR Services Private Limited

**Aditya Narayan Mishra**  
Managing Director & CEO  
DIN: 05303409

Place: Chennai  
Date: 27<sup>th</sup> April 2023



## Annexure –A

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part “A”: Subsidiaries**

(Amount in ₹ Lakhs)

| Sl. No. | Particulars   | Details                           |
|---------|---|-----------------------------------|
| 1.      | Name of the subsidiary  | CIEL Technologies Private Limited |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA                                |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA                                |
| 4.      | Share capital   | 1.00                              |
| 5.      | Reserves & surplus  | 33.93                             |
| 6.      | Total assets  | 613.12                            |
| 7.      | Total Liabilities   | 578.19                            |
| 8.      | Investments   | Nil                               |
| 9.      | Turnover  | 2321.15                           |
| 10.     | Profit/Loss before taxation   | 42.02                             |
| 11.     | Provision for taxation  | 10.57                             |
| 12.     | Profit/Loss after taxation  | 31.44                             |
| 13.     | Proposed Dividend   | Nil                               |
| 14.     | % of shareholding   | 100%                              |

(Amount in ₹ Lakhs)

| Sl. No. | Particulars   | Details                               |
|---------|---|---------------------------------------|
| 1.      | Name of the subsidiary  | Integrum Technologies Private Limited |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA                                    |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA                                    |
| 4.      | Share capital   | 75.50                                 |
| 5.      | Reserves & surplus  | (10.11)                               |
| 6.      | Total assets  | 156.90                                |
| 7.      | Total Liabilities   | 91.50                                 |
| 8.      | Investments   | Nil                                   |
| 9.      | Turnover  | 163.55                                |
| 10.     | Profit/Loss before taxation   | 63.39                                 |
| 11.     | Provision for taxation  | (0.15)                                |
| 12.     | Profit/Loss after taxation  | 63.54                                 |
| 13.     | Proposed Dividend   | Nil                                   |
| 14.     | % of shareholding   | 62.5%                                 |

(Amount in ₹ Lakhs)

| Sl. No. | Particulars   | Details                                      |
|---------|---|--|
| 1.      | Name of the subsidiary  | Ma Foi Strategic Consultants Private Limited |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA   |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA   |
| 4.      | Share capital   | 786.5  |
| 5.      | Reserves & surplus  | (959.55)                                     |
| 6.      | Total assets  | 535.59                                       |

**Part "A": Subsidiaries** (continued)

(Amount in ₹ Lakhs)

| Sl. No. | Particulars   | Details  |
|---------|---|----------|
| 7.      | Total Liabilities                                   | 708.64   |
| 8.      | Investments   | 1.75     |
| 9.      | Turnover  | 659.83   |
| 10.     | Profit/Loss before taxation                         | (222.20) |
| 11.     | Provision for taxation                              | 8.77     |
| 12.     | Profit/Loss after taxation (with exceptional items) | (230.97) |
| 13.     | Proposed Dividend                                   | Nil      |
| 14.     | % of shareholding *                                 | 51.0%    |

\* with effect from 01/02/2023

(Amount in ₹ Lakhs)

| Sl. No. | Particulars   | Details   |
|---------|---|---|
| 1.      | Name of the subsidiary  | CIEL Skills And Careers Private Limited (Formerly known as Ma Foi Educational Services Private Limited) |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA  |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA  |
| 4.      | Share capital   | 204   |
| 5.      | Reserves & surplus  | (171.18)  |
| 6.      | Total assets  | 287.01  |
| 7.      | Total Liabilities   | 254.19  |
| 8.      | Investments   | Nil   |
| 9.      | Turnover  | 295.48  |
| 10.     | Profit/Loss before taxation   | (112.41)  |
| 11.     | Provision for taxation  | 5.44  |
| 12.     | Profit/Loss after taxation  | (117.85)  |
| 13.     | Proposed Dividend   | Nil   |
| 14.     | % of shareholding *   | 51.0%   |

\* with effect from 20/07/2022

(Amount in ₹ Lakhs)

| Sl. No. | Particulars   | Details                                    |
|---------|---|--|
| 1.      | Name of the subsidiary  | Next Leap Career Solutions Private Limited |
| 2.      | Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | NA   |
| 3.      | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | NA   |
| 4.      | Share capital   | 55.27                                      |
| 5.      | Reserves & surplus  | 805.7                                      |
| 6.      | Total assets  | 1723.55                                    |
| 7.      | Total Liabilities   | 862.59                                     |
| 8.      | Investments   | Nil  |
| 9.      | Turnover  | 1892.78                                    |
| 10.     | Profit/Loss before taxation   | 187.45                                     |
| 11.     | Provision for taxation  | 148.22                                     |
| 12.     | Profit/Loss after taxation  | 39.24                                      |
| 13.     | Proposed Dividend   | Nil  |
| 14.     | % of shareholding*  | 85.18%                                     |

\* with effect from 10/01/2023



**Part “B”: Associates and Joint Ventures - NA****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

|   |   |
|---|---|
| Name of associates/Joint Ventures   | - |
| 1. Latest audited Balance Sheet Date  | - |
| 2. Shares of Associate/Joint Ventures held by the company on the year end     | - |
| No.   | - |
| Amount of Investment in Associates/Joint Venture                              | - |
| Extend of Holding%  | - |
| 3. Description of how there is significant influence                          | - |
| 4. Reason why the associate/joint venture is not consolidated                 | - |
| 5. Net worth attributable to shareholding as per latest audited Balance Sheet | - |
| 6. Profit/Loss for the year   | - |
| i. Considered in Consolidation  | - |
| ii. Not Considered in Consolidation   | - |

For CIEL HR Services Private Limited

**Aditya Narayan Mishra**

Managing Director &amp; CEO

DIN: 05303409

Place: Chennai

Date: 27<sup>th</sup> April 2023

# Annual Report on CSR Activities

## 1. Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CIEL HR Services Private Limited is a growing company and is committed towards social welfare of the common people. Your Company has adopted a policy for Corporate Social Responsibility which has been placed in the website of the Company <https://www.cielhr.com/wp-content/uploads/2023/01/CIELs-CSR-policy.pdf>. As per the CSR policy, your Company shall seek to positively impact the lives of the

disadvantaged by supporting and engaging in activities that aim to improve their wellbeing.

The Company will undertake its CSR activities either directly or through a Registered Trust or through a Registered Society or Company registered under Section 8 of the Companies Act, 2013 or even in collaboration with other entities.

Your company would be undertaking the CSR activities as listed in Schedule VII and Section 135 of the Companies Act, 2013 and the Rules framed thereunder. The CSR Committee will oversee the implementation and monitoring of all CSR projects/ programmes / activities and reports shall be provided for review to the Board as and when necessary.

## 2. Composition of the CSR Committee

| S. No. | Name of the Director            | Designation/Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|---------------------------------|------------------------------------|--|--|
| 1      | Aditya Narayan Mishra           | Managing Director and CEO          | 2  | 2  |
| 2      | Mr. Doraiswamy Krishnan Rajiv   | Non-Executive Director             | 2  | 2  |
| 3      | Mr. Arunkumar Nerur Thiagarajan | Non-Executive Director             | 2  | 2  |

## 3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://www.cielhr.com/wp-content/uploads/2023/01/CIELs-CSR-policy.pdf>

## amount required for set off for the financial year, if any : - NIL

## 4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: NA

## 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and

## 8. a) CSR amount spent or unspent for the financial year-

6. Average net profit of the Company as per section 135(5) of the Companies Act, 2013 -Average net profit: ₹ 2,90,75,299 /-
7. a) Two percent of average net profit of the company as per section 135(5) - ₹ 5,81,506/-  
b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. - NA  
c) Amount required to be set off for the financial year, if any - NA  
d) Total CSR obligation for the financial year (7a+7b-7c) - ₹ 5,81,506/-

| Total Amount Spent for the Financial Year. (in ₹) | Amount Unspent (in)   |                  |   |        |                  |  |
|---|---|------------------|---|--------|------------------|--|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) |        |                  |  |
|   | Amount  | Date of transfer | Name of the Fund  | Amount | Date of transfer |  |
| 8,03,769  | Nil   | NA               | Nil   | Nil    | NA               |  |



## b) Details of CSR amount spent against ongoing projects for the financial year: - Nil

| (1)  | (2)   | (3)  | (4)  | (5)                      | (6)                      | (7)                                      |
|--|---|--|--|--------------------------|--------------------------|--|
| S. No.   | Name of the Project   | Item from the list of activities In schedule VII to the Act. | Local area (Yes/No).                                 | Location of the project. | Project Duration         | Amount allocated for the project (in ₹). |
|  |   |  |  | State                    | District                 |  |
| 1  |   |  |  |                          |                          |  |
| (8)  | (9)   | (10)   | (11)   |                          |                          |  |
| Amount spent in the current financial Year (in ₹). | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹). | Mode of Implementation Direct (Yes/No).                      | Mode of Implementation - Through Implementing Agency |                          |                          |  |
|  |   |  |  | Name                     | CSR Registration Number. |  |

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

| (1)    | (2)                                  | (3)  | (4)                   | (5)                      | (6)                                  | (7)                                       | (8)  |                              |             |
|--------|--------------------------------------|--|-----------------------|--------------------------|--------------------------------------|---|--|------------------------------|-------------|
| S. No. | Name of the Project                  | Item from the list of activities In schedule VII to the Act. | Local area (Yes/ No). | Location of the project. | Amount spent for the Project (in ₹). | Mode of Imple- mentation Direct (Yes/No). | Mode of Implementation - Through Implementing Agency |                              |             |
|        |                                      |  |                       | State                    | District                             |   | Name   | CSR Registration Number.     |             |
| 1      | Sornammal Educational Trust Project  | Promoting Education  | Yes                   | Tamil Nadu               | Chennai                              | 4,00,000                                  | No   | Sornammal Educational Trust  | CSR00050402 |
| 2      | The Ma Foi Foundation Project        | Promoting Education  | Yes                   | Tamil Nadu               | Chennai                              | 2,00,000                                  | No   | The Ma Foi Foundation        | CSR00000940 |
| 3      | The Akshaya Patra Foundation Project | Promoting Education  | Yes                   | Karnataka                | Bengaluru                            | 2,03,769                                  | No   | The Akshaya Patra Foundation | CSR00000286 |

d) Amount spent in Administrative Overheads – NIL-

e) Amount spent on Impact Assessment, if applicable - NIL-

f) Total amount spent for the Financial Year (8b+8c+8d+8e) -8,03,769

g) Excess amount for set off, if any – 2,22,263

| Sl. No. | Name of the Director  | Designation/Nature of Directorship |
|---------|---|------------------------------------|
| (i)     | Two percent of average net profit of the company as per section 135(5)                                      | 5,81,506                           |
| (ii)    | Total amount spent for the Financial Year   | 8,03,769                           |
| (iii)   | Excess amount spent for the financial year [(ii)-(i)]   | 2,22,263                           |
| (iv)    | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NA                                 |
| (v)     | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | 2,22,263                           |

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

| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. |               |                  | Amount remaining to be spent in succeeding financial years. (in ₹) |
|---------|--------------------------|--|---|--|---------------|------------------|--|
|         |                          |  |   | Name of the Fund   | Amount (in ₹) | Date of transfer |  |
| 1.      |                          |  |   |  |               |                  |  |
| 2.      |                          |  |   |  |               |                  |  |
| 3.      |                          |  |   |  |               |                  |  |
| TOTAL   |                          |  |   |  |               |                  |  |

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):- NA

| (1)     | (2)        | (3)                 | (4)   | (5)              | (6)   | (7)   | (8)   | (9)  |
|---------|------------|---------------------|---|------------------|---|---|---|--|
| Sl. No. | Project ID | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹). | Cumulative amount spent at the end of reporting Financial Year (in ₹) | Status of the project - Completed /Ongoing |
| 1.      |            |                     |   |                  |   |   |   |  |
| 2.      |            |                     |   |                  |   |   |   |  |
| 3.      |            |                     |   |                  |   |   |   |  |
| TOTAL   |            |                     |   |                  |   |   |   |  |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). – NA

- a) Date of creation or acquisition of the capital asset(s). –
- b) Amount of CSR spent for creation or acquisition of capital asset. –
- c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. –
- d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). –

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). NA

For CIEL HR Services Private Limited

**Aditya Narayan Mishra**

Managing Director & CEO

DIN: 05303409

Place: Chennai

Date: 27<sup>th</sup> April 2023



## Annexure C

**CIEL HR Services Private Limited Employee Stock Option Plan, 2022**

Pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014, the details of the CIEL HR Services Private Limited Employee Stock Option Plan, 2022 (ESOP 2022) during the financial year ended 31<sup>st</sup> March 2023 are:-

| Nature of Disclosures  | ESOP 2022                     |
|--|-------------------------------|
| a. Options approved to be issued as ESOPs  | 1,44,000                      |
| b. Options Granted as at 31 <sup>st</sup> March 2023   | 70,300                        |
| c. Options vested as at 31 <sup>st</sup> March 2023  | 30,950                        |
| d. Options outstanding as on 1 <sup>st</sup> April 2022  | 65,300                        |
| e. Options Exercised during FY2022-23  | 0                             |
| f. The total number of shares arising as a result of exercise of Option  | 0                             |
| g. Options Lapsed /Surrendered   | 3400                          |
| h. The exercise price  | 10                            |
| i. Options outstanding as on 31 <sup>st</sup> March 2023   | 66,900                        |
| j. Variation of Terms of Option  | -                             |
| k. Total number of options in force  | 66,900                        |
| l. Money realized by exercise of options during the year 2022-23   | -                             |
| m. Details of options granted to   |                               |
| i. key managerial personnel  | Saurabh Ashok More, CFO       |
| ii. any other employee who received a grant of options in any one year of option amounting to 5 per cent or more of options granted during that year   | No. of Options granted: 5,000 |
| iii. Identified employees who were granted option, during any one year, equal to or exceeding one percent of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant | -                             |

For CIEL HR Services Private Limited

**Aditya Narayan Mishra**

Managing Director & CEO

DIN: 05303409

Place: Chennai

Date: 27<sup>th</sup> April 2023

# Standalone Independent Auditors' Report

To The Members of CIEL HR Services Private Limited

## Report on the audit of the financial statements

### Opinion

We have audited the accompanying financial statements of CIEL HR Services Private Limited ("the Company"), which comprises the balance sheet as at 31<sup>st</sup> March 2023, and the Statement of Profit and Loss and statement of cash flows 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 ('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<sup>st</sup> March 2023, its profit (or Loss)\* and cash flows for the year ended on that date.

### Basis for opinion

We conducted our audit in accordance with the standards on auditing 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 Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Information other than the financial statements and auditors' report thereon

The Company's board of directors & management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report included in the Board's Report including Annexures to Board's Report, Business Responsibility 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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

### Responsibility of the Management and Those Charged With Governance for the financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation and presentation 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 statement 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, 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.

The 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:

- 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of

the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Other Matters:

1. With reference to Note 12
  - a) During the year ended 31<sup>st</sup> March 2023, the company has acquired 51% equity stake in CIEL Skills and Careers Pvt. Ltd. as on 20<sup>th</sup> July 2022
  - b) During the year ended 31<sup>st</sup> March 2023, the company has entered into Share Purchase Agreement with Next Leap Career Solutions Pvt. Ltd. ("Jombay") and Share Holders Agreement dated 30<sup>th</sup> November 2022 to acquire 100% equity stake. As per the agreement, the company has acquired 76.33% equity stake on a fully diluted basis and 85.18% on present shareholding basis as on 10<sup>th</sup> January 2023. The company has a call option to acquire the balance stake and Jombay has a put option to dispose off the balance stake over the next 2 years
  - c) During the year ended 31<sup>st</sup> March 2023, the company has acquired 51% equity stake in Ma Foi Strategic Consultants Pvt. Ltd. as on 1<sup>st</sup> February, 2023
2. During the year, the company has changed the process of payroll cost booking and considers paysheet while booking the costs. This has significantly reduced the timing differences arising in cost booking as compared to earlier years.
3. With reference to Note 16 (ii) – Unbilled Revenue
 

During the year, the company has changed its accounting policy on recognizing income on accrual basis as Unbilled Revenue. Earlier income would be recognized as revenue in the subsequent month, However, the same is now recognized in

the respective month as Unbilled Revenue and will be reversed in the subsequent month when the invoice is raised. This method ensures that cost and income are accounted in the same accounting period.

4. The Internal Audit Report for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 is yet to be provided and it was informed by the management that the same is in progress.

Our opinion is not modified in respect of this matter.

#### **Report on other legal and regulatory requirements**

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of

India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The balance sheet, the statement of profit and loss, 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, as amended from time to time;
- e) On the basis of the communications received from the directors as on March 31, 2023 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g) 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;
  - (a) The Company does not have any pending litigations which would impact its financial position;
  - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - (c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **A John Moris & Co.**,  
Chartered Accountants  
FRN: 007220 S

**CA K V SIVAKUMAR**  
Partner  
M.No: 027437

UDIN: 23027437BGTTAZ9000  
Date: 27/04/2023  
Place: Chennai



**Annexure “A” to the Independent Auditor’s Report\***

The Annexure referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ of our Report of even date to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2023, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
- (i) (a) (B) The company is maintaining proper records showing full particulars of intangible assets;
- (i) (b) The Company's fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) The company has been sanctioned working capital limits in excess of five crore rupees (at any point of time during the year), in aggregate, from banks or financial institutions on the basis of security of current assets; quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company. However, the same has not been provided for verification to us.
- (iii) (a) during the year the company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity

| To whom  | The aggregate amount during the year | Balance outstanding at the balance sheet date |
|--|--------------------------------------|---|
| Parties other than subsidiaries, joint ventures and associates | 26,00,000                            | 26,00,000                                     |
| Subsidiaries, Joint ventures and associates                    | 22,25,86,673                         | 7,25,52,400                                   |

- (b) According to the information and explanation given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest
- (c) schedule of repayment of the principal amount and the payment of the interest have not been stipulated and hence we are unable to comment as to whether receipt of the principal amount and the interest is regular

- (d) According to the information and explanation given to us, no amount is overdue in these respect
- (e) According to the information and explanation given to us, in respect of any loan or advance in the nature of loan granted which has fallen due during the year, none has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties
- (f) The company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the companies act have been complied with.
- (v) The company has not received any public deposits during the year.
- (vi) Since the company does not fall under the ambit of specified company as per rule 3 of Companies (Cost Records and Audit) Rules, 2014, maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act is not applicable.
- (vii) (a) According to the records of the company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Income-tax, Tax deducted at sources, Professional Tax, Goods and Service Tax (GST) and other material statutory dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income-tax, GST and other material statutory dues in arrears were outstanding as at 31<sup>st</sup> March 2023 for a period of more than six months from the date they became payable except PF arrears of ₹ 18,67,106 for a period of more than six months.
- Due to pending UAN issues and Aadhar mismatch cases, the company is not able to deposit PF for certain deputies. We are informed by the company that they are in the process of collecting necessary information and regularly follow up with the deputies to get the details and would be cleared at the earliest.
- (viii) As per the books of records and clarifications provided to us there is no evidence for inclusion of undisclosed income.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks.

- (x) (a) The company did not raise any money by way of initial public offer or further public offer (including debt instruments)
- (x) (b) The company has made private placement of shares under review and the requirement of section 42 of the Companies Act, 2013 have been complied with and according to information and explanations given to us, the amount raised have been used for the purposes for which the funds were raised
- (xi) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (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 Companies Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business;
- (b) The reports of the Internal Auditors for the period under audit were yet to provided and it was informed by the management that the work is under process and the to be fast tracked.
- (xv) According to the information and explanation 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 him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) As per the books of accounts and explanation provided to us there is no cash loss was evidenced for the current year;
- (xviii) The provision of (xviii) of paragraph 3 pertaining to resignation of statutory auditor/ non- compliance of the intake of input from resigned auditor would not be applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report
- (xx) The provisions of Section 135 towards corporate social responsibility are applicable on the company. However, there is no unspent amount within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act
- (xxi) Based upon the verification of books of accounts and explanation provided by the officials there is reasonable excise of controls and does not warrant any qualification in the report.

For **A John Moris & Co.,**  
Chartered Accountants  
FRN: 007220 S

UDIN: 23027437BGTТАZ9000  
Date: 27/04/2023  
Place: Chennai

**CA K V SIVAKUMAR**  
Partner  
M.No: 027437

**Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of **CIEL HR Services Private Limited**)

**Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of CIEL HR services Private Limited (“the Company”) as at 31<sup>st</sup> March 2023, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s responsibility for internal financial controls**

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of internal financial controls over financial reporting**

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



**Inherent Limitations of internal financial controls over financial reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

UDIN: 23027437BGTТАZ9000  
Date: 27/04/2023  
Place: Chennai

For **A John Moris & Co.,**  
Chartered Accountants  
FRN: 007220 S

**CA K V SIVAKUMAR**  
Partner  
M.No: 027437

# Standalone Balance Sheet

As at 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Particulars                        | No  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|------------------------------------|-----|-----------------------------|-----------------------------|
| <b>EQUITY AND LIABILITIES</b>      |     |                             |                             |
| <b>(1) Shareholder's Funds</b>     |     |                             |                             |
| (a) Share Capital                  | 3   | 439.16                      | 418.47                      |
| (b) Reserves and Surplus           | 4   | 3,700.29                    | 983.17                      |
|                                    |     | <b>4,139.46</b>             | <b>1,401.64</b>             |
| <b>(2) Non-Current Liabilities</b> |     |                             |                             |
| (a) Long-Term Borrowings           | 5   | 1,184.67                    | 1,041.41                    |
| (b) Long-Term Provisions           | 6   | 120.03                      | 92.01                       |
|                                    |     | <b>1,304.70</b>             | <b>1,133.41</b>             |
| <b>(3) Current Liabilities</b>     |     |                             |                             |
| (a) Short term Borrowings          | 7   | 3,534.87                    | 1,534.21                    |
| (b) Trade Payables                 | 8   | 272.87                      | 81.80                       |
| (c) Other Current Liabilities      | 9   | 5,245.86                    | 3,348.42                    |
| (d) Short-term Provisions          | 10  | 453.48                      | 194.40                      |
|                                    |     | <b>9,507.09</b>             | <b>5,158.83</b>             |
| <b>TOTAL (1+2+3)</b>               |     | <b>14,951.24</b>            | <b>7,693.88</b>             |
| <b>Assets</b>                      |     |                             |                             |
| <b>(4) Non-current assets</b>      |     |                             |                             |
| (a) Fixed Assets                   |     |                             |                             |
| (i) Property, Plant and Equipment  | 11A | 52.66                       | 39.57                       |
| (ii) Intangible Assets             | 11B | 81.32                       | 147.52                      |
| (b) Other Non Current Investments  | 12  | 2,399.02                    | 48.19                       |
| (c) Long-Term Loans and Advances   | 13  | 3,118.86                    | 1,752.06                    |
| (d) Deferred Tax Asset {Net}       | 24  | 53.71                       | 35.27                       |
|                                    |     | <b>5,705.58</b>             | <b>2,022.62</b>             |
| <b>(5) Current Assets</b>          |     |                             |                             |
| (a) Trade Receivables              | 14  | 7,349.44                    | 5,083.26                    |
| (b) Cash and cash equivalents      | 15  | 22.18                       | 435.61                      |
| (c) Other Current Assets           | 16  | 1,874.04                    | 152.40                      |
|                                    |     | <b>9,245.66</b>             | <b>5,671.27</b>             |
| <b>TOTAL (4+5)</b>                 |     | <b>14,951.24</b>            | <b>7,693.88</b>             |

Notes to the Accounts - 1 to 28

As per our report of even date attached

For and on behalf of the Board of Directors

For **A. JOHN MORIS & Co.,**

Chartered Accountants

FRN.: 007220S

**K Pandiarajan**

Executive Chairperson and Director

DIN:00116011

**Hemalatha Rajan**

Director

DIN:00115674

**Aditya Narayan Mishra**

Managing Director &amp; CEO

DIN:05303409

**KV Sivakumar**

Partner

M. No.: 027437

**Santhosh Kumar Nair**

Director and COO

DIN:07279988

**Saurabh Ashok More**

Chief Financial Officer

Place : Chennai

Date: 27/04/2023



# Standalone Statement of Profit and Loss

For the Year Ended 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Particulars   | No | For the year ended<br>31 <sup>st</sup> March 2023 | For the Year Ended<br>31 <sup>st</sup> March 2022 |
|---|----|---|---|
| <b>Income:</b>  |    |   |   |
| Income from Operations                                  | 17 | 78,425.24   | 51,531.06   |
| Other Income  | 18 | 75.72   | 81.79   |
| <b>TOTAL INCOME (A)</b>                                 |    | <b>78,500.96</b>                                  | <b>51,612.85</b>                                  |
| <b>Expenses:</b>  |    |   |   |
| Employee Benefits expense                               | 19 | 75,862.46   | 49,346.01   |
| Finance Costs   | 20 | 317.45  | 314.42  |
| Other Expenses  | 21 | 1,548.05  | 1,161.74  |
| Depreciation and Amortisation                           |    | 112.86  | 95.86   |
| <b>TOTAL EXPENSE (B)</b>                                |    | <b>77,840.83</b>                                  | <b>50,918.03</b>                                  |
| <b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (C= A-B)</b> |    | <b>660.13</b>                                     | <b>694.82</b>                                     |
| <b>Exceptional Items (D)</b>                            | 22 | <b>360.61</b>                                     | <b>-</b>  |
| <b>PROFIT BEFORE TAX (E= C-D)</b>                       |    | <b>299.52</b>                                     | <b>694.82</b>                                     |
| <b>Tax Expense:</b>                                     |    |   |   |
| (1) Current Tax   |    | 17.01   | -   |
| (2) MAT Credit  |    | -   | -   |
| (3) Deferred Tax  |    | (18.44)   | (13.93)   |
| <b>PROFIT AFTER TAX</b>                                 |    | <b>300.95</b>                                     | <b>708.75</b>                                     |
| <b>Earnings per share:</b>                              |    |   |   |
| <b>(i) Basic</b>  | 23 | <b>6.98</b>                                       | <b>19.45</b>                                      |
| <b>(ii) Diluted</b>                                     | 23 | <b>6.86</b>                                       | <b>19.45</b>                                      |

Notes to the Accounts - 1 to 28

As per our report of even date attached

For and on behalf of the Board of Directors

For **A. JOHN MORIS & Co.,**  
Chartered Accountants  
FRN.: 007220S

**K Pandiarajan**  
Executive Chairperson and Director  
DIN:00116011

**Hemalatha Rajan**  
Director  
DIN:00115674

**Aditya Narayan Mishra**  
Managing Director & CEO  
DIN:05303409

**KV Sivakumar**  
Partner  
M. No.: 027437

**Santhosh Kumar Nair**  
Director and COO  
DIN:07279988

**Saurabh Ashok More**  
Chief Financial Officer

Place : Chennai  
Date: 27/04/2023

# Standalone Cash Flow Statement

For The Year Ended 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Particulars  | For the year ended<br>31 <sup>st</sup> March 2023 | For the Year Ended<br>31 <sup>st</sup> March 2022 |
|--|---|---|
| <b>A. Cash flow from operating activities</b>                              |   |   |
| Net Profit before extraordinary items and tax                              | 660.13  | 694.82  |
| <b>Adjustments for:</b>  |   |   |
| Prior period Unrealized Investments  | -   | (3.19)  |
| Depreciation and amortisation  | 112.86  | 84.04   |
| Finance Costs  | 317.45  | 17.82   |
| Non-operating income   | (49.37)   | -   |
| Operating profit before working capital changes                            | <b>1,041.07</b>                                   | <b>793.49</b>                                     |
| <b>Changes in working capital:</b>   |   |   |
| <b>Adjustments for (increase) / decrease in operating assets:</b>          |   |   |
| Trade receivables  | (2,266.19)  | (2,381.41)  |
| Other current assets   | (1,721.64)  | (140.98)  |
| Loans and advances   | (739.52)  | -   |
| <b>Adjustments for increase / (decrease) in operating liabilities:</b>     |   |   |
| Trade payables   | 191.07  | 12.91   |
| Provisions   | 270.09  | 127.58  |
| Other current liabilities  | 1,897.44  | 1,433.20  |
| Short-term borrowings - OD   | -   | 854.87  |
|  | (2,368.75)  | (93.83)   |
| Cash generated from operations   | (1,327.68)  | 699.66  |
| Net income tax (paid) / refunds  | -   | -   |
| <b>Net cash flow used in operating activities (A)</b>                      | <b>(1,327.68)</b>                                 | <b>699.66</b>                                     |
| <b>B. Cash flow from investing activities</b>                              |   |   |
| Investment in equity shares  | (1,546.85)  | -   |
| Investment in fixed deposits   | (26.18)   | -   |
| Loans to related parties   | (576.73)  | -   |
| Loans and advances   | -   | (1,113.54)  |
| Investment in fixed assets   | (59.76)   | (105.15)  |
| <b>Net cash flow from investing activities (B)</b>                         | <b>(2,209.52)</b>                                 | <b>(1,218.69)</b>                                 |
| <b>C. Cash flow from financing activities</b>                              |   |   |
| Proceeds from issue of equity shares                                       | 1,699.74  | 200.00  |
| Proceeds from issue of Debentures  | 224.50  | (41.86)   |
| Payment of dividend  | (41.85)   | (24.64)   |
| Payment of finance costs   | (317.45)  | 138.23  |
| Finance costs - exceptional in nature                                      | (360.61)  | -   |
| Bank Borrowings  | 1,919.42  | -   |
| Other Non Current Assets   | -   | -   |
| <b>Net cash flow from financing activities (C)</b>                         | <b>3,123.75</b>                                   | <b>271.74</b>                                     |
| <b>Net increase in Cash and cash equivalents (A+B+C)</b>                   | <b>(413.44)</b>                                   | <b>(247.29)</b>                                   |
| Cash and cash equivalents at the beginning                                 | 435.61  | 682.91  |
| <b>Cash and cash equivalents at the end</b>                                | <b>22.18</b>                                      | <b>435.61</b>                                     |
| <b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b> |   |   |
| Cash and cash equivalents as per Balance Sheet (Refer Note 13)             | 22.18   | 435.61  |
| <b>Cash and cash equivalents at the year end*</b>                          | <b>22.18</b>                                      | <b>435.61</b>                                     |
| * Comprises:   |   |   |
| (a) Cash on hand   | 2.06  | 2.06  |
| (b) Balances with banks  | 20.12   | 433.55  |
|  | <b>22.18</b>                                      | <b>435.61</b>                                     |

See accompanying notes forming part of the financial statements

In terms of our report attached.

For and on behalf of the Board of Directors

For **A. JOHN MORIS & Co.,**  
Chartered Accountants  
FRN.: 007220S

**K Pandiarajan**  
Executive Chairperson and Director  
DIN:00116011

**Hemalatha Rajan**  
Director  
DIN:00115674

**Aditya Narayan Mishra**  
Managing Director & CEO  
DIN:05303409

**KV Sivakumar**  
Partner  
M. No.: 027437  
Place : Chennai  
Date: 27/04/2023

**Santhosh Kumar Nair**  
Director and COO  
DIN:07279988

**Saurabh Ashok More**  
Chief Financial Officer



# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 1 Corporate Information

M/s. CIEL HR SERVICES PRIVATE LIMITED (herein after mentioned as "CIEL") was registered with the Chennai Registrar of Companies as a Private Limited Company on vide Registration no. U74140TN2010PTC077095.

The registered office of CIEL is located at Plot No. 3726, Door No. 41, 'Ma Foi House', 6<sup>th</sup> Avenue, Q- Block, Anna Nagar, Chennai - 600040. The Principal activities of CIEL is to provide human resource management, facility management services to all types of industries. Major services includes direct placements or assigning own resources or recruiting expertised staff from outside CIEL, thereby providing end to end services in managing and running businesses, including payroll management. CIEL is also engaged in equipping such resources with required training on commercial, educational, legal, managerial, data processing and other related matters in order to effectively render services to its clients.

CIEL employs a unique matching algorithm that uses Natural Language Processing based machine learning framework. This unique matching process ensures that the best and the most suitable candidates are searched for quickly, ensuring agility and efficiency in the talent acquisition process.

## 2 SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of Accounting and Preparation of Financial statements

The financial statements of CIEL have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013.

### 2.2 Use of Estimates

The presentation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent assets and liabilities) at the end of the year and the reported revenues and expenses during the year. The management believes that the estimates used in preparation of financial statements

are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/material.

### 2.3 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 2.4 Cash Flow Statement

Cash flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard 3. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

### 2.5 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost net of depreciation and impairment losses. The cost of an asset comprises of its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended use.

#### Depreciation:

- (i) Depreciation has been provided on the written down value method as per the useful life prescribed in Part "C" of Schedule II to the Companies Act, 2013.
- (ii) The Expenditure incurred on development of solutions for Vendor Management and Management Intelligence, which would result in measurable future economic benefits and it has been amortised over a period of the estimated useful life of the asset which is 3 years
- (iii) Depreciation on additions is charged proportionately from the date of acquisition/installation.

### 2.6 Investments

Investments are classified into current and Long-term investments. Long-term investments are stated at cost and 'provision for diminution in value, other than temporary, is considered wherever necessary.

Current investments are valued at lower of cost and market value/net asset value.

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 2.7 Intangible Assets

The company has developed softwares in the last financial year which was capitalised on 31<sup>st</sup> March 2022 and the asset will be amortised over a period of 5 years as per the estimation made by the management.

## 2.8 Foreign Currency Transactions

Revenue and expenditure in foreign currency are accounted at exchange rate prevailing on the date of the transactions. The exchange difference arising on foreign currency transactions are recognized as income or expense in the period in which they arise. Monetary items denominated in foreign currency are translated at closing exchange rates as on the reporting date. Any profit or loss on account of the translation is recognized in the Statement of Profit and Loss.

## 2.9 Revenue Recognition

Revenue from services is recognised as per para 12 of AS 9 issued by ICAI, that the performance should be measured either under the completed service contract method or under the proportionate completion method, whichever relates the revenue to the work accomplished. Such performance should be regarded as being achieved when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. Likewise, Revenue from contractual services is recognised as and when the services are performed. For the service which are in the nature of Continuous Man Power Supply contracts, revenues is recognised on monthly basis at a pre-agreed rate and for all other contracts, revenue are recognised as and when the agreed services has been performed.

## 2.10 Other Income

Revenue from Interest income on fixed deposits with banks is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend Income is recognised as and when the right to receive is established.

All other incomes are recognized on accrual basis.

## 2.11 Employee Benefits

a) Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the

period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits.

b) Defined contribution plans Company's contributions paid/payable during the year to Provident Fund, Pension fund and employee state insurance scheme are recognised in the statement of Profit and Loss based on amount of contribution required to be made and when services are rendered by the employees.

Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried to the Balance Sheet. Accumulated leave expected to be carried forward beyond twelve months are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to the Statement of Profit and loss and are not deferred.

## 2.12 Impairment of assets

The carrying amount of assets are reviewed at each balance sheet date for any indication of impairment based on internal/ external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing its value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## 2.13 Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted



to reflect the current best estimates. All material known liabilities are provided for and liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to accounts.

#### 2.14 Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

#### 2.15 Earnings per share

Basic earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e.

average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for ESOP's and convertible instruments, as appropriate.

#### 2.16 Segment Reporting

The Company does not have any other segment of business. Hence there are no separate reportable segments.

#### 2.17 Taxes on income

**Current tax** is the amount of tax payable on the taxable income for the year after taking into consideration the benefits/disallowances admissible under the provisions of the Income Tax Act, 1961.

**Minimum Alternate Tax** paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

**Deferred tax** is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.

**Deferred tax assets** are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

#### 2.18 Operating Cycle

Based on the nature of activities of the company and normal time between acquisition of assets and their realisation of cash and cash equivalent, the company has determined operating cycle as 12 months for the purpose of classification of its assets and liabilities as non-current and current.

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 3 Share Capital

(Amount in ₹ Lakhs)

| Particulars   | 31 <sup>st</sup> March 2023 |               | 31 <sup>st</sup> March 2022 |               |
|---|-----------------------------|---------------|-----------------------------|---------------|
|   | Number                      | ₹             | Number                      | ₹             |
| <b>(i) Authorised Share Capital</b>                       |                             |               |                             |               |
| Equity shares of ₹ 10 each                                | 48,00,000                   | 480.00        | 45,00,000                   | 450.00        |
| 0.01% Optional Convertible Preference shares of ₹ 10 each | -                           | -             | 3,00,000                    | 30.00         |
|   | <b>48,00,000</b>            | <b>480.00</b> | <b>48,00,000</b>            | <b>480.00</b> |
| <b>(ii) Issued, Subscribed and Fully Paid up capital</b>  |                             |               |                             |               |
| Equity shares of ₹ 10 each                                | 43,91,639                   | 439.16        | 41,84,661                   | 418.47        |
| <b>0.01% Preference shares of ₹ 10 each</b>               | <b>-</b>                    | <b>-</b>      | <b>-</b>                    | <b>-</b>      |
| <b>Total</b>  | <b>43,91,639</b>            | <b>439.16</b> | <b>41,84,661</b>            | <b>418.47</b> |

### (3a) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period:

| Particulars                                      | 31 <sup>st</sup> March 2023 |               | 31 <sup>st</sup> March 2022 |               |
|--|-----------------------------|---------------|-----------------------------|---------------|
|  | Number                      | ₹             | Number                      | ₹             |
| <b>Equity Share Capital</b>                      |                             |               |                             |               |
| Shares Outstanding at the beginning              | 41,84,661                   | 418.47        | 35,17,705                   | 351.77        |
| Add: Shares Issued during the period             | 2,06,978                    | 20.70         | 6,66,956                    | 66.70         |
| Shares outstanding at the end                    | 43,91,639                   | 439.16        | 41,84,661                   | 418.47        |
| <b>Shares outstanding at the end of the year</b> | <b>43,91,639</b>            | <b>439.16</b> | <b>41,84,661</b>            | <b>418.47</b> |

1. During the Financial year 2021-2022 Bonus Shares of ₹ 39,08,570 have been issued to the shareholders.
2. Authorized share capital for preference shares of ₹ 30,00,000 has been reorganized to Equity shares.
3. Increase in equity shares of 206978 at a share premium of ₹ 1192 based upon the valuation report of S. Sandeep, Registered valuer

### (3b) Details of shareholders holding more than 5% Shares in the Company

| Name of the Shareholder       | 31 <sup>st</sup> March 2023 |              | 31 <sup>st</sup> March 2022 |           |
|-------------------------------|-----------------------------|--------------|-----------------------------|-----------|
|                               | No. of Shares               | % of holding | No. of Shares               | % holding |
| <b>Equity Service Holders</b> |                             |              |                             |           |
| Mr. K Pandiarajan             | 21,36,605                   | 48.65%       | 21,19,455                   | 50.65%    |
| Mrs. Hemalatha Rajan          | 7,79,587                    | 17.75%       | 7,59,702                    | 18.15%    |
| Mr. Aditya Narayan Mishra     | 6,82,100                    | 15.53%       | 6,82,100                    | 16.30%    |
| Mr. Santhosh Nair             | 4,58,871                    | 10.45%       | 4,58,871                    | 10.97%    |



# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 4 Reserves And Surplus

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>(a) Securitites Premium Account</b>                     |                             |                             |
| <b>Opening Balance for the Year</b>                        | <b>237.87</b>               | <b>39.53</b>                |
| Add: Premium Collected for the year                        | 2,467.42                    | 198.34                      |
| Less: Reserves / Reductions for the Year                   | (9.40)                      | -                           |
| <b>Closing Balance for the Year</b>                        | <b>2,695.89</b>             | <b>237.87</b>               |
| <b>(b) Debenture Redemption Reserve Fund</b>               |                             |                             |
| <b>Opening Balance for the Year</b>                        | <b>59.65</b>                | <b>-</b>                    |
| Add: Reserves created for the year                         | 42.35                       | 59.65                       |
| Less: Reserves / Reductions for the Year                   | -                           | -                           |
| <b>Closing Balance for the Year</b>                        | <b>102.00</b>               | <b>59.65</b>                |
| <b>(b) Surplus in Statement of Profit and Loss Account</b> |                             |                             |
| <b>Opening Balance for the Year</b>                        | <b>685.65</b>               | <b>100.28</b>               |
| Add: Profit for the year                                   | 300.95                      | 708.75                      |
| Less: Equity Issued  | -                           | (39.09)                     |
| Less: Dividend Paid  | (41.85)                     | (24.64)                     |
| Less: Debeture Redemption Reserve                          | (42.35)                     | (59.65)                     |
| <b>Closing Balance for the Year</b>                        | <b>902.40</b>               | <b>685.65</b>               |
| <b>Closing Balance</b>                                     | <b>3,700.29</b>             | <b>983.17</b>               |

## 5 Long Term Borrowings

| Particulars   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| <b>Secured Loans from Banks and Financial Institution</b> | <b>164.67</b>               | <b>219.78</b>               |
| <b>Non - Convertible Debentures</b>                       | <b>420.00</b>               | <b>595.50</b>               |
| <b>Compusorily - Convertible Debentures*</b>              | <b>600.00</b>               | <b>200.00</b>               |
| Other Loans from Banks and Financial Institution          | -                           | 26.13                       |
| <b>Total</b>  | <b>1,184.67</b>             | <b>1,041.41</b>             |

\* (a) The Company has issued Compulsorily convertible debentures of 4000000 at face value of ₹ 10 amounting to ₹ 4,00,00,000

## 6 Long Term Provision

| Particulars                         | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-------------------------------------|-----------------------------|-----------------------------|
| <b>(a) Provision - Others</b>       |                             |                             |
| (i) Provision for gratuity          | 88.75                       | 67.17                       |
| (ii) Provision for leave encashment | 31.28                       | 24.84                       |
| <b>Total</b>                        | <b>120.03</b>               | <b>92.01</b>                |

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 7 Short Term Borrowings

| Particulars                   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-------------------------------|-----------------------------|-----------------------------|
| (a) Bank Overdraft - Secured* | 3,534.87                    | 1,534.21                    |
| <b>Total</b>                  | <b>3,534.87</b>             | <b>1,534.21</b>             |

\* Secured by Book Debts, other Current Assets and personal guarantee of directors

## 8 Trade Payables

| Particulars           | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------|-----------------------------|-----------------------------|
| <b>Trade Payables</b> | <b>272.87</b>               | <b>81.80</b>                |
| <b>Total</b>          | <b>272.87</b>               | <b>81.80</b>                |

## 9 Other Current Liabilities

| Particulars               | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---------------------------|-----------------------------|-----------------------------|
| (i) Statutory Remittances |                             |                             |
| - Tax Deducted at Source  | 27.12                       | 36.17                       |
| - GST Payable             | 1,470.93                    | 949.21                      |
| - Other Statutory Payable | 796.98                      | 122.33                      |
| (ii) Others               |                             |                             |
| - Security Deposit        | 189.29                      | 235.56                      |
| - Salary Payable          | 2,748.45                    | 2,001.05                    |
| - Other payables          | 13.09                       | 4.11                        |
| <b>Total</b>              | <b>5,245.86</b>             | <b>3,348.42</b>             |

\* Other Statutory Payables include payable towards Provident Fund, ESI & Professional tax.

## 10 Short Term Provision

(Amount in ₹ Lakhs)

| Particulars                                  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| (i) Provision for income tax                 | 17.01                       | -                           |
| (ii) Provision for incentives                | 179.00                      | -                           |
| (iii) Provision for sundry expenses          | -                           | -                           |
| (iv) Provision for business partner expenses | 230.68                      | 153.74                      |
| (v) Provision for other expenses             | 26.80                       | 40.66                       |
| <b>Total</b>                                 | <b>453.48</b>               | <b>194.40</b>               |

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 11 Property, Plant and Equipment As At 31<sup>st</sup> March 2023

| (Amount in ₹ Lakhs)                |                                      |                                  |              |             |                                   |                 |                           |             |                                   |
|------------------------------------|--------------------------------------|----------------------------------|--------------|-------------|-----------------------------------|-----------------|---------------------------|-------------|-----------------------------------|
| Sl. No.                            | Particulars                          | Gross Block                      |              |             | Depreciation                      |                 |                           | Net Block   |                                   |
|                                    |                                      | As at 1 <sup>st</sup> April 2022 | Additions    | Deductions  | As at 31 <sup>st</sup> March 2023 | Upto 31-03-2022 | Depreciation for the Year | On Disposal | As at 31 <sup>st</sup> March 2023 |
| <b>A</b>                           | <b>Tangible Assets</b>               | 1.06                             | -            | -           | 1.06                              | 0.98            | 0.01                      | -           | 0.07                              |
| 1                                  | Furniture and Fixtures               |                                  |              |             |                                   |                 |                           |             | 0.08                              |
| 2                                  | Office Equipments                    | 13.15                            | 0.50         | -           | 13.65                             | 10.17           | 0.53                      | -           | 2.95                              |
| 3                                  | Computers and Printers               | 90.83                            | 49.75        | -           | 140.58                            | 60.94           | 34.90                     | -           | 44.74                             |
| 4                                  | Vehicle                              | 18.69                            | -            | -           | 18.69                             | 12.06           | 1.72                      | -           | 4.90                              |
| 3                                  | Computers and Printers               |                                  |              |             |                                   |                 |                           |             | 6.63                              |
| <b>Total Tangible Assets (A)</b>   |                                      | <b>123.73</b>                    | <b>50.25</b> | <b>-</b>    | <b>173.98</b>                     | <b>84.15</b>    | <b>37.17</b>              | <b>-</b>    | <b>52.66</b>                      |
| <b>B. Intangible Assets</b>        |                                      |                                  |              |             |                                   |                 |                           |             | <b>39.58</b>                      |
| 1                                  | i-Bridge-Vendor Management Software  | 51.28                            | -            | -           | 51.28                             | 32.59           | 11.93                     | -           | 6.76                              |
| 2                                  | Tally and other Computer Software    | 5.37                             | 9.50         | -           | 14.87                             | 5.24            | 1.26                      | -           | 8.37                              |
| 3                                  | APPI Payroll Management Software     | 93.32                            | -            | -           | 93.32                             | 28.97           | 31.26                     | -           | 33.08                             |
| 4                                  | RISE HR Management Software          | 37.33                            | -            | -           | 37.33                             | 11.59           | 12.48                     | -           | 13.26                             |
| 5                                  | HYRE Recruitment Management Software | 55.99                            | -            | -           | 55.99                             | 17.38           | 18.76                     | -           | 19.85                             |
| <b>Total Intangible Assets (B)</b> |                                      | <b>243.28</b>                    | <b>9.50</b>  | <b>0.00</b> | <b>252.78</b>                     | <b>95.77</b>    | <b>75.69</b>              | <b>0.00</b> | <b>81.32</b>                      |
| <b>Total Assets (A + B)</b>        |                                      | <b>367.01</b>                    | <b>59.75</b> | <b>-</b>    | <b>426.76</b>                     | <b>179.92</b>   | <b>112.86</b>             | <b>-</b>    | <b>133.98</b>                     |
| <b>Previous Year</b>               |                                      |                                  |              |             |                                   |                 |                           |             | <b>187.09</b>                     |



# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 12 Other Non Current Assets

| Particulars   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Investment in Equity Shares   |                             |                             |
| <b>Subsidiary - more than 50% of Equity shares are held / acquired by the CIEL HR Services Private Limited</b>  |                             |                             |
| - Integurm Technologies Pvt Ltd   | 47.19                       | 47.19                       |
| - CIEL Technologies Pvt Ltd   | 1.00                        | 1.00                        |
| - CIEL Skills and Careers Pvt Ltd   | 104.00                      | -                           |
| - Next Leap Career Solutions Pvt Ltd  | 1,845.67                    | -                           |
| - Ma Foi Strategic Consultants Pvt Ltd  | 401.17                      | -                           |
| <b>Total</b>  | <b>2,399.02</b>             | <b>48.19</b>                |
| a) During the year ended 31 <sup>st</sup> March 2023, the company has acquired 51% equity stake in CIEL Skills and Careers Pvt. Ltd. as on 20 <sup>th</sup> July, 2022  |                             |                             |
| b) During the year ended 31 <sup>st</sup> March 2023, the company has entered into Share Purchase Agreement with Next Leap Career Solutions Pvt. Ltd. ("Jombay") and Share Holders Agreement dated 30 <sup>th</sup> November, 2022 to acquire 100% equity stake. As per the agreement, the company has acquired 76.33% equity stake on a fully diluted basis and 85.18% on present shareholding basis as on 10 <sup>th</sup> January, 2023. The company has a call option to acquire the balance stake and Jombay has a put option to dispose off the balance stake over the next 2 years |                             |                             |
| c) During the year ended 31 <sup>st</sup> March 2023, the company has acquired 51% equity stake in Ma Foi Strategic Consultants Pvt. Ltd. as on 1st February, 2023  |                             |                             |

## 13 Long Term Loans And Advances

| Particulars                              | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>Unsecured, considered good</b>        |                             |                             |
| (i) Balances with Government authorities | 1,534.68                    | 665.84                      |
| (ii) Rental Security Deposits            | 56.54                       | 58.65                       |
| (iii) Telephone Deposit                  | 0.12                        | 0.33                        |
| (iv) Fixed deposits with banks           | 744.42                      | 691.75                      |
| (v) Loans to related parties             | 751.52                      | 176.92                      |
| (vi) Other Advances                      | 31.59                       | 158.58                      |
| <b>Total</b>                             | <b>3,118.86</b>             | <b>1,752.06</b>             |

## 14 Trade Receivables

| Particulars                       | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------------------|-----------------------------|-----------------------------|
| <b>Unsecured, considered good</b> |                             |                             |
| (i) Trade Receivables             | 7,406.34                    | 5,133.26                    |
| Less : Provision for Bad Debts    | (56.90)                     | (50.00)                     |
| <b>Total</b>                      | <b>7,349.44</b>             | <b>5,083.26</b>             |

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 15 Cash And Cash Equivalents

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>(a) Cash and Cash Equivalents</b>   |                             |                             |
| (i) Cash on Hand   | 2.06                        | 2.06                        |
| (ii) Balances with Bank - in current accounts  | 20.12                       | 433.55                      |
| <b>Total</b>   | <b>22.18</b>                | <b>435.61</b>               |
| Of the above, the balances that meet the definition of Cash and cash equivalents as per AS-3 Cash Flow Statements: | 22.18                       | 435.61                      |

## 16 Other Current Assets

| Particulars                       | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------------------|-----------------------------|-----------------------------|
| <b>Unsecured, Considered good</b> |                             |                             |
| (i) Prepaid expenses              | 199.64                      | 88.96                       |
| (ii) Unbilled revenue             | 1,664.54                    | -                           |
| <b>Other Current Assets</b>       | <b>9.87</b>                 | <b>63.44</b>                |
| <b>Total</b>                      | <b>1,874.04</b>             | <b>152.40</b>               |

## 17 Income From Operations

(Amount in ₹ Lakhs)

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>Sale of services (Including Compensation) :</b> |                             |                             |
| (i) Deputation Fee & Business Support Services     | 76,588.75                   | 48,990.28                   |
| (ii) Placement Fee                                 | 1,811.40                    | 2,525.48                    |
| (iii) Technical Knowhow                            | 25.09                       | 15.31                       |
| <b>Total</b>                                       | <b>78,425.24</b>            | <b>51,531.06</b>            |

## 18 Other Income

| Particulars                              | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| (i) Interest income from related parties | 22.88                       | -                           |
| (ii) Interest in IT Refund               | 18.21                       | -                           |
| (iii) Interest from Bank                 | 26.49                       | 22.38                       |
| (iv) Other non-operating income          | -                           | 58.56                       |
| (v) Gain on Forex Exchange               | 8.13                        | 0.85                        |
| <b>Total</b>                             | <b>75.72</b>                | <b>81.79</b>                |

## 19 Employee Benefit Expenses

| Particulars                                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Salary, Allowances and Incentives           | 75,629.1                    | 49,167.23                   |
| Director Remuneration                       | 192.93                      | 106.70                      |
| Staff Training Expense                      | -                           | 25.55                       |
| Provision for Gratuity and Leave Encashment | 30.91                       | 15.74                       |
| Staff welfare Expenses                      | 9.53                        | 30.78                       |
| <b>Total</b>                                | <b>75,862.46</b>            | <b>49,346.01</b>            |

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 20 Finance Cost

| Particulars                                      | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>(a) Interest expense on</b>                   |                             |                             |
| (i) Borrowings                                   | 292.27                      | 293.10                      |
| (ii) Payment of Statutory Payments(Interest Etc) | -                           | 21.32                       |
| (iii) Loan processing charges                    | 25.18                       | -                           |
| <b>Total</b>                                     | <b>317.45</b>               | <b>314.42</b>               |

## 21 Other Expenses

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| Rent   | 234.19                      | 146.39                      |
| Rates and Taxes  | 2.97                        | 0.85                        |
| Computer Consumables, Communication, Internet and Server charges | 10.21                       | 97.16                       |
| Travelling, Stay and Conveyance                                  | 28.10                       | 11.06                       |
| Printing and Stationery  | 1.78                        | 0.85                        |
| Bank Charges   | 4.27                        | 1.98                        |
| Business Partner Fees  | 709.52                      | 666.46                      |
| Professional and Consultancy charges                             | 189.54                      | 131.37                      |
| Audit Fees (refer note 21(i))                                    | 8.02                        | 6.86                        |
| Business Promotion Expense                                       | 61.19                       | 37.55                       |
| Office Maintenance   | 3.96                        | 2.69                        |
| Courier  | 11.45                       | 3.52                        |
| Bad Debts  | 3.61                        | 48.67                       |
| Software and license expenses                                    | 248.48                      | -                           |
| Corporate Social Responsibility expenditure (refer note 21(ii))  | 8.04                        | -                           |
| Other Administrative Expenses                                    | 22.73                       | 6.35                        |
| <b>Total</b>   | <b>1,548.05</b>             | <b>1,161.74</b>             |

### 21 (i) Payments to the Auditors comprises of (net of Goods and service tax input credit):

| Particulars          | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|----------------------|-----------------------------|-----------------------------|
| For Statutory Audit  | 4.50                        | 4.00                        |
| For taxation matters | 1.50                        | 1.00                        |
| <b>Total</b>         | <b>6.00</b>                 | <b>5.00</b>                 |

### (ii) Corporate Social Responsibility expenditure:

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are skill development, environment protection and sustainability and health and safety. A CSR committee has been formed by the Company as per the Act. The funds required to be spent and funds spent during the year are explained below:



# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Particulars   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| a) Gross amount required to be spent by the Company during the year | 5.82                        |                             |
| b) Amount of expenditure incurred                                   | 8.04                        | -                           |
| c) Shortfall at the end of the year                                 | -                           | -                           |
| d) Details of related party transactions:                           |                             | -                           |
| i) Sornammal Educational Trust                                      | 4.00                        | -                           |
| ii) The MaFoi Foundation  | 2.00                        | -                           |

## 22 Exceptional Items

| Particulars                    | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--------------------------------|-----------------------------|-----------------------------|
| GST Interest Expenses          | 296.16                      | -                           |
| Concessional interest recovery | 52.85                       | -                           |
| Transaction expenses           | 11.61                       | -                           |
| <b>Total</b>                   | <b>360.61</b>               | <b>-</b>                    |

- During the year, the company has paid interest on delayed remittances of GST for past periods i.e 2017 till March 2021.

- The company has transferred working capital limits from existing bank on which certain concessional interest rate was availed. This concessional interest has been recovered by the transferor bank.

- The company has incurred transaction expenses on lawyers, consultants, etc. to facilitate the acquisition of controlling stake.

## 23 Disclosures Under Accounting Standard - 20

(Amount in ₹ Lakhs)

| Note | Particulars                                     | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|------|---|-----------------------------|-----------------------------|
|      | Earnings per share                              |                             |                             |
|      | Net profit after tax for the year - in ₹        | 300.95                      | 708.75                      |
|      | Weighted Average number of Equity Shares (Nos.) | 43.09                       | 36.43                       |
|      | Face Value per Share - in ₹                     | 10.00                       | 10.00                       |
|      | Earnings Per Share - in ₹                       |                             |                             |
|      | -Basic  | 6.98                        | 19.45                       |
|      | -Diluted  | 6.86                        | 19.45                       |

## 23A Disclosures Under Accounting Standard - 22

| Note | Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|------|--|-----------------------------|-----------------------------|
|      | <b>Opening Balance Deferred tax liability / (asset)</b>    | <b>(35.27)</b>              | <b>(21.34)</b>              |
|      | Depreciation as per Companies Act, 2013                    | (112.86)                    | (95.86)                     |
|      | Depreciation as per Income Tax Act, 1961                   | 66.47                       | 48.27                       |
|      | Other items causing Timing Difference                      | (28.02)                     | (6.00)                      |
|      | Total Timing Difference for the year                       | (74.42)                     | (53.59)                     |
|      | <b>Net deferred tax Expenses for the year</b>              | <b>(18.44)</b>              | <b>(13.93)</b>              |
|      | <b>Closing Balance of Deferred Tax Liability / (Asset)</b> | <b>(53.71)</b>              | <b>(35.27)</b>              |

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 24 Disclosures Under Accounting Standard - 18

| Note   | Particulars   |
|--|---|
| <b>24 Related party transactions</b>   |   |
| <b>24.a Details of related parties:</b>  |   |
| Subsidiaries:  | Integrum Technologies P. Ltd.<br>CIEL Technologies P. Ltd.<br>CIEL Skills And Careers P. Ltd. (wef. 20/07/2022)<br>Next Leap Career Solutions P. Ltd. (wef. 10/01/2023)<br>Ma Foi Strategic Consultants P. Ltd. (wef. 01/02/2023) |
| Key Managerial Personnel   |   |
| K. Pandiarajan   | Executive Chairperson and Director  |
| Aditya Narayan Mishra  | Managing Director and Chief Executive Officer   |
| Santhosh Kumar Nair  | Chief Operating Officer   |
| Saurabh Ashok More   | Chief Financial Officer (wef. 09/06/2022)   |
| Entities in which the Key Managerial personnel has significant influence                             | The MaFoi Foundation<br>Sornammal Educational Trust<br>Amis Building Consultants Private Limited  |
| <b>Note:</b> Related parties have been identified by the Management and relied upon by the auditors. |   |

### 24.b Details of related party transactions during the year ended 31<sup>st</sup> March 2023:

(Amount in ₹ Lakhs)

| Particulars                          | As at<br>31 <sup>st</sup> March 2023 | As at<br>31 <sup>st</sup> March 2022 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Director Remuneration</b>         |                                      |                                      |
| Aditya Narayan Mishra                | 76.14                                | 53.66                                |
| Santhosh Kumar Nair                  | 57.14                                | 38.66                                |
| K. Pandiarajan                       | 59.65                                | 24.87                                |
| <b>Loans and Advances issued</b>     |                                      |                                      |
| Integrum Technologies Pvt Ltd        | 20.81                                | 27.32                                |
| Ma Foi Strategic Consultants Pvt Ltd | 377.79                               | 15.00                                |
| CIEL Technologies Pvt Ltd            | 121.72                               | 106.52                               |
| CIEL Skills And Careers Pvt Ltd      | 26.61                                | 25.00                                |

### 24.c Balances outstanding with related party transactions as at March 31, 2023:

| Particulars                          | As at<br>31 <sup>st</sup> March 2023 | As at<br>31 <sup>st</sup> March 2022 |
|--------------------------------------|--------------------------------------|--------------------------------------|
| <b>Trade Payables</b>                |                                      |                                      |
| Ma Foi Strategic Consultants Pvt Ltd | 7.18                                 | 1.53                                 |
| CIEL Skills And Careers Pvt Ltd      | 2.03                                 | -                                    |
| <b>Trade Receivables</b>             |                                      |                                      |
| Ma Foi Strategic Consultants Pvt Ltd | 5.57                                 | -                                    |

# Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

|                                       |        |        |
|---------------------------------------|--------|--------|
| CIEL Technologies Pvt Ltd             | 29.60  | -      |
| CIEL Skills And Careers Pvt Ltd       | 5.40   | -      |
| <b>Loans and Advances</b>             |        |        |
| CIEL Technologies Pvt Ltd             | 228.25 | 106.52 |
| Integrum Technologies Pvt Ltd         | 74.81  | 27.32  |
| Ma Foi Strategic Consultants Pvt Ltd. | 395.86 | 18.07  |
| CIEL Skills And Careers P. Ltd.       | 26.61  | 25.00  |
| Sornammal Educational Trust           | 26.00  | -      |
| <b>Non-Convertible Debentures</b>     |        |        |
| Mr. Santhosh Kumar Nair               | 12.00  | 12.00  |
| Mr. Aditya Narayan Mishra             | 23.50  | 23.50  |

## 25 Disclosures Under Accounting Standard - 15

(Amount in ₹ Lakhs)

| Note      | Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------|--|-----------------------------|-----------------------------|
|           | <b>Employee Benefit - Defined benefit plans</b>                                  | <b>(35.27)</b>              | <b>(21.34)</b>              |
| <b>I</b>  | <b>Employees Gratuity Scheme</b>   |                             |                             |
| <b>A.</b> | <b>Reconciliation of changes in present value obligation:</b>                    |                             |                             |
|           | Present value of defined benefits (Obligation at the beginning)                  | 67.17                       | 51.43                       |
|           | Current service cost   | 26.82                       | 16.60                       |
|           | Interest cost  | 5.00                        | 3.68                        |
|           | Past service cost  | -                           | -                           |
|           | Actuarial (gains) / losses   | (8.00)                      | (4.54)                      |
|           | Benefits paid  | (2.23)                      |                             |
|           | Present value of defined benefits (Obligation at the end)                        | 88.75                       | 67.17                       |
|           | Current liability  |                             |                             |
|           | Non current liability  |                             |                             |
| <b>B.</b> | <b>Change in fair value of plan assets:</b>                                      |                             |                             |
|           | Fair value of plan assets at the beginning of the year                           | -                           | -                           |
|           | Contributions  | -                           | -                           |
|           | Benefits paid  | -                           | -                           |
|           | Fair value of plan assets at the end of the year                                 | -                           | -                           |
| <b>C.</b> | <b>Reconciliation of net Asset / (Liability) recognized in the Balance Sheet</b> | <b>(67.17)</b>              | <b>(51.43)</b>              |
|           | Net Asset / (Liability) recognized at the beginning of the period                | (21.59)                     | (15.74)                     |
|           | Employer expense   |                             |                             |
|           | Net Asset / (Liability) recognized at the end of the period                      | (88.75)                     | (67.17)                     |
| <b>D.</b> | <b>Expense recognized in the Statement of Profit and Loss</b>                    |                             |                             |
|           | Current service cost   | 26.82                       | 16.60                       |
|           | Interest cost  | 5.00                        | 3.68                        |
|           | Past service cost  | -                           | -                           |
|           | Net actuarial (gain) / loss recognized during the year                           | (10.23)                     | (4.54)                      |
|           | Expected return on plan assets   | -                           | -                           |
|           | Net expenses recognized  | 21.59                       | 15.74                       |
| <b>E.</b> | <b>Principal Actuarial Assumptions:</b>  |                             |                             |



## Notes Forming Part of the Standalone Financial Statements

For the year ended 31<sup>st</sup> March 2023

|   |         |         |
|---|---------|---------|
| Discount rate   | 7.22%   | 7.57%   |
| Salary escalation rate  | 7.00%   | 7.00%   |
| Attrition rate  | 40.00%  | 5.00%   |
| <b>II Employees Earned Leave Encashment Plan</b>                                    |         |         |
| <b>A. Reconciliation of changes in present value obligation:</b>                    |         |         |
| Present value of defined benefits (Obligation at the beginning)                     | 24.84   | 22.76   |
| Current service cost  | 12.87   | 11.79   |
| Interest cost   | -       | 1.63    |
| Past service cost   | -       | -       |
| Actuarial (gains) / losses  | (6.43)  | (11.34) |
| Benefits paid   |         |         |
| Present value of defined benefits (Obligation at the end)                           | 31.28   | 24.84   |
| Current liability   | 9.70    | 2.51    |
| Non current liability   | 21.57   | 22.33   |
| <b>B. Change in fair value of plan assets:</b>                                      |         |         |
| Fair value of plan assets at the beginning of the year                              | -       | -       |
| Contributions   | -       | -       |
| Benefits paid   | -       | -       |
| Fair value of plan assets at the end of the year                                    | -       | -       |
| <b>C. Reconciliation of net Asset / (Liability) recognized in the Balance Sheet</b> |         |         |
| Net Asset / (Liability) recognized at the beginning of the period                   | (24.84) | (22.76) |
| Employer expense  | (6.43)  | (2.08)  |
| Net Asset / (Liability) recognized at the end of the period                         | (31.28) | (24.84) |
| <b>D. Expense recognized in the Statement of Profit and Loss</b>                    |         |         |
| Current service cost  | 12.87   | 11.79   |
| Interest cost   | -       | 1.63    |
| Past service cost   |         |         |
| Net actuarial (gain) / loss recognized during the year                              | (6.43)  | (11.34) |
| Expected return on plan assets  |         |         |
| Net expenses recognized   | 6.43    | 2.08    |
| <b>E. Principal Actuarial Assumptions:</b>  |         |         |
| Discount rate   | 7.22%   | 7.57%   |
| Salary escalation rate  | 7.00%   | 7.00%   |
| Attrition rate  | 40.00%  | 5.00%   |

### 26 DISCLOSURES UNDER ACCOUNTING STANDARD - 4 "CONTINGENCIES AND EVENTS OCCURRING AFTER BALANCE SHEET DATE

Nil

### 27 Contingent Liability

The company has received GST Form DRC 01A from Audit Commissionerate Chennai for 62.37 lacs on 11th November, 2022. However, the company is confident that it has necessary supporting documents to get the demand dropped during appeals. Accordingly, no provision is required to be made in the books.

The company has received assessment order under section 7 of Maharashtra tax on profession for 17.97 lacs on 13th March, 2023. However, the company is confident that it has necessary supporting documents to get the demand dropped during appeals. Accordingly, no provision is required to be made in the books.

### 28 Previous year figure's have been regrouped/reclassified wherever necessary to correspond with the current years classification/disclosure.

In exercise of the powers conferred by sub-section (1) of section 467 of the Companies Act, 2013 (18 of 2013), the Central Government hereby has made the following further amendments in Schedule III to the said Act with effect from 1<sup>st</sup> day of April, 2021

## 1. Promoter's Shareholding.

| Sl.No | Promoter Name             | Number of Shares held | Percentage of Total Shares | Percentage change during the year |
|-------|---------------------------|-----------------------|----------------------------|-----------------------------------|
| 1     | Mr. K Pandiarajan         | 2136605               | 48.65%                     | -2.00%                            |
| 2     | Mrs. Hemalatha Rajan      | 779587                | 17.75%                     | -0.40%                            |
| 3     | Mr. Aditya Narayan Mishra | 682100                | 15.53%                     | -0.77%                            |
| 4     | Mr. Santhosh Nair         | 458871                | 10.45%                     | -0.52%                            |
|       | Total                     | <b>4057163</b>        | <b>92.38%</b>              | <b>-3.68%</b>                     |

## 2. Trade Receivables

(Amount in ₹ Lakhs)

| Particulars   | 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 |          |
| (i) WUndisputed Trade receivables – considered good     | 7,241.84   | 51.51           | 115.68    | -         | -                 | 7,409.03 |
| (ii) Undisputed Trade Receivables – considered doubtful | -  | -               | 56.90     | -         | -                 | 56.90    |
| (iii) Disputed Trade Receivables considered good        | -  | -               | -         | -         | -                 | -        |
| (iv) Disputed Trade Receivables considered doubtful     | -  | -               | -         | -         | -                 | -        |

## 3. Other Financial Assets:

| Name                                | (Amount in ₹ Lakhs) |
|-------------------------------------|---------------------|
| Security Deposit for IIMA           | 6.00                |
| FD - IDBI Bank - 0005106000177115   | 0.75                |
| FD with ICICI Bank                  | 353.01              |
| FD with Yesbank                     | 310.66              |
| GUJARAT COUNCIL OF SCIENCE CITY     | 15.30               |
| NSC Bond                            | 23.73               |
| RETENTION MARGIN FD_Canbank Factors | 52.61               |
| Total                               | 762.06              |

## 4. Trade payables

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |        |
|-----------------------------|--|-----------|-----------|-------------------|--------|
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years | Total  |
| (i) MSME                    | -  | -         | -         | -                 | -      |
| (ii) Others                 | 272.78   | -         | -         | -                 | 272.78 |
| (iii) Disputed dues – MSME  | -  | -         | -         | -                 | -      |
| (iv) Disputed dues – Others | -  | -         | -         | -                 | -      |

**Ratio**

|                                  | Numerator                      | Denominator               | Year ended<br>31 <sup>st</sup> March<br>2023 | Year ended<br>31 <sup>st</sup> March<br>2022 | Variance<br>% | Remarks   |
|----------------------------------|--------------------------------|---------------------------|--|--|---------------|---|
| LIQUIDITY RATIOS                 |                                |                           |  |  |               |   |
| Current Ratio                    | Total current assets           | Total current liabilities | 0.97   | 1.10   | (12%)         | Reduction due to increase in working capital borrowings |
| SOLVENCY RATIOS                  |                                |                           |  |  |               |   |
| Debt-Equity Ratio                | Total Long Term Debt           | Total Equity              | 0.29   | 0.74   | 61%           | Improvement due to infusion of further equity shares    |
| TURNOVER RATIOS (in times)       |                                |                           |  |  |               |   |
| Trade Receivables turnover ratio | Revenue from Operations        | Average Trade Receivables | 12.62  | 13.07  | (3%)          |   |
| Trade payables turnover ratio    | Total purchases                | Average Trade Payables    | 8.73   | 15.42  | (43%)         | Due to payment efficiency                               |
| Net capital turnover ratio       | Revenue from Operations        | Average Working capital   | 156.22                                       | 21.87  | 614%          | Reduction due to increase in working capital borrowings |
| OPERATING RATIOS (in %)          |                                |                           |  |  |               |   |
| Net profit ratio                 | Profit Before Tax              | Total Income              | 0.84%  | 1.35%  | (1%)          |   |
| Return on Equity                 | Profit Before Tax              | Total Equity              | 15.95%                                       | 49.57%                                       | (34%)         | Due to infusion of further equity shares                |
| Return on Capital employed       | Profit Before Interest and Tax | Capital Employed          | 18.36%                                       | 41.31%                                       | (23%)         | Due to infusion of further equity shares                |



# Consolidated Independent Auditors' Report

## TO THE MEMBERS OF CIEL HR SERVICES PRIVATE LIMITED

### Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **CIEL HR SERVICES PRIVATE LIMITED** (hereinafter referred to as "the holding company") and its subsidiaries (together referred to as "Group"), which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2023, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information hereinafter referred to as The Consolidated Financial Statement.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at 31<sup>st</sup> March 2023, its Consolidated Profit and its Consolidated Cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated Financial Statement 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 Consolidated Financial Statements section of our report. We are independent of the 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 consolidated 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.

#### Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the Group in accordance with accounting principles generally accepted in India.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records

in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated financial statements by the director of the holding company as aforesaid.

In preparing the Consolidated Financial Statements, Respective Board of directors of the Group is responsible for assessing their ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the company included in the group are responsible for overseeing the financial reporting process.

#### Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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:

1. We did not audit the financial statements / financial information of Three subsidiaries, whose financial statements / financial information reflect total assets of ₹ 470.31 Lakhs as at 31<sup>st</sup> March 2023 Group's share of total net profit after tax of ₹ 26.65 Lakhs for the year ended 31<sup>st</sup> March, 2023, as considered in the consolidated financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the

consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries that our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

#### 2. Major Observations of CIEL HR Services Private Limited (Holding Company)

- a) During the year, the company has changed the process of payroll cost booking and considers paysheet while booking the costs. This has significantly reduced the timing differences arising in cost booking as compared to earlier years.
- b) With reference to Note 16 (ii) – Unbilled Revenue  
  
During the year, the company has changed its accounting policy on recognizing income on accrual basis as Unbilled Revenue. Earlier income would be recognized as revenue in the subsequent month, However, the same is now recognized in the respective month as Unbilled Revenue and will be reversed in the subsequent month when the invoice is raised. This method ensures that cost and income are accounted in the same accounting period.
- c) The Internal Audit Report for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 is yet to be provided and it was informed by the management that the same is in progress.

#### 3. Major Observations of Subsidiaries:

##### a) Mafoi Strategic Consultants Private Limited:

- The Company is maintaining Debenture Redemption Reserve of ₹ 3,00,000 and Issued Debentures worth ₹ 30,00,000. But the Company has not maintained any Deposits with the Bank for an Amount of ₹ 4,50,000 i.e 15% of the Debenture issued.
- Company has not Filed GST returns for Jan 2023 to Mar 2023. GST set off entries for Jan and Feb has been passed in Books based on the Draft GSTR1 provided by the client. As GSTR 3B for mar 2023 is not filed yet , We were unable to match the balance of Electronic credit ledger as on 31<sup>st</sup> March 2023. But the Company has assured to pay the balance before September 2023.
- TDS deducted from Creditors for Quarter 3 and Quarter 4 has not been deposited by the parties yet. But the Company has assured to pay the balance before September 2023.
- ESI deducted from Employees for Quarter 1, Quarter 3 and Quarter 4 are not yet paid by the employees. But the Company has assured to pay the balance before September 2023.

**b) CIEL Skills and Careers Private Limited:**

- The Company is maintaining Debenture Redemption Reserve of ₹ 4,50,000 and Issued Debentures worth ₹ 30,00,000. But the Company has not maintained any Deposits with the Bank for an Amount of ₹ 6,75,000 i.e 15% of the Debenture issued
- Company has not Filed GST returns for Jan 2023 to Mar2023. GST set off entries for Jan and Feb has been passed in Books based on the Draft GSTR1 provided by the company. As GSTR 3B for mar 2023 is not filed yet , We were unable to match the balance of Electronic credit ledger as on 31<sup>st</sup> March 2023. But the Company has assured to pay the balance before September 2023
- TDS deducted from Creditors for Quarter 3 and Quarter 4 has not been deposited by the parties yet. But the Company has assured to pay the balance before September 2023.
- It was observed that the Company has not complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of Loans , Investments , Guarantees or Security made by it during the year under Audit. The Company has not charged any Interest on loan Granted to related parties. However, the loan repayments are forthcoming and there are no major Observations in this regard.

Our opinion on the Consolidated Financial statements, and our report on other legal and Regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Management

**Report on other Legal and Regulatory Requirements**

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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid consolidated 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) On the basis of written representations received from the directors, taken on record by the Board of Directors, none of the directors is disqualified from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure-A'; and
- g) With respect to 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 derivatives contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
  - iv) As per para 3 (xxi) of Companies (Auditor's Report) Order, 2020.

Qualifications or adverse auditor remarks in other group companies- Not Applicable

For **A John Moris & Co.,**  
Chartered Accountants  
FRN: 007220 S

**CA K V SIVAKUMAR**  
Partner  
M.No: 027437

UDIN: 23027437BGTATZ9000  
Date: 27/04/2023  
Place: Chennai



## Annexure “A” to the Independent Auditor’s Report

Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of CIEL HR services Private Limited and its subsidiaries

### Report on the internal financial controls over financial reporting under clause (i) of sub - section 3 of section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting CIEL HR SERVICES PRIVATE LIMITED and its subsidiaries as at 31<sup>st</sup> March 2023 in conjunction with our audit of the consolidated financial statements of the Company for the period ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Group is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls systems over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **A John Moris & Co.,**  
Chartered Accountants  
FRN: 007220 S

**CA K V SIVAKUMAR**  
Partner  
M.No: 027437

UDIN: 23027437BGTTAZ9000  
Date: 27/04/2023  
Place: Chennai

# Consolidated Balance Sheet

As at 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Particulars                        | No | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|------------------------------------|----|-----------------------------|-----------------------------|
| <b>EQUITY AND LIABILITIES</b>      |    |                             |                             |
| <b>(1) Shareholder's Funds</b>     |    |                             |                             |
| (a) Share Capital                  | 3A | 439.16                      | 418.47                      |
| (b) Reserves and Surplus           | 4  | 3,737.59                    | 943.23                      |
|                                    |    | 4,176.75                    | 1,361.70                    |
| <b>(2) Minority Interest</b>       |    |                             |                             |
|                                    | 4A | 83.39                       | 0.70                        |
|                                    |    | 83.39                       | 0.70                        |
| <b>(2) Non-Current Liabilities</b> |    |                             |                             |
| (a) Long-Term Borrowings           | 5  | 1,423.34                    | 1,041.41                    |
| (b) Long-Term Provisions           | 6  | 232.38                      | 92.01                       |
| (c) Deferred Tax Liability {Net}   | 24 | -                           | -                           |
|                                    |    | 1,655.72                    | 1,133.41                    |
| <b>(3) Current Liabilities</b>     |    |                             |                             |
| (a) Short term Borrowings          | 7  | 3,534.87                    | 1,534.21                    |
| (b) Trade Payables                 | 8  | 431.13                      | 143.04                      |
| (c) Other Current Liabilities      | 9  | 5,890.83                    | 3,391.87                    |
| (d) Short-term Provisions          | 10 | 631.23                      | 245.55                      |
|                                    |    | 10,488.05                   | 5,314.68                    |
| <b>TOTAL (1+2+3)</b>               |    | <b>16,403.92</b>            | <b>7,810.48</b>             |
| <b>ASSETS</b>                      |    |                             |                             |
| <b>(4) Non-current assets</b>      |    |                             |                             |
| (a) Property, Plant & Equipment    |    |                             |                             |
| (i) Tangible Assets                | 11 | 89.79                       | 40.46                       |
| (ii) Intangible Assets             | 11 | 626.60                      | 147.52                      |
| (b) Non Current Assets             | 12 | 1,702.00                    | 3.59                        |
| (c) Long-Term Loans and Advances   | 13 | 2,946.25                    | 1,618.47                    |
| (d) Deferred Tax Asset {Net}       | 24 | 40.04                       | 35.27                       |
|                                    |    | 5,404.68                    | 1,845.30                    |
| <b>(5) Current Assets</b>          |    |                             |                             |
| (a) Trade Receivables              | 14 | 8,424.24                    | 5,283.63                    |
| (b) Cash and cash equivalents      | 15 | 192.31                      | 487.42                      |
| (c) Other Current Assets           | 16 | 2,382.69                    | 194.12                      |
|                                    |    | 10,999.24                   | 5,965.18                    |
| <b>TOTAL (4+5)</b>                 |    | <b>16,403.92</b>            | <b>7,810.48</b>             |

Notes to the Accounts - 1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For **A. JOHN MORIS & Co.,**

Chartered Accountants

FRN.: 007220S

**K Pandiarajan**

Executive Chairperson and Director

DIN:00116011

**Hemalatha Rajan**

Director

DIN:00115674

**Aditya Narayan Mishra**

Managing Director &amp; CEO

DIN:05303409

**KV Sivakumar**

Partner

M. No.: 027437

**Santhosh Kumar Nair**

Director and COO

DIN:07279988

**Saurabh Ashok More**

Chief Financial Officer

Place : Chennai

Date: 27/04/2023



# Consolidated of Profit And Loss

For the year ended 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Particulars   | Note | For the Year Ended<br>31 <sup>st</sup> March 2023 | For the Year Ended<br>31 <sup>st</sup> March 2022 |
|---|------|---|---|
| <b>Income:</b>  |      |   |   |
| Revenue from Operations                                     | 17   | 81,440.53   | 51,952.34   |
| Other Income  | 18   | 101.74  | 82.36   |
| <b>Total Income (A)</b>                                     |      | <b>81,542.27</b>                                  | <b>52,034.71</b>                                  |
| <b>Expenses:</b>  |      |   |   |
| Employee Benefits Expense                                   | 19   | 78,389.13   | 49,802.77   |
| Finance Costs   | 20   | 322.65  | 314.42  |
| Other Expenses  | 21   | 1,876.95  | 1,119.65  |
| Depreciation and Amortisation                               | 10   | 119.30  | 96.18   |
| <b>Total Expenses (B)</b>                                   |      | <b>80,708.02</b>                                  | <b>51,333.02</b>                                  |
| <b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX<br/>(C= A-B)</b> |      | <b>834.25</b>                                     | <b>701.69</b>                                     |
| Exceptional Items (D)                                       | 22   | 360.61  | -   |
| <b>PROFIT BEFORE TAX (E= C-D)</b>                           |      | <b>473.64</b>                                     | <b>701.69</b>                                     |
| <b>Tax Expense:</b>   |      |   |   |
| (1) Current Tax   |      | 31.20   | 1.16  |
| (2) MAT Credit  |      | 3.59  | -   |
| (3) Deferred Tax  | 24   | 17.88   | (13.86)   |
|   |      | <b>52.68</b>                                      | <b>(12.71)</b>                                    |
| <b>Profit after Tax</b>                                     |      | <b>420.96</b>                                     | <b>714.39</b>                                     |
| <b>Profit attributable to:</b>                              |      |   |   |
| Owners of the Company                                       |      | 378.18  | 713.74  |
| Minority Interests  |      | 42.78   | 0.66  |
| <b>Earnings per Share:</b>                                  |      |   |   |
| (i) Basic   | 23   | 8.78  | 19.61   |
| (ii) Diluted  | 23   | 8.62  | 19.61   |

Notes to the Accounts - 1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For **A. JOHN MORIS & Co.,**

Chartered Accountants

FRN.: 007220S

**K Pandiarajan**

Executive Chairperson and Director

DIN:00116011

**Hemalatha Rajan**

Director

DIN:00115674

**Aditya Narayan Mishra**

Managing Director & CEO

DIN:05303409

**KV Sivakumar**

Partner

M. No.: 027437

**Santhosh Kumar Nair**

Director and COO

DIN:07279988

**Saurabh Ashok More**

Chief Financial Officer

Place : Chennai

Date: 27/04/2023

# Consolidated Cash Flow Statement

For the year ended 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Particulars  | For the Year Ended<br>31 <sup>st</sup> March 2023 | For the Year Ended<br>31 <sup>st</sup> March 2022 |
|--|---|---|
| <b>A. Cash flow from operating activities</b>                              |   |   |
| Net Profit before extraordinary items and tax                              | 834.25  | 701.69  |
| <b>Adjustments for:</b>  |   |   |
| Prior Period Unrealized Investments  | -   | (3.19)  |
| Non operating income   | (53.05)   | -   |
| Finance cost   | 322.65  | -   |
| Provisions made during the year  | -   | 17.82   |
| Depreciation and amortisation  | 119.30  | 84.36   |
| Operating profit before working capital changes                            | <b>1,223.14</b>                                   | <b>800.67</b>                                     |
| <b>Changes in working capital:</b>   |   |   |
| <b>Adjustments for (increase) / decrease in operating assets:</b>          |   |   |
| Trade receivables  | (2,674.15)  | (2,535.73)  |
| Other current assets   | (2,123.44)  | (179.56)  |
| Loans and advances   | (714.68)  | -   |
| <b>Adjustments for increase / (decrease) in operating liabilities:</b>     |   |   |
| Trade payables   | 68.86   | 58.53   |
| Provisions   | 2,346.23  | 127.58  |
| Other current liabilities  | 162.84  | 1,621.20  |
| Short-term borrowings - OD   | -   | 854.87  |
|  | (2,934.35)  | (53.10)   |
| Cash generated from operations   | <b>(1,711.21)</b>                                 | <b>747.57</b>                                     |
| Net income tax (paid) / refunds  | <b>(34.80)</b>                                    | <b>-</b>  |
| <b>Net cash flow used in operating activities (A)</b>                      | <b>(1,746.01)</b>                                 | <b>747.57</b>                                     |
| <b>B. Cash flow from investing activities</b>                              |   |   |
| Investment in equity shares by acquisition net of acquisition date cash    | (1,184.35)  | (105.15)  |
| Capital expenditure on fixed assets  | (325.21)  | (1,113.54)  |
| Investment in fixed deposits   | (564.92)  | -   |
| Investment in related parties  | (26.00)   | -   |
| Non operating income   | 53.05   | -   |
| <b>Net cash flow from investing activities (B)</b>                         | <b>(2,047.42)</b>                                 | <b>(1,218.69)</b>                                 |
| <b>C. Cash flow from financing activities</b>                              |   |   |
| Proceeds from issue of equity shares                                       | 1,699.74  | 200.00  |
| Proceeds from issue of debentures  | 224.50  | 200.00  |
| Payment of Dividend  | (41.85)   | (41.86)   |
| Payment of finance costs   | (322.65)  | (24.64)   |
| Finance costs - exceptional in nature                                      | (360.61)  | (60.77)   |
| Bank Borrowings  | 2,299.18  | -   |
| <b>Net cash flow from financing activities (C)</b>                         | <b>3,498.31</b>                                   | <b>272.74</b>                                     |
| <b>Net increase in Cash and cash equivalents (A+B+C)</b>                   | <b>(295.12)</b>                                   | <b>(198.38)</b>                                   |
| Cash and cash equivalents at the beginning                                 | 487.42  | 685.81  |
| Cash and cash equivalents at the end                                       | <b>192.31</b>                                     | <b>487.42</b>                                     |
| <b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b> |   |   |
| Cash and cash equivalents as per Balance Sheet (Refer <b>Note 13</b> )     | 192.31  | 487.42  |
| <b>Cash and cash equivalents at the year end*</b>                          | <b>192.31</b>                                     | <b>487.42</b>                                     |
| * Comprises:   |   |   |
| (a) Cash on hand   | 2.94  | 2.63  |
| (b) Balances with banks  | 189.37  | 484.80  |
|  | <b>192.31</b>                                     | <b>487.42</b>                                     |

See accompanying notes forming part of the financial statements

Notes to the Accounts - 1 to 29

As per our report of even date attached

For and on behalf of the Board of Directors

For **A. JOHN MORIS & Co.,**  
Chartered Accountants  
FRN.: 007220S

**K Pandiarajan**  
Executive Chairperson and Director  
DIN:00116011

**Hemalatha Rajan**  
Director  
DIN:00115674

**Aditya Narayan Mishra**  
Managing Director & CEO  
DIN:05303409

**KV Sivakumar**  
Partner  
M. No.: 027437  
Place : Chennai  
Date: 27/04/2023

**Santhosh Kumar Nair**  
Director and COO  
DIN:07279988

**Saurabh Ashok More**  
Chief Financial Officer

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 1 Corporate Information

**M/s. CIEL HR SERVICES PRIVATE LIMITED** (hereinafter mentioned as "CIEL") was registered with the Chennai Registrar of Companies as a Private Limited Company on vide Registration no. **U74140TN2010PTC077095**.

The registered office of CIEL is located at **Plot No. 3726, Door No. 41, 'Ma Foi House', 6<sup>th</sup> Avenue, Q- Block, Anna Nagar, Chennai - 600040**.

The Principal activities of CIEL is to provide human resource management, facility management services to all types of industries. Major services includes direct placements or assigning own resources or recruiting expertised staff from outside CIEL, thereby providing end to end services in managing and running businesses, including payroll management. CIEL is also engaged in equipping such resources with required training on commercial, educational, legal, managerial, data processing and other related matters in order to effectively render services to its clients.

CIEL employs a unique matching algorithm that uses Natural Language Processing based machine learning framework. This unique matching process ensures that the best and the most suitable candidates are searched for quickly, ensuring agility and efficiency in the talent acquisition process.

## 2 Significant Accounting Policies

### 2.1 Basis of Accounting and Preparation of Financial statements

The financial statements of CIEL along with its subsidiaries Integrum Technologies Private Limited, CIEL Skills and Careers Private Limited, Ma Foi Strategic Consultants Pvt Ltd, CIEL Technologies Pvt Ltd and Next Leap Career Solutions Pvt Ltd have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounts) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013. The Previous Year figures are reinstated wherever necessary.

### 2.2 Basis of Consolidation

The Company consolidates the entity which is controlled by it. The Company establishes control when; it has power over the entity, is exposed, or has rights, to variable returns from its involvement

with the entity and has the ability to affect the entity's returns by using its power over relevant activities of the entity. All inter-company transactions, balances, income and expenses are eliminated in full on consolidation. Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to shareholders of the Company.

### 2.3 Use of Estimates

The presentation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent assets and liabilities) at the end of the year and the reported revenues and expenses during the year. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the period in which the results are known/material.

### 2.4 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 2.5 Cash Flow Statement

Cash flow Statement is prepared in accordance with the indirect method prescribed in Accounting Standard 3. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.

### 2.6 Fixed Assets, Depreciation and Amortisation

Fixed assets are stated at cost net of depreciation and impairment losses. The cost of an asset comprises of its purchase price and any cost directly attributable for bringing the asset to its working condition and location for its intended use.



# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## Depreciation:

- (i) Depreciation has been provided on the written down value method as per the useful life prescribed in Part "C" of Schedule II to the Companies Act, 2013.
- (ii) The Expenditure incurred on development of solutions for Vendor Management and Management Intelligence, which would result in measurable future economic benefits over a period of time, and hence it considered as Intangible Asset and depreciation has not be charged.
- (iii) Depreciation on additions is charged proportionately from the date of acquisition/installation.

## 2.7 Investments

Investments are classified into current and Long-term investments. Long-term investments are stated at cost and 'provision for diminution in value, other than temporary, is considered wherever necessary.

Current investments are valued at lower of cost and market value/net asset value.

## 2.8 Revenue Recognition

Revenue from services is recognised as per para 12 of AS 9 issued by ICAI, that the performance should be measured either under the completed service contract method or under the proportionate completion method, whichever relates the revenue to the work accomplished. Such performance should be regarded as being achieved when no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. Likewise, Revenue from contractual services is recognised as and when the services are performed. For the service which are in the nature of Continuous Man Power Supply contracts, revenues is recognised on monthly basis at a pre-agreed rate and for all other contracts, revenue are recognised as and when the agreed services has been performed.

## 2.9 Other Income

Revenue from Interest income on fixed deposits with banks is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend Income is recognised as and when the right to receive is established.

All other incomes are recognized on accrual basis.

## 2.10 Foreign Currency Transactions

Revenue and expenditure in foreign currency are accounted at exchange rate prevailing on the date of the transactions. The exchange difference arising on foreign

currency transactions are recognized as income or expense in the period in which they arise. Monetary items denominated in foreign currency are translated at closing exchange rates as on the reporting date. Any profit or loss on account of the translation is recognized in the Statement of Profit and Loss.

## 2.11 Employee Benefits

- a) Short term employee benefits including salaries, social security contributions, short term compensated absences (such as paid annual leave) where the absences are expected to occur within twelve months after the end of the period in which the employees render the related service, profit sharing and bonuses payable within twelve months after the end of the period in which the employees render the related services and non monetary benefits.

- b) Defined contribution plans

Company's contributions paid/payable during the year to Provident Fund, Pension fund and employee state insurance scheme are recognised in the statement of Profit and Loss based on amount of contribution required to be made and when services are rendered by the employees.

Gratuity liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Provision for liabilities pending remittance to the fund is carried to the Balance Sheet. Accumulated leave expected to be carried forward beyond twelve months are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Actuarial gains/losses are immediately taken to the Statement of Profit and loss and are not deferred.

## 2.12 Impairment of assets

The carrying amount of assets are reviewed at each balance sheet date for any indication of impairment based on internal/ external factors. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing its value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and risks specific to the asset.

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

## **For the Subsidiary “CIEL Skills & Careers Private Limited”,**

During the year, certain intangible assets were fully developed and put to use. However, at a later stage, the company has assessed that the carrying amount of these intangible assets i.e. MPV Development Cost and MPV development cost Product is higher than the recoverable value of these assets. It is estimated that the future economic benefits flowing to the company from these assets will be negligible. Accordingly, in line with AS 28 - Impairment of Assets, the company has decided to impair the carrying values of these assets amounting to 40.88 lacs. The impairment loss has been disclosed under exceptional items.

## **For the Subsidiary “Ma Foi Strategic Consultants Private Ltd.”,**

During the year, certain intangible assets were fully developed and put to use. However, at a later stage, the company has assessed that the carrying amount of these intangible assets i.e. Axis V software Product as well as investment in MF connecting dots is higher than the recoverable value of these assets. It is estimated that the future economic benefits flowing to the company from these assets will be negligible. Accordingly, in line with AS 28 - Impairment of Assets, the company has decided to impair the carrying values of these assets amounting to 172.35 lac + 11 lacs = 183.35 lacs. The impairment loss has been disclosed under exceptional items.

### **2.13 Provisions and Contingent Liabilities**

Provisions are recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. All material known liabilities are provided for and liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to accounts.

### **2.14 Borrowing Costs**

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are

regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

### **2.15 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **2.16 Segment Reporting**

The Company does not have any other segment of business. Hence there are no separate reportable segments.

### **2.17 Taxes on income**

**Current tax** is the amount of tax payable on the taxable income for the year after taking into consideration the benefits/ disallowances admissible under the provisions of the Income Tax Act, 1961.

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

**Minimum Alternate Tax** paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

**Deferred tax** is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets

are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised.

**Deferred tax assets and liabilities** are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

## 2.18 Operating Cycle

Based on the nature of activities of the company and normal time between acquisition of assets and their realisation of cash and cash equivalent, the company has determined operating cycle as 12 months for the purpose of classification of its assets and liabilities as non-current and current.

## 3A Share Capital

(Amount in ₹ Lakhs)

| Particulars  | 31 <sup>st</sup> March 2023 |               | 31 <sup>st</sup> March 2022 |               |
|--|-----------------------------|---------------|-----------------------------|---------------|
|  | Number                      | ₹             | Number                      | ₹             |
| <b>(i) Authorised Share Capital</b>                      |                             |               |                             |               |
| Equity shares of ₹ 10 each                               | 48,00,000                   | 480.00        | 45,00,000                   | 450.00        |
| 0.01% Preference shares of ₹ 10 each                     | -                           | -             | 3,00,000                    | 30.00         |
|  | <b>48,00,000</b>            | <b>480.00</b> | <b>48,00,000</b>            | <b>480.00</b> |
| <b>(ii) Issued, Subscribed and Fully Paid up capital</b> |                             |               |                             |               |
| Equity shares of ₹ 10 each                               | 43,91,639                   | 439.16        | 41,84,661                   | 418.47        |
| 0.01% Preference shares of ₹ 10 each                     | -                           | -             | -                           | -             |
| <b>Total</b>   | <b>43,91,639</b>            | <b>439.16</b> | <b>41,84,661</b>            | <b>418.47</b> |

### (3a) Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the reporting period:

| Particulars                                      | 31 <sup>st</sup> March 2023 |               | 31 <sup>st</sup> March 2022 |               |
|--|-----------------------------|---------------|-----------------------------|---------------|
|  | Number                      | ₹             | Number                      | ₹             |
| <b>Equity Shares Capital</b>                     |                             |               |                             |               |
| Shares Outstanding at the beginning              | 41,84,661                   | 418.47        | 35,17,705                   | 351.77        |
| Add: Shares Issued during the period             | 2,06,978                    | 20.70         | 6,66,956                    | 66.70         |
| Shares outstanding at the end                    | <b>43,91,639</b>            | <b>439.16</b> | <b>41,84,661</b>            | <b>418.47</b> |
| <b>0.01% Preference Share Capital</b>            |                             |               |                             |               |
| Shares outstanding at the beginning              | -                           | -             | -                           | -             |
| Add: Shares Issued during the period             | -                           | -             | -                           | -             |
| Shares outstanding at the end                    | -                           | -             | -                           | -             |
| <b>Shares outstanding at the end of the year</b> | <b>43,91,639</b>            | <b>439.16</b> | <b>41,84,661.00</b>         | <b>418.47</b> |

- During the Financial year 2021-2022 Bonus Shares of ₹ 39,08,570 have been issued to the shareholders.
- Authorized share capital for preference shares of ₹ 30,00,000 has been reorganized to Equity shares.
- Increase in equity shares of 206978 at a share premium of ₹ 1192 based upon the valuation report of S. Sandeep, Registered valuer.

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## (3b) Details of shareholders holding more than 5% Shares in the Company

(Amount in ₹ Lakhs)

| Name of the Shareholder       | 31 <sup>st</sup> March 2023 |              | 31 <sup>st</sup> March 2022 |              |
|-------------------------------|-----------------------------|--------------|-----------------------------|--------------|
|                               | No. of Shares               | % of holding | No. of Shares               | % of holding |
| <b>Equity Service Holders</b> |                             |              |                             |              |
| K Pandiarajan                 | 21,36,605                   | 48.65%       | 21,19,455                   | 50.65%       |
| Hemalatha Rajan               | 7,79,587                    | 17.75%       | 7,59,702                    | 18.15%       |
| Aditya Narayan Mishra         | 6,82,100                    | 15.53%       | 6,82,100                    | 16.30%       |
| Santhosh Kumar Nair           | 4,58,871                    | 10.45%       | 4,58,871                    | 10.97%       |

## 4 Reserves and Surplus

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>(a) Securitites Premium Account</b>                     |                             |                             |
| <b>Opening Balance for the Year</b>                        | 237.87                      | 39.53                       |
| Add: Premium Collected for the year                        | 2,467.42                    | 198.34                      |
| Less: Reserves / Reductions for the Year                   | (9.40)                      | -                           |
| <b>Closing Balance for the Year</b>                        | <b>2,695.89</b>             | <b>237.87</b>               |
| <b>(b) Debenture Redemption Reserve Fund</b>               |                             |                             |
| <b>Opening Balance for the Year</b>                        | 59.65                       | -                           |
| Add: Reserves created for the year                         | 42.35                       | 59.65                       |
| Less: Reserves / Reductions for the Year                   | -                           | -                           |
| <b>Closing Balance for the Year</b>                        | <b>102.00</b>               | <b>59.65</b>                |
| <b>(b) Surplus in Statement of Profit and Loss Account</b> |                             |                             |
| <b>Opening Balance for the Year</b>                        | 645.71                      | 55.34                       |
| Add: Profit for the year                                   | 378.18                      | 713.74                      |
| Less: Equity Issued  | -                           | (39.09)                     |
| Less: Dividend Paid  | (41.85)                     | (24.64)                     |
| Less: Debeture Redemption Reserve                          | (42.35)                     | (59.65)                     |
| Less: Other Reserves                                       | -                           | -                           |
| <b>Closing Balance for the Year</b>                        | <b>939.70</b>               | <b>645.71</b>               |
| <b>Closing Balance</b>                                     | <b>3,737.59</b>             | <b>943.23</b>               |

## 4a Minority Interest

| Particulars                            | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>Opening Balance for the Year</b>    | 0.70                        | 0.04                        |
| Add: Profit for the year               | 42.78                       | 0.65                        |
| Add: Additions/Reductions for the year | 39.92                       | -                           |
| <b>Closing Balance for the Year</b>    | <b>83.39</b>                | <b>0.70</b>                 |

## 5 Long Term Borrowings

| Particulars   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| <b>Secured Loans from Banks and Financial Institution</b>   | 185.47                      | 219.78                      |
| <b>Non - Convertible Debentures</b>                         | 495.00                      | 595.50                      |
| <b>Compusorily - Convertible Debentures*</b>                | 600.00                      | 200.00                      |
| <b>Unsecured Loans from Banks and Financial Institution</b> |                             |                             |
| Other Loans from Banks and Financial Institution            | 142.87                      | 26.13                       |
| <b>Total</b>  | <b>1,423.34</b>             | <b>1,041.41</b>             |



# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 6 Long Term Provisions

| Particulars                         | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-------------------------------------|-----------------------------|-----------------------------|
| <b>(a) Provision - Others</b>       |                             |                             |
| (i) Provision for gratuity          | 180.46                      | 67.17                       |
| (ii) Provision for leave encashment | 51.92                       | 24.84                       |
| <b>Total</b>                        | <b>232.38</b>               | <b>92.01</b>                |

## 7 Short Term Borrowings

| Particulars                   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-------------------------------|-----------------------------|-----------------------------|
| (a) Bank Overdraft - Secured* | 3,534.87                    | 1,534.21                    |
| (b) Loan from Related Parties | -                           | -                           |
| <b>Total</b>                  | <b>3,534.87</b>             | <b>1,534.21</b>             |

\* Secured by Book Debts and other Current Assets

## 8 Trade Payables

| Particulars                       | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------------------|-----------------------------|-----------------------------|
| <b>(A) Creditors for Expenses</b> |                             |                             |
| - To MSME                         | 12.01                       | -                           |
| - To other than MSME              | 418.28                      | 135.41                      |
| <b>(B) Other Expenses Payable</b> | 0.84                        | 7.64                        |
| <b>Total</b>                      | <b>431.13</b>               | <b>143.04</b>               |

## 9 Other Current Liabilities

(Amount in ₹ Lakhs)

| Particulars                      | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|----------------------------------|-----------------------------|-----------------------------|
| (i) Statutory Remittances        |                             |                             |
| - Tax Deducted at Source         | 145.39                      | 49.45                       |
| - GST Payable                    | 1,483.65                    | 951.10                      |
| - Other Statutory Payable        | 884.78                      | 123.56                      |
| (ii) Others                      |                             |                             |
| - Advance from customer          | 215.03                      | 235.56                      |
| - Salary Payable                 | 2,846.50                    | 2,014.16                    |
| - Other payables                 | 112.62                      | 18.04                       |
| (iii) Income received in advance | 202.84                      | -                           |
|                                  | <b>5,890.83</b>             | <b>3,391.87</b>             |

\* Other Statutory Payables include payable towards Provident Fund, ESI & Professional tax.

## 10 Short Term Provisions

| Particulars                                   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| (i) Provision for income tax                  | 98.07                       | 1.16                        |
| (ii) Provision for incentives                 | 217.78                      | -                           |
| (iii) Provision for business partner expenses | 251.24                      | 153.74                      |
| (iv) Provision for other expenses             | 64.14                       | 90.66                       |
| <b>Total</b>                                  | <b>631.23</b>               | <b>245.55</b>               |

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 11 Property, Plant and Equipment As At 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Sl No.                      | Particulars                          | Gross Block                      |                            |            | Depreciation                      |                                  |                            | Net Block                 |             |                                   |        |        |
|-----------------------------|--------------------------------------|----------------------------------|----------------------------|------------|-----------------------------------|----------------------------------|----------------------------|---------------------------|-------------|-----------------------------------|--------|--------|
|                             |                                      | As at 1 <sup>st</sup> April 2022 | Additions from acquisition | Deductions | As at 31 <sup>st</sup> March 2023 | Upto 31 <sup>st</sup> March 2022 | Additions from acquisition | Depreciation for the Year | On Disposal | As at 31 <sup>st</sup> March 2023 |        |        |
| A. Tangible Assets          |                                      |                                  |                            |            |                                   |                                  |                            |                           |             |                                   |        |        |
| 1                           | Furniture and Fixtures               | 1.06                             | -                          | -          | 1.06                              | 0.98                             | -                          | 0.01                      | -           | 0.99                              | 0.07   | 0.08   |
| 2                           | Office Equipments                    | 13.15                            | 0.50                       | -          | 13.65                             | 10.17                            | -                          | 0.53                      | -           | 10.71                             | 2.95   | 2.98   |
| 3                           | Computers and Printers               | 91.71                            | 52.66                      | -          | 144.37                            | 64.40                            | -                          | 36.82                     | -           | 101.23                            | 43.14  | 30.77  |
| 4                           | Vehicle                              | 18.69                            | -                          | -          | 18.69                             | 12.06                            | -                          | 1.72                      | -           | 13.79                             | 4.90   | 6.63   |
| 5                           | Computers                            | -                                | 27.65                      | 0.47       | 28.12                             | -                                | 24.69                      | 1.17                      | -           | 25.85                             | 2.26   | -      |
| 6                           | Office Equipments                    | -                                | 7.03                       | -          | 7.03                              | -                                | 6.68                       | -                         | -           | 6.68                              | 0.35   | -      |
| 7                           | Furniture and Fixtures               | -                                | 42.72                      | -          | 42.72                             | -                                | 40.44                      | 0.13                      | -           | 40.57                             | 2.15   | -      |
| 8                           | Vehicle                              | -                                | 32.98                      | -          | 32.98                             | -                                | 1.94                       | 8.26                      | -           | 10.20                             | 22.78  | -      |
| 9                           | Furniture and Fixtures               | -                                | 1.84                       | -          | 1.84                              | -                                | 1.63                       | 0.06                      | -           | 1.69                              | 0.15   | -      |
| 10                          | Office Equipments                    | -                                | 3.36                       | -          | 3.36                              | -                                | 2.86                       | 0.10                      | -           | 2.96                              | 0.41   | -      |
| 11                          | Computers and Data Processing Units  | -                                | 50.73                      | 0.09       | 50.83                             | -                                | 32.83                      | 10.84                     | -           | 43.67                             | 10.62  | -      |
| Total Tangible Assets (A)   |                                      | 124.61                           | 166.32                     | 53.72      | 344.65                            | 87.61                            | 111.06                     | 59.66                     | -           | 258.33                            | 89.79  | 40.46  |
| B. Intangible Assets        |                                      |                                  |                            |            |                                   |                                  |                            |                           |             |                                   |        |        |
| 1                           | i-Bridge-Vendor Management Software  | 51.28                            | -                          | -          | 51.28                             | 32.59                            | -                          | 11.93                     | -           | 44.52                             | 6.76   | 18.69  |
| 2                           | Tally and other Computer Software    | 5.37                             | 9.50                       | -          | 14.87                             | 5.24                             | -                          | 1.26                      | -           | 6.50                              | 8.37   | 0.13   |
| 3                           | APPI Payroll Management Software     | 93.32                            | -                          | -          | 93.32                             | 28.97                            | -                          | 31.26                     | -           | 60.23                             | 33.08  | 64.34  |
| 4                           | RISE HR Management Software          | 37.33                            | -                          | -          | 37.33                             | 11.59                            | -                          | 12.48                     | -           | 24.07                             | 13.26  | 25.74  |
| 5                           | HYRE Recruitment Management Software | 55.99                            | -                          | -          | 55.99                             | 17.38                            | -                          | 18.76                     | -           | 36.14                             | 19.85  | 38.61  |
| 6                           | H Factor - Inhouse development       | -                                | 110.33                     | -          | 110.33                            | -                                | -                          | -                         | -           | -                                 | 110.33 | -      |
| 7                           | Website                              | -                                | 1.55                       | -          | 1.55                              | -                                | 0.59                       | 0.44                      | -           | 1.03                              | 0.52   | -      |
| 8                           | Camera                               | -                                | -                          | 0.30       | 0.30                              | -                                | -                          | 0.01                      | -           | 0.01                              | 0.28   | -      |
| 9                           | Product Regtech - WIP                | -                                | 46.11                      | 37.00      | 83.11                             | -                                | -                          | -                         | -           | -                                 | 83.11  | -      |
| 10                          | Prod Pro Sculpt                      | -                                | -                          | 55.45      | 55.45                             | -                                | -                          | 0.01                      | -           | 0.01                              | 55.44  | -      |
| 11                          | PROD: CIEL JOBS TOOL                 | -                                | 54.59                      | -          | 54.59                             | -                                | -                          | 0.04                      | -           | 0.04                              | 54.55  | -      |
| 12                          | Platform Software                    | -                                | 124.92                     | 116.42     | 241.34                            | -                                | -                          | 0.30                      | -           | 0.30                              | 241.04 | -      |
| Total Intangible Assets (B) |                                      | 243.28                           | 227.17                     | 329.00     | 799.45                            | 95.77                            | 0.59                       | 76.49                     | -           | 172.85                            | 626.60 | 147.52 |
| Total Assets (A + B)        |                                      | 367.89                           | 382.72                     | -          | 1,144.10                          | 183.38                           | -                          | 136.15                    | -           | 431.18                            | 716.39 | 187.97 |

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 12 Non Current Assets

| Particulars                               | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| (i) Goodwill                              | 1,700.25                    | 3.59                        |
| (ii) Investment in Other Companies        | -                           | -                           |
| (iii) Investment in Oviya Medsafe Pvt Ltd | 1.75                        | -                           |
| <b>Total</b>                              | <b>1,702.00</b>             | <b>3.59</b>                 |

- a) During the year ended 31<sup>st</sup> March 2023, the company has acquired 51% equity stake in CIEL Skills and Careers Pvt. Ltd. as on 20<sup>th</sup> July 2022. Goodwill arising due to the transaction is 85.43 lacs.
- b) During the year ended 31<sup>st</sup> March 2023, the company has entered into Share Purchase Agreement with Next Leap Career Solutions Pvt. Ltd. ("Jombay") and Share Holders Agreement dated 30<sup>th</sup> November 2022 to acquire 100% equity stake. As per the agreement, the company has acquired 76.33% equity stake on a fully diluted basis and 85.18% on present shareholding basis as on 10<sup>th</sup> January 2023. The company has a call option to acquire the balance stake and Jombay has a put option to dispose off the balance stake over the next 2 years. Goodwill arising due to the transaction is 1097.57 lacs.
- c) During the year ended 31<sup>st</sup> March 2023, the company has acquired 51% equity stake in Ma Foi Strategic Consultants Pvt. Ltd. as on 1<sup>st</sup> February 2023. Goodwill arising due to the transaction is 508.78 lacs.

Accordingly, the profit and loss for these three entities have been consolidated with effect from the acquisition dates in line with the accounting standards.

## 13 Long Term Loans and Advances

| Particulars                              | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>Unsecured, considered good</b>        |                             |                             |
| (i) Balances with Government authorities | 1,554.37                    | 666.10                      |
| (ii) Rental Security Deposits            | 122.69                      | 58.65                       |
| (iii) Telephone Deposit                  | 0.12                        | 0.33                        |
| (iv) Fixed deposits with banks           | 1,148.08                    | 154.51                      |
| (v) Loans to related parties             | 26.00                       | 738.88                      |
| (vi) Other Advances                      | 94.99                       | -                           |
| <b>Total</b>                             | <b>2,946.25</b>             | <b>1,618.47</b>             |

## 14 Trade Receivables

| Particulars                                      | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>Unsecured, considered good</b>                |                             |                             |
| (i) Outstanding for a period less than 6 months  | 8,077.94                    | 5,288.18                    |
| (ii) Outstanding for a period more than 6 months | 412.63                      | -                           |
| Less : Provision for Bad Debts                   | (66.34)                     | (4.55)                      |
| <b>Total</b>                                     | <b>8,424.24</b>             | <b>5,283.63</b>             |

## 15 Cash and Cash Equivalents

| Particulars                                   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| (a) Cash and Cash Equivalents                 |                             |                             |
| (i) Cash on Hand                              | 2.94                        | 2.63                        |
| (ii) Balances with Bank - in current accounts | 189.37                      | 484.80                      |
| <b>Total</b>                                  | <b>192.31</b>               | <b>487.42</b>               |

Of the above, the balances that meet the definition of Cash and cash equivalents as per AS-3 Cash Flow Statements:

192.31 487.42

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 16 Other Current Assets

| Particulars                       | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|-----------------------------------|-----------------------------|-----------------------------|
| <b>Unsecured, Considered good</b> |                             |                             |
| (i) Prepaid expenses              | 206.78                      | 88.96                       |
| (ii) TDS receivable               | 393.72                      | 8.49                        |
| (iii) Unbilled Revenue            | 1,677.73                    | -                           |
| <b>Other Current Assets</b>       | 104.46                      | 96.67                       |
| <b>Total</b>                      | <b>2,382.69</b>             | <b>194.12</b>               |

## 17 Income From Operation

| Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>Sale of services (Including Compensation) :</b> |                             |                             |
| (i) Deputation Fee and Business Support Sevices    | 78,572.39                   | 49,291.31                   |
| (ii) Placement Fee                                 | 1,853.54                    | 2,531.48                    |
| (iii) Technical Knowhow                            | 25.09                       | 15.31                       |
| (iv) Professional & Consultancy Fees               | 989.50                      | 114.24                      |
| <b>Total</b>                                       | <b>81,440.53</b>            | <b>51,952.34</b>            |

## 18 Other Income

| Particulars                               | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| (i) Other Non Operating Income            | 0.69                        | 59.89                       |
| (ii) Interest on IT Refund                | 18.30                       | -                           |
| (iii) Interest from Bank                  | 34.06                       | 22.47                       |
| (iv) Interest income from related parties | -                           | -                           |
| (v) Gain on Forex Exchange                | 48.69                       | -                           |
| <b>Total</b>                              | <b>101.74</b>               | <b>82.36</b>                |

## 19 Employee Benefit Expenses

| Particulars                                 | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Salary, Allowances and Incentives           | 78,109.91                   | 49,609.31                   |
| Director Remuneration                       | 229.55                      | 121.39                      |
| Provision for Gratuity and Leave Encashment | 5.70                        | 15.74                       |
| Staff welfare Expenses                      | 34.44                       | 30.78                       |
| Staff Training expenses                     | 9.53                        | 25.55                       |
| <b>Total</b>                                | <b>78,389.13</b>            | <b>49,802.77</b>            |

## 20 Finance Costs

| Particulars                                      | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--|-----------------------------|-----------------------------|
| <b>(a) Interest expense on</b>                   |                             |                             |
| (i) Borrowings                                   | 296.20                      | 293.10                      |
| (ii) Payment of Statutory Payments(Interest Etc) | 0.51                        | 21.32                       |
| (iii) Loan processing charges                    | 25.93                       | -                           |
| <b>Total</b>                                     | <b>322.65</b>               | <b>314.42</b>               |



# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 21 Other Expenses

(Amount in ₹ Lakhs)

| Particulars   | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|---|-----------------------------|-----------------------------|
| Rent  | 262.99                      | 146.39                      |
| Rates and Taxes   | 5.36                        | 0.85                        |
| Computer Consumables and Communication, internet and server charges | 13.33                       | 22.48                       |
| Travelling, Stay and Conveyance                                     | 48.15                       | 11.49                       |
| Printing and Stationery   | 4.80                        | 0.88                        |
| Bank Charges  | 4.70                        | 1.99                        |
| Business Partner Fees   | 797.20                      | 673.74                      |
| Professional and Consultancy charges                                | 286.06                      | 143.95                      |
| Payments to Auditors (Refer Note (i) below)                         | 8.88                        | 7.36                        |
| Business Promotion Expense  | 67.20                       | 42.25                       |
| Office Maintenance  | 4.19                        | 9.67                        |
| Courier   | 11.98                       | -                           |
| Bad Debts   | 9.84                        | 48.67                       |
| Software and license expenses                                       | 150.40                      | -                           |
| Corporate Social Responsibility expenditure                         | 8.04                        | -                           |
| Loss on Forex   | -                           | 0.01                        |
| Other Administrative Expenses                                       | 193.83                      | 9.91                        |
| <b>Total</b>  | <b>1,876.95</b>             | <b>1,119.65</b>             |

**Note (i) Payments to the Auditors comprises of (net of Goods and service tax input credit):**

| Particulars          | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|----------------------|-----------------------------|-----------------------------|
| For Statutory Audit  | 4.73                        | 4.15                        |
| For taxation matters | 1.50                        | 1.00                        |
| <b>Total</b>         | <b>6.23</b>                 | <b>5.15</b>                 |

## 22 Exceptional Items

| Particulars                    | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|--------------------------------|-----------------------------|-----------------------------|
| GST Interest Expenses          | 296.16                      | -                           |
| Concessional interest recovery | 52.85                       | -                           |
| Transaction expenses           | 11.61                       | -                           |
| <b>Total</b>                   | <b>360.61</b>               | <b>-</b>                    |

- During the year, the company has paid interest on delayed remittances of GST for past periods i.e 2017 till March 2021.

- The company has transferred working capital limits from existing bank on which certain concessional interest rate was availed. This concessional interest has been recovered by the transferor bank.

- The company has incurred transaction expenses on lawyers, consultants, etc. to facilitate the acquisition of controlling stake.

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 23 Disclosures Under Accounting Standard - 20

| Note | Particulars                                     | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|------|---|-----------------------------|-----------------------------|
|      | <b>Earnings per share</b>                       |                             |                             |
|      | Net profit after tax for the year - in ₹        | 378.18                      | 714.39                      |
|      | Weighted Average number of Equity Shares (Nos.) | 43.09                       | 36.43                       |
|      | Face Value per Share - in ₹                     | 10.00                       | 10.00                       |
|      | Earnings Per Share - in ₹                       |                             |                             |
|      | -Basic  | 8.78                        | 19.61                       |
|      | -Diluted  | 8.62                        | 19.61                       |

## 24 Disclosures Under Accounting Standard - 22

| Note | Particulars  | 31 <sup>st</sup> March 2023 | 31 <sup>st</sup> March 2022 |
|------|--|-----------------------------|-----------------------------|
|      | <b>Opening Balance Deferred tax liability / (asset)</b>    | <b>(35.27)</b>              | <b>(21.40)</b>              |
|      | Depreciation as per Companies Act, 2013                    | -                           | (96.18)                     |
|      | Depreciation as per Income Tax Act, 1961                   | -                           | 48.85                       |
|      | Charge for the year  | 17.88                       | -                           |
|      | Other items causing Timing Difference                      | -                           | -6.00                       |
|      | Total Timing Difference for the year                       | 17.88                       | -53.33                      |
|      | <b>Net deferred tax Expenses for the year</b>              | <b>17.88</b>                | <b>(13.86)</b>              |
|      | <b>Acquisition date balances</b>                           | <b>(22.64)</b>              |                             |
|      | <b>Closing Balance of Deferred Tax Liability / (Asset)</b> | <b>(40.03)</b>              | <b>(35.27)</b>              |

## 25 Disclosures Under Accounting Standard - 18

Note Particulars

### 25 Related party transactions

#### 25.a Details of related parties:

##### Subsidiaries:

Integrum Technologies P. Ltd.  
 CIEL Technologies P. Ltd.  
 CIEL Skills And Careers P. Ltd. (wef. 20/07/2022)  
 Next Leap Career Solutions P. Ltd. (wef. 10/01/2023)  
 Ma Foi Strategic Consultants P. Ltd. (wef. 01/02/2023)

##### Key Managerial Personnel

K. Pandiarajan Executive Chairperson and Director  
 Aditya Narayan Mishra Managing Director and Chief Executive Officer  
 Santhosh Kumar Nair Chief Operating Officer  
 Saurabh Ashok More Chief Financial Officer (wef. 09/06/2022)

##### Entities in which the Key Managerial personnel has significant influence

The MaFoi Foundation  
 Sornammal Educational Trust  
 Amis Building Consultants Private Limited

**Note:** Related parties have been identified by the Management and relied upon by the auditors.

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 25.b Details of related party transactions during the year ended 31<sup>st</sup> March 2023:

(Amount in ₹ Lakhs)

| Particulars                              | As at<br>31 <sup>st</sup> March 2023 | As at<br>31 <sup>st</sup> March 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>Director Remuneration</b>             |                                      |                                      |
| Aditya Narayan Mishra                    | 76.14                                | 53.66                                |
| Santhosh Kumar Nair                      | 57.14                                | 38.66                                |
| K. Pandiarajan                           | 59.65                                | 24.87                                |
| <b>Loans and Advances issued</b>         |                                      |                                      |
| Integrum Technologies Pvt Ltd            | 20.81                                | 27.32                                |
| <b>Loans and Advances issued</b>         |                                      |                                      |
| Ma Foi Strategic Consultants Pvt Ltd     | 377.79                               | 15.00                                |
| CIEL Technologies Pvt Ltd                | 121.72                               | 106.52                               |
| CIEL Skills And Careers Pvt Ltd          | 26.61                                | 25.00                                |
| <b>Non-Convertible Debentures Issued</b> |                                      |                                      |

## 25.c Balances outstanding with related party transactions as at 31<sup>st</sup> March 2023:

| Particulars                                    | As at<br>31 <sup>st</sup> March 2023 | As at<br>31 <sup>st</sup> March 2022 |
|--|--------------------------------------|--------------------------------------|
| <b>Trade Payables</b>                          |                                      |                                      |
| Ma Foi Strategic Consultants Pvt Ltd           | 7.18                                 | 1.53                                 |
| CIEL Skills And Careers Pvt Ltd                | 2.03                                 | -                                    |
| Virudhunagar Kamaraj Memorial Software Pvt Ltd | -                                    | -                                    |
| <b>Trade Receivables</b>                       |                                      |                                      |
| Varam Capital Pvt Ltd.                         | -                                    | -                                    |
| Ma Foi Strategic Consultants Pvt Ltd           | 5.57                                 |                                      |
| CIEL Technologies Pvt Ltd                      | 29.60                                |                                      |
| CIEL Skills And Careers Pvt Ltd                | 5.40                                 | -                                    |
| <b>Loans and Advances</b>                      |                                      |                                      |
| CIEL Technologies Pvt Ltd                      | 228.25                               | 106.52                               |
| Integrum Technologies Pvt Ltd                  | 74.81                                | 27.32                                |
| Ma Foi Strategic Consultants Pvt Ltd.          | 395.86                               | 18.07                                |
| CIEL Skills And Careers P. Ltd.                | 26.61                                | 25.00                                |
| Sornammal Educational Trust                    | 26.00                                | -                                    |
| <b>Non-Convertible Debentures</b>              |                                      |                                      |
| Mr. Santhosh Kumar Nair                        | 12.00                                | 12.00                                |
| Mr. Aditya Narayan Mishra                      | 23.50                                | 23.50                                |

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 26 Disclosures Under Accounting Standard - 15

(Amount in ₹ Lakhs)

| Note      | Particulars  | As at<br>31 <sup>st</sup> March 2023 | As at<br>31 <sup>st</sup> March 2022 |
|-----------|--|--------------------------------------|--------------------------------------|
|           | <b>Employee Benefit - Defined benefit plans</b>                                  |                                      |                                      |
| <b>I</b>  | <b>Employees Gratuity Scheme</b>   |                                      |                                      |
| <b>A.</b> | <b>Reconciliation of changes in present value obligation:</b>                    |                                      |                                      |
|           | Present value of defined benefits (Obligation at the beginning)                  | 134.19                               | 51.43                                |
|           | Current service cost   | 43.46                                | 16.60                                |
|           | Interest cost  | 9.85                                 | 3.68                                 |
|           | Past service cost  | -                                    | -                                    |
|           | Actuarial (gains) / losses   | (5.81)                               | (4.54)                               |
|           | Benefits paid  | (1.22)                               |                                      |
|           | Present value of defined benefits (Obligation at the end)                        | <b>180.46</b>                        | <b>67.17</b>                         |
|           | Current liability  |                                      |                                      |
|           | Non current liability  |                                      |                                      |
| <b>B.</b> | <b>Change in fair value of plan assets:</b>                                      |                                      |                                      |
|           | Fair value of plan assets at the beginning of the year                           | -                                    | -                                    |
|           | Contributions  | -                                    | -                                    |
|           | Benefits paid  | -                                    | -                                    |
|           | Fair value of plan assets at the end of the year                                 | -                                    | -                                    |
| <b>C.</b> | <b>Reconciliation of net Asset / (Liability) recognized in the Balance Sheet</b> | <b>(134.19)</b>                      | <b>(51.43)</b>                       |
|           | Net Asset / (Liability) recognized at the beginning of the period                | (47.50)                              | (15.74)                              |
|           | Employer expense   | 1.22                                 |                                      |
|           | Net Asset / (Liability) recognized at the end of the period                      | <b>(180.46)</b>                      | <b>(67.17)</b>                       |
| <b>D.</b> | <b>Expense recognized in the Statement of Profit and Loss</b>                    |                                      |                                      |
|           | Current service cost   | 43.46                                | 16.60                                |
|           | Interest cost  | 9.85                                 | 3.68                                 |
|           | Past service cost  | -                                    | -                                    |
|           | Net actuarial (gain) / loss recognized during the year                           | (5.81)                               | (4.54)                               |
|           | Expected return on plan assets   | -                                    | -                                    |
|           | Net expenses recognized  | <b>47.50</b>                         | <b>15.74</b>                         |
| <b>E.</b> | <b>Principal Actuarial Assumptions:</b>  |                                      |                                      |
|           | Discount rate  | 7.22% - 7.47%                        | 7.57%                                |
|           | Salary escalation rate   | 7% - 8%                              | 7.00%                                |
|           | Attrition rate   | 5% - 40%                             | 5.00%                                |



# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

(Amount in ₹ Lakhs)

| Note      | Particulars  | As at<br>31 <sup>st</sup> March 2023 | As at<br>31 <sup>st</sup> March 2022 |
|-----------|--|--------------------------------------|--------------------------------------|
| <b>II</b> | <b>Employees Earned Leave Encashment Plan</b>                                    |                                      |                                      |
| <b>A.</b> | <b>Reconciliation of changes in present value obligation:</b>                    |                                      |                                      |
|           | Present value of defined benefits (Obligation at the beginning)                  | 29.97                                | 22.76                                |
|           | Current service cost   | 27.96                                | 11.79                                |
|           | Interest cost  | -                                    | 1.63                                 |
|           | Past service cost  | -                                    | -                                    |
|           | Actuarial (gains) / losses   | (6.43)                               | (11.34)                              |
|           | Benefits paid  |                                      |                                      |
|           | Present value of defined benefits (Obligation at the end)                        | <b>51.50</b>                         | <b>24.84</b>                         |
|           | Current liability  | 11.67                                | 2.51                                 |
|           | Non current liability  | 39.83                                | 22.33                                |
| <b>B.</b> | <b>Change in fair value of plan assets:</b>                                      |                                      |                                      |
|           | Fair value of plan assets at the beginning of the year                           | -                                    | -                                    |
|           | Contributions  | -                                    | -                                    |
|           | Benefits paid  | -                                    | -                                    |
|           | Fair value of plan assets at the end of the year                                 | -                                    | -                                    |
| <b>C.</b> | <b>Reconciliation of net Asset / (Liability) recognized in the Balance Sheet</b> |                                      |                                      |
|           | Net Asset / (Liability) recognized at the beginning of the period                | (29.97)                              | (22.76)                              |
|           | Employer expense   | (12.87)                              | (2.08)                               |
|           | Net Asset / (Liability) recognized at the end of the period                      | <b>(42.84)</b>                       | <b>(24.84)</b>                       |
| <b>D.</b> | <b>Expense recognized in the Statement of Profit and Loss</b>                    |                                      |                                      |
|           | Current service cost   | 27.96                                | 11.79                                |
|           | Interest cost  | -                                    | 1.63                                 |
|           | Past service cost  |                                      |                                      |
|           | Net actuarial (gain) / loss recognized during the year                           | (6.43)                               | (11.34)                              |
|           | Expected return on plan assets   |                                      |                                      |
|           | Net expenses recognized  | <b>21.53</b>                         | <b>2.08</b>                          |
| <b>E.</b> | <b>Principal Actuarial Assumptions:</b>  |                                      |                                      |
|           | Discount rate  | 7.22% - 7.58%                        | 7.57%                                |
|           | Salary escalation rate   | 7.00%                                | 7.00%                                |
|           | Attrition rate   | 5% - 40%                             | 5.00%                                |

# Notes Forming Part of the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March 2023

## 27 Disclosures Under Accounting Standard - 4 "Contingencies and Events Occuring After Balance Sheet Date

Nil

## 28 Contingent Liability

The company has received GST Form DRC 01A from Audit Commissionerate Chennai for 62.37 lacs on 11<sup>th</sup> November 2022. However, the company is confident that it has necessary supporting documents to get the demand dropped during appeals. Accordingly, no provision is required to be made in the books.

The company has received assessment order under section 7 of Maharashtra tax on profession for 17.97 lacs on 13<sup>th</sup> March 2023. However, the company is confident that it has necessary supporting documents to get the demand dropped during appeals. Accordingly, no provision is required to be made in the books.

## 29 Previous year figure's have been regrouped/reclassified wherever necessary to correspond with the current years classification/disclosure.

## 29A Additional information pursuant to para 2 of general instructions for the preparation of Consolidated Financial Statements

| Name of entity                         | Net Assets i.e. total assets<br>minus total liabilities |                 | Share in profit or loss                   |               |
|--|---|-----------------|---|---------------|
|  | As % of<br>consolidated<br>net assets                   | Amount          | As % of<br>consolidated<br>profit or loss | Amount        |
| <b>Parent:</b>                         |   |                 |   |               |
| CIEL HR Services P. Ltd.               | 83.4%   | 4,139.46        | 71.22%                                    | 300.95        |
| <b>Subsidiaries:</b>                   |   |                 |   |               |
| Integrum Technologies P. Ltd.          | 1.3%  | 65.39           | 15.04%                                    | 63.54         |
| CIEL Technologies P. Ltd.              | 0.7%  | 34.93           | 7.44%                                     | 31.44         |
| CIEL Skills And Careers P. Ltd.        | 0.7%  | 32.82           | (0.22%)                                   | (0.92)        |
| Next Leap Career Solutions P. Ltd.     | 17.4%   | 860.97          | (4.08%)                                   | (17.24)       |
| Ma Foi Strategic Consultants P. Ltd.   | (3.5%)  | (173.05)        | 10.60%                                    | 44.80         |
| <b>Sub total</b>                       | <b>100.0%</b>   | <b>4,960.52</b> | <b>100.00%</b>                            | <b>422.57</b> |
| Consolidation adjustments/eliminations |   | (700.38)        |   | (1.62)        |
| Minority interest in subsidiaries      |   | (83.39)         |   | (42.78)       |
| <b>Total</b>                           |   | <b>4,176.75</b> |   | <b>378.18</b> |

In exercise of the powers conferred by sub-section (1) of section 467 of the Companies Act, 2013 (18 of 2013), the Central Government hereby has made the following further amendments in Schedule III to the said Act with effect from 1<sup>st</sup> day of April, 2022

### 1. Promoter's Shareholding.

| S.NO  | Promoter Name             | Number of Shares held | Percentage of Total Shares | Percentage change during the year |
|-------|---------------------------|-----------------------|----------------------------|-----------------------------------|
| 1     | Mr. K Pandiarajan         | 2136605               | 48.65%                     | (2.00%)                           |
| 2     | Mrs. Hemalatha Rajan      | 779587                | 17.75%                     | (0.40%)                           |
| 3     | Mr. Aditya Narayan Mishra | 682100                | 15.53%                     | (0.77%)                           |
| 4     | Mr. Santhosh Nair         | 458871                | 10.45%                     | (0.52%)                           |
| Total |                           | <b>4057163</b>        | <b>92.38%</b>              | <b>(3.69%)</b>                    |

### 2. Trade Receivables

(Amount in ₹ Lakhs)

| Particulars   | Outstanding for following periods from due date of payment |        |           |           |                   |                   |
|---|--|--------|-----------|-----------|-------------------|-------------------|
|   | (Amount in ₹ Lakhs)  |        |           |           |                   |                   |
|   | Less than 6 months-6 months                                | 1 year | 1-2 years | 2-3 years | More than 3 years | More than 3 years |
| (i) Undisputed Trade receivables – considered good      | 8,076.57   | 130.06 | 183.54    | 0.64      | 14.21             | 8,405.02          |
| (ii) Undisputed Trade Receivables – considered doubtful | 1.37   | 16.65  | 63.04     | 4.49      |                   | 85.55             |
| (iii) Disputed Trade Receivables considered good        | -  | -      | -         | -         | -                 | -                 |
| (iv) Disputed Trade Receivables considered doubtful     | -  | -      | -         | -         | -                 | -                 |
| Total   | 8,077.94   | 146.71 | 246.58    | 5.13      | 14.21             | 8,490.57          |

### 3. Other Financial Assets:

| Name                                | (Amount in ₹ Lakhs) |
|-------------------------------------|---------------------|
| Security Deposit for IIMA           | 6.00                |
| FD - IDBI Bank - 0005106000177115   | 0.75                |
| FD with ICICI Bank                  | 353.01              |
| FD with Yesbank                     | 310.66              |
| GUJARAT COUNCIL OF SCIENCE CITY     | 15.30               |
| NSC Bond                            | 23.73               |
| RETENTION MARGIN FD_Canbank Factors | 52.61               |
| Total                               | 762.06              |

**4. Trade payables**

| Particulars                 | Outstanding for following periods from due date of payment |           |           |                   |        |
|-----------------------------|--|-----------|-----------|-------------------|--------|
|                             | (Amount in ₹ Lakhs)  |           |           |                   | Total  |
|                             | Less than 1 year   | 1-2 years | 2-3 years | More than 3 years |        |
| (i) MSME                    | 12.01  | -         | -         | -                 | 12     |
| (ii) Others                 | 418.28   | -         | -         | -                 | 418.28 |
| (iii) Disputed dues – MSME  | -  | -         | -         | -                 | -      |
| (iv) Disputed dues – Others | -  | -         | -         | -                 | -      |
|                             | 4057163  | 92.38%    |           |                   | -3.69% |

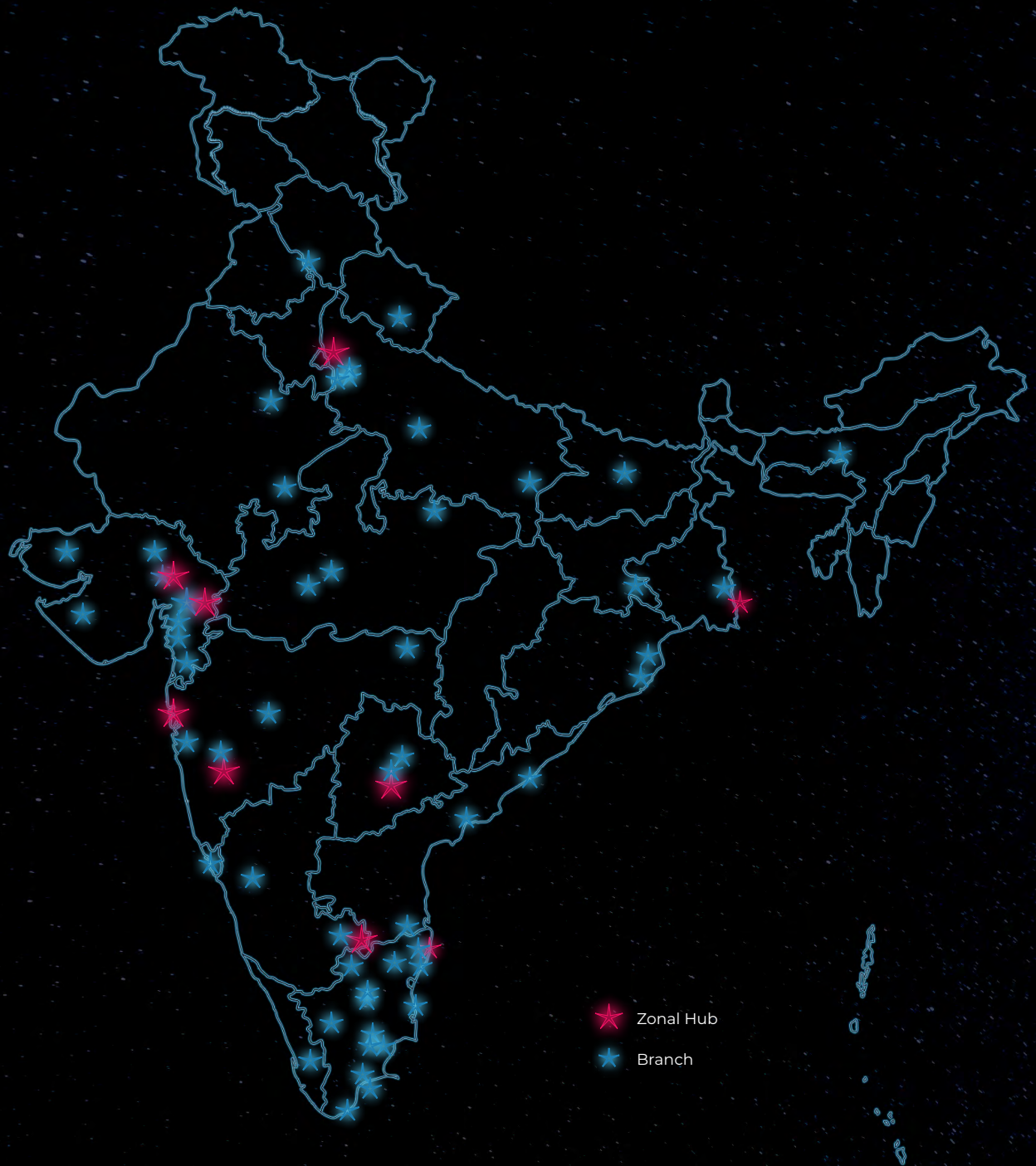


## OUR PRESENCE

|               |  |           |
|---------------|--|-----------|
| Ahmedabad     | 13 <sup>th</sup> Floor, Gala Empire, Opp. T.V. Tower, Drive In Rd, Memnagar, Ahmedabad, Gujarat 380052   | Zonal Hub |
| Ahmedabad     | 421, 4 <sup>th</sup> Floor, Samaan Complex, Opp. Satyam Mall, Nr. Mansi Circle, Satellite, Ahmedabad - 380015                                  | Branch    |
| Ahmedabad     | C-302, Shlok Exotica, Near Meghna Society, Behind BSNL Office, Gala Gymkhana Road, SOBO, Bopal, Ahmedabad - 58                                 | Branch    |
| Ahmedabad     | No.8, Sulay row house, near Saket-3, Bakeri city, Vejalpur, Ahmedabad - 380051   | Branch    |
| Ahmedabad     | C-202, Dhananjay Towers, 100 feet road, Satellite, near Shyamal Cross roads, Ahmedabad - 380015  | Branch    |
| Aurangabad    | 1 <sup>st</sup> Floor, Above Shree Hospital, Plot No. 21A, Sector C 3, Town Center, N 1, CIDCO, Aurangabad, Maharashtra - 431003               | Branch    |
| Bengaluru     | #2802 (Broadway Building) 2nd & 3rd Floor, 27 <sup>th</sup> Main Rd, 1st Sector, HSR Layout, Bengaluru, Karnataka - 560102                     | Zonal Hub |
| Bengaluru     | Avance Solutions, B 003, Mithuna Whitewater, Srirampura cross, Jakkur, Bangalore - 560064  | Branch    |
| Bengaluru     | G907, Mantri Alpyne, Dr Vishnuvardhan Road, Banashankari 5 <sup>th</sup> stage, Bengaluru - 560061   | Branch    |
| Bengaluru     | Flat 3E, Aishwarya Castle, North Main road, Yediyur, Jayanagar 6 <sup>th</sup> Block, Bangalore - 560070                                       | Branch    |
| Bharuch       | No. 308/309, Vraj Venu Commercial Complex, Gotri Samta Link Road, Vadodara, Gujarat - 390021   | Branch    |
| Bhopal        | No.16, Geet Bungalow, Phase 4, Ayodhya Bypass, near Jain Mandir, Bhopal - 462041   | Branch    |
| Bhubaneswar   | Hindustan Colony, Near Melan Padia, Chandikhol, Jajpur - 754024  | Branch    |
| Bhubaneswar   | Flat No. 102, Block B, S R Residency, Sundarapada, Bhubaneswar - 751002  | Branch    |
| Chandigarh    | The Golden Square, Unit no. 504 , 5th Floor, Ambala Chandigarh Highway, Zirakpur - 140603  | Branch    |
| Chengalpattu  | No. 63, Periya Chetti Street, Near Paapayya Medicals, Chengalpet - 603001  | Branch    |
| Chennai       | Door No.41, Plot no.3726 Q block, Ma Foi House, 6 <sup>th</sup> Avenue, Anna Nagar, Chennai, Tamil Nadu - 600040                               | Zonal Hub |
| Chennai       | Ecospace, 7 <sup>th</sup> Floor, Ispahani center, Nungambakkam, Chennai  | Branch    |
| Chennai       | Krish Dev towers, No.1 Ayyavoo street, 1 <sup>st</sup> floor, F2 Shenoy nagar, near Bollroth hospital, Chennai - 600030                        | Branch    |
| Chennai       | No 65, Second floor, Cathedral Road, Gopalapuram, Chennai - 600086   | Branch    |
| Chennai       | No.42, Thirugnana Sambandar Street, Ram Nagar North, Madipakkam, Chennai, Tamilnadu - 600091   | Branch    |
| Coimbatore    | 424M, 3 <sup>rd</sup> Floor, Red Rose Towers, Above ICICI Bank, DB Road, RS Puram, Coimbatore - 641002   | Branch    |
| Cuttack       | Plot No.4D/1482, Sector 9, Cuttack Development Authority (CDA), Cuttack - 753014 (Odisha)  | Branch    |
| Gandhinagar   | J 203, Sector 2, Sun city, South Bopal, Ahmedabad, Gujarat - 380058  | Branch    |
| Goa           | FiiRE, Office 21, First floor, Campus Don Bosco College of Engineering, Fatorda, Margao, Goa, India - 403602                                   | Branch    |
| Greater Noida | B88 ,Sector 64, Noida 201301, Uttar Pradesh  | Branch    |
| Guwahati      | Building no-5, 2 <sup>nd</sup> Floor, Unit 1, Neelamani Phukan Path, Christian Basti, GS Road, Kamrup Metro District, Guwahati, Assam - 781005 | Branch    |
| Haldwani      | Siddheshwar Vihar, Neelium colony, Haldwani, Nainital - 263139   | Branch    |
| Hubli         | SKD Heights, Opp Reliance Digital, Shop No.5, 2 <sup>nd</sup> floor, PB Road, Vidya Nagar, Hubli, Karnataka - 580021                           | Branch    |
| Hosur         | Door no. 494, 2 <sup>nd</sup> cross road, Robertsonpet post, KGF - 563122  | Branch    |

|             |  |           |
|-------------|--|-----------|
| Hyderabad   | 3 <sup>rd</sup> Floor, MSR Block, Sy. No. 33, Krishe Sapphire, Dwaraka, Hitech City Road, Madhapur, Hyderabad, Telangana – 500081                                | Zonal Hub |
| Hyderabad   | 403, Chandra Enclave, Satyanarayan Nagar Colony, Gudimalkapur, Mehndipatnam, Hyderabad   | Branch    |
| Hyderabad   | No.121337, St.no.5, Sri Krishna Avanti Apt, Flat no.3G, Tanaka, Secunderabad - 500007  | Branch    |
| Hyderabad   | No.76, Indraprastha Enclave, Medipally, Parvathapur, Hyderabad - 500098  | Branch    |
| Indore      | 101, A Block, Rohan Residency, 106 Sarv Suvidha Nagar, Indore - 452016   | Branch    |
| Jaipur      | Suites Workspaces Private Limited, Plot No. 14, Yudishthir Marg, Ashok Nagar, C-Scheme, Jaipur Rajasthan - 302001  | Branch    |
| Jamnagar    | 302, Above HDFC Bank, Kuber, Park Colony, Jamnagar, Gujarat - 361008   | Branch    |
| Jamshedpur  | HIG 241 New Housing Colony, Sector-7 Adityapur-1 - 831013  | Branch    |
| Kanpur      | 12, UGF, Krishna Paradise Apartment, Awas Vikas-1, Kalyanpur, Kanpur - 208017  | Branch    |
| Kanyakumari | R.Thangaraj Building, Opposite RTO, Kozhiporvilai, Kanyakumari, Tamil Nadu - 629167  | Branch    |
| Kochi       | 203, 2 <sup>nd</sup> Floor, Royal Way Building (New Karothukuzhy Building Near Muttom Metro Station Thaikkattukara P.O Muttom, Thaikkavu, Kochi, Kerala - 683106 | Branch    |
| Kolkata     | Awfis GWS (Salt Lake) Office Space, Godrej Waterside, Office no1205, TowerII, 12 <sup>th</sup> Floor, BlockDP, SectorV Salt Lake, Kolkata - 700091               | Zonal Hub |
| Kolkata     | Shree enclave, Flat No. C101, 13 Selimpur Road, Kolkata - 700031   | Branch    |
| Kolkata     | 48, RK Ghoshal Road, Flat 203, Block B, Basant Bahar Apartment, Kolkata - 700042   | Branch    |
| Kolkata     | 6/1, New Basudebpur road, Belgharia, Kolkata, North 24 Parganas - 700056   | Branch    |
| Kota        | 5B3, Talwandi, Kota, Rajasthan - 324005  | Branch    |
| Kutch       | Bhageshree society, No.1, Sector 1/A, Gandhidham, Kutch - 370201   | Branch    |
| Madurai     | 106/4 Sai Tower,Sathyamoorthi Nagar,Opp South RTO Office, Madurai - 625016   | Branch    |
| Mumbai      | 203, A-Wing, 2 <sup>nd</sup> Floor, Boomerang, Chandivali, Andheri (East) Mumbai - 400072  | Zonal Hub |
| Mumbai      | New Ajanta Ellora CHSL, B Wing, S.V. Road, Behind Vodafone Gallery, Dahisar (E), Mumbai - 400068   | Branch    |
| Mumbai      | 906, Silver Oak, Raheja Willows, Kandivali East, Mumbai - 400101   | Branch    |
| Mumbai      | A 101, Blue Oasis 2 CHS, Blue Empire complex, New Link Road, Mahavir Nagar extension, Kandivali (W), Mumbai - 400067   | Branch    |
| Mumbai      | E 403, Europa, Casa Bella Gold, Near Xperia Mall, Dombivali East Thane - 421204  | Branch    |
| Mumbai      | A101, Building No 56, Kapil CHS, Gokuldharm, Goregaon East, Mumbai - 400063  | Branch    |
| Mumbai      | 1003/04, Sierra Towers, Lokhandwala Township, Akurli Road, Kandivali (East), Mumbai - 400101.  | Branch    |
| Nagpur      | 1 <sup>st</sup> Floor, Thakkar House, Lane Modi No.1, Sitabuldi, Nagpur - 440012   | Branch    |
| Navi Mumbai | First Floor, B wing, Arihant Aura, Plot no 13/1, TTC Industrial Area, Thane Belapur Road, Opp to Turbhe Railway Station, Navi Mumbai - 400705                    | Branch    |
| New Delhi   | E48/4, Okhla Phase2, South East Delhi - 110020   | Zonal Hub |
| Noida       | B225, Logix Technova, Sector 132, Yamuna Expressway, Noida, Uttar Pradesh - 201304   | Branch    |
| Noida       | B48/4A, Near JVTS Garden, Chhattarpur Extension, New Delhi - 110074  | Branch    |

|                   |  |           |
|-------------------|--|-----------|
| Panna MP          | No.172, Plot no.6, Sector 4, Dwarka, South West Delhi - 110078   | Branch    |
| Patna             | Gajanan Pandey house, Road No.3, Biscuit factory gali, Opposite Canara bank, Buddhijivi colony, 70 feet bypass, Anishabad, Patna- 800002   | Branch    |
| Pondicherry       | 100, New Shopping Complex (Mall 100), III Floor, Jawaharlal Nehru Street, Pondicherry - 605001   | Branch    |
| Pune              | AWFIS Coworking Space, Cabin No 15, 7 <sup>th</sup> Floor, Godrej Eternia, Old Mumbai Pune Highway, Shivaji Nagar, Wakdewadi Pune - 411005 | Zonal Hub |
| Pune              | No 201, B 2 Building, Shree Swami Landmark, Phase 2, Near Kalubai Mandir, Narhe, Pune - 411041   | Branch    |
| Pune              | G201, Rajveer palace, Phase 1, Near Pizza Hut, Kunal Icon Road, Pimple Saudagar, Pune - 411027   | Branch    |
| Pune              | C 1403, Sargam Nanded City, Pune - 411041  | Branch    |
| Pune              | 74/1/B+2, Smita Housing complex, Near Rajaram Gas agency, Bharati Vidyapeeth, Katraj, Pune - 411046  | Branch    |
| Pune              | C-905, Golden Petals CHS, Near Tree house school, Karvenagar, Pune - 411052  | Branch    |
| Pune              | 2 <sup>nd</sup> Floor, Nucleus mall, Awfis Space Solution Opposite Police Commissioner Office, Pune - 411001                               | Branch    |
| Salem             | 266/2,OPP pothys, First Floor Omalur Main Road, TVS Bus stop, Near K.N Rao Hospital, Salem - 636007  | Branch    |
| Salem             | A R Lines 2 <sup>nd</sup> Gate, Near Forest Office, Vincent, Tamil Nadu - 636007   | Branch    |
| Secunderabad      | # 31053/A, CNG Arcade 2 <sup>nd</sup> Floor, Trimulgherry circle, near to Dargha, Secunderabad, Telangana - 500015                         | Branch    |
| Surat             | 316, Helios, New Pal Rd, TGB, Adajan Gam, Surat, Gujarat - 395009  | Branch    |
| Tiruchengode      | No. 49, Brindhavan Nagar, Koottappalli Colony, Tiruchengode Taluk, Namakkal District, Tamil Nadu, India - 637214                           | Branch    |
| Thiruvallur/Avadi | No.4, Ganga Street, Rukmani Devan Complex, Sindhu Nagar, Avadi, Chennai - 600054   | Branch    |
| Thoothukudi       | 2/3A, Harbour Express Road, Madathur, Tuticorin - 628008   | Branch    |
| Tirupathi         | Door No. 19-12-356, beside Indian bank, Bairagipatteda, Tirupati - 517501, Andhra Pradesh  | Branch    |
| Trichy            | No.24, 3 <sup>rd</sup> Cross Road, Karur Bypass Road, VN Nagar, Trichy, Irappalli - 620002   | Branch    |
| Vadodara          | No.308/309, Vraj Venu Commercial Complex, Gotri Samta Link Road, Vadodara, Gujarat - 390021  | Zonal Hub |
| Vadodara          | A-303, celebrity Luxuria , behind devine Pragatya, Opp Narayanwadi, Atladra Sunpharma road, Atladra, Vadodara - 390012                     | Branch    |
| Vadodara          | B 403, Aditya Elanza, Behind Vihav Skyone Mall, Bhayli, Vadodara - 391410  | Branch    |
| Vadodara          | D-45, Shree Hari Tenament ,Panchavati Canal road, Panchavati Gorwa, Vadodara - 390016  | Branch    |
| Valsad            | Office No. 305, 3 <sup>rd</sup> Floor, Millennium, Opp. Pragji Tower, Near Bai Avabai High School, Halar Road, Valsad - 396001             | Branch    |
| Varanasi          | No. 21/1, In Front of Rajpal Balika Vidyalay, Lalpur, Pandeypur, Varanasi - 221002   | Branch    |
| Vellore           | 56/31, Sri Villas, CM John Main Street, Senguttai, Katpadi, Vellore - 632007   | Branch    |
| Vijayawada        | No.224, 3 <sup>rd</sup> Floor, J. D. Towers, J. D. Nagar, Patamata, Near Auto Nagar Gate, Vijayawada - 520007                              | Branch    |
| Virudhunagar      | 7A, 2/2, First Floor, Pudukanoorani Road, Opposite to Old Bus Stand (Samsung Upstairs) Virudhunagar - 626001                               | Branch    |
| Vishakhapatnam    | G4, D.No: 454043/1, Coastal Bank Building, Abid Nagar, Akkayyapalem Main Road, Visakhapatnam - 530016.                                     | Branch    |



**\*\*DISCLAIMER**

In this annual report, we have disclosed forward-looking information based on our plans and assumptions to enable the investors to comprehend our prospects and take informed investment decisions. The achievement of the results is subject to risk, uncertainties and even inaccuracies in assumptions. Should known or unknown risk or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise

This map is a graphical representation of CIEL's spread across many locations and not to indicate the geographic map of india.



## **CIEL HR Services Pvt Ltd**

### **Registered Office**


Plot No. 3726, Door No. 41,  
'Ma Foi House', 6<sup>th</sup> Avenue,  
Q-Block, Anna Nagar,  
Chennai, Tamil Nadu - 600040

### **Corporate Office**

#2802 (Broadway Building),  
2<sup>nd</sup> & 3<sup>rd</sup> Floor, 27<sup>th</sup> Main Road,  
HSR Layout, Sector 1,  
Bengaluru 560102

 [www.cielhr.com](http://www.cielhr.com)

 [info@cielhr.com](mailto:info@cielhr.com)

 +91 7816 000 111



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([contact@reportyak.com](mailto:contact@reportyak.com))