


Annik Inc.

Balance Sheet as at 31 March 2023

	Note	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
ASSETS					
Non-current assets					
Property, plant and equipment	1	-	-	-	-
Intangible assets	2	-	-	-	-
Financial assets					
Loans	3	12,515,029	10,091,563	1,029,173,402	765,961,742
Deferred tax assets (net)		50,931	-	4,188,311	-
Total non-current assets		12,565,960	10,091,563	1,033,361,713	765,961,742
Current assets					
Financial assets					
Trade receivables	4	295,552	2,109,693	24,304,794	160,128,230
Cash and cash equivalents	5	1,015,888	91,288	83,541,534	6,928,869
Others	6	6,500	797,028	534,528	60,495,382
Other current assets	7	146,401	793,616	12,039,128	60,236,372
Total current assets		1,464,341	3,791,625	120,419,984	287,788,853
TOTAL ASSETS		14,030,301	13,883,188	1,153,781,697	1,053,750,595
EQUITY AND LIABILITIES					
Equity					
Equity share capital	8	25,000	25,000	996,000	996,000
Other equity		13,106,258	12,062,296	1,078,851,815	916,444,263
Total equity		13,131,258	12,087,296	1,079,847,815	917,440,263
Current liabilities					
Financial liabilities					
Trade and other payables	9				
- Due to other than micro and small enterprises		793,374	1,310,694	65,244,209	99,483,222
Other current liabilities	10	-	43,220	-	3,280,450
Income tax liabilities (net)		105,669	441,978	8,689,673	33,546,660
Total current liabilities		899,043	1,795,892	73,933,882	136,310,332
Total liabilities		899,043	1,795,892	73,933,882	136,310,332
TOTAL EQUITY AND LIABILITIES		14,030,301	13,883,188	1,153,781,697	1,053,750,595

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

For and on behalf of the Board of Directors of
Annik Inc.

DocuSigned by:

EE2056F51EAF4C2...
Jim Bailey
Director

Place : Atlanta, GA
Date : July 14, 2023

Annik Inc.


Statement of Profit and Loss

for the year ended 31 March 2023

	Note	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
Revenue from operations	11	5,065,013	9,903,230	399,096,787	738,075,158
Other income	12	413,952	477,810	33,720,976	35,538,958
Total income		5,478,965	10,381,040	432,817,763	773,614,116
Expenses					
Depreciation and amortisation expenses	13	-	744	-	54,913
Other expenses	14	4,110,350	7,241,903	325,562,181	544,475,977
Total expenses		4,110,350	7,242,647	325,562,181	544,530,890
Profit before tax		1,368,615	3,138,393	107,255,582	229,083,226
Tax expense:					
Current tax	16	375,584	306,000	30,515,125	22,684,080
Deferred tax credit		(50,931)		(4,188,311)	
Profit for the year		1,043,962	2,832,393	80,928,768	206,399,146
Other comprehensive income					
(i) Items that will be reclassified subsequently to Statement of Profit and Loss	15				
Exchange differences on translation of foreign operations		-	-	81,478,784	30,574,400
Total other comprehensive loss, net of tax		-	-	81,478,784	30,574,400
Total comprehensive income for the year		1,043,962	2,832,393	162,407,552	236,973,546
Earnings per equity share					
Basic and diluted	17	41.76	113.30	3,248.15	4,739.47

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For and on behalf of the Board of Directors of
Annik Inc.

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Jim Bailey
Director

Place : ...Atlanta, GA
Date : July 14, 2023

Annik Inc.

Statement of Changes in Equity (SOCIE)

for the year ended 31 March 2023

(a) Equity share capital

	31 March 2023 (USD)	31 March 2022 (USD)
Equity share capital balance at the beginning	25,000	25,000
Movement during the year	-	-
Equity share capital balance at the end	25,000	25,000

	31 March 2023 (INR)	31 March 2022 (INR)
	996,000	996,000
	-	-
	996,000	996,000

(b) Other equity

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	(USD)	(USD)	(USD)
Balance at 31 March 2021	9,229,903	-	9,229,903
Profit for the year	2,832,393	-	2,832,393
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	2,832,393	-	2,832,393
Balance at 31 March 2022	12,062,296	-	12,062,296

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	(INR)	(INR)	(INR)
Balance at 31 March 2021	655,844,066	23,626,651	679,470,717
Profit for the year	206,399,146	-	206,399,146
Other comprehensive income for the year	-	30,574,400	30,574,400
Total comprehensive income for the year	206,399,146	30,574,400	236,973,546
Balance at 31 March 2022	862,243,212	54,201,051	916,444,263

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	(USD)	(USD)	(USD)
Balance at 31 March 2022	12,062,296	-	12,062,296
Debit balance net off with retained earnings as per Ind AS 103	-	-	-
Profit for the year	1,043,962	-	1,043,962
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	1,043,962	-	1,043,962
Balance at 31 March 2023	13,106,258	-	13,106,258

Particulars	Attributable to the equity holders of the parent		
	Reserves and surplus	Items of Other comprehensive income	Total Other equity
	Retained earnings	Exchange differences on translation of foreign operations	
	INR	INR	INR
Balance at 31 March 2022	862,243,212	54,201,051	916,444,263
Debit balance net off with retained earnings as per Ind AS 103	-	-	-
Profit for the year	80,928,768	-	80,928,768
Other comprehensive income for the year	-	81,478,784	81,478,784
Total comprehensive income for the year	80,928,768	81,478,784	162,407,552
Balance at 31 March 2023	943,171,980	135,679,835	1,078,851,815

For and on behalf of the Board of Directors of Annik Inc.

DocuSigned by:

Jim Bailey

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Jim Bailey
Director

Place :Atlanta, GA
Date :July.14.2023.

Annik Inc.

Statement of Cash Flows

for the year ended 31 March 2023

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
A. Cash flows from operating activities				
Profit before tax	1,368,615	3,138,393	107,255,582	229,083,226
Adjustments for:				
Depreciation and amortisation expenses	-	744	-	54,703
Provision for doubtful trade receivables written off/ back	-	302	-	22,412
Other interest (including interest on income tax and service tax refunds)	(413,952)	(39,869)	(33,720,976)	(2,985,717)
Operating profit before working capital changes	954,663	3,099,570	73,534,606	226,174,624
Changes in working capital				
(Decrease) / increase in trade and other payables	(517,320)	(382,384)	(34,239,013)	(25,000,387)
Increase / (decrease) in other current financial liabilities	-	(6,500)	-	(477,913)
Increase in other current liabilities	(43,220)	(16,499)	(3,280,450)	(1,110,384)
Increase in trade receivables	1,814,141	184,418	135,823,436	8,546,072
(Increase) / decrease in other current assets	(1,362,299)	(1,970,374)	(181,293,440)	(170,682,724)
Decrease / (increase) in other financial assets	790,528	(797,028)	141,439,638	(29,920,982)
Cash generated from operations	1,636,493	111,203	131,984,777	7,528,306
Taxes paid, net	(711,893)	(275,000)	(55,372,112)	(19,354,592)
Net cash generated from operating activities	924,600	(163,797)	76,612,665	(11,826,286)
B. Cash flows from investing activities				
Net cash used in investing activities	-	-	-	-
C. Cash flows from financing activities				
Net cash used in financing activities	-	-	-	-
Net (decrease) / increase in cash and cash equivalents (A+B+C)	924,600	(163,797)	76,612,665	(11,826,286)
Cash and Cash equivalents at the beginning of the year	91,288	255,085	6,928,869	18,755,155
Cash and Cash equivalents at the end of the year	1,015,888	91,288	83,541,534	6,928,869

Notes :

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

Cash and cash equivalents comprise of:

Current accounts	1,015,888	91,288	83,541,534	6,928,869
Cash and Bank Balances at the end of the year	1,015,888	91,288	83,541,534	6,928,869

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

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

For and on behalf of the Board of Directors of
Annik Inc.

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Jim Bailey
EE2056F51EAF4C2...
Jim Bailey
Director

Place :Atlanta, GA
Date :July 14, 2023

Annik Inc.

Notes to the financial statements (Continued)

as at 31 March 2023

1 Property, plant and equipment

	Computers	Office equipment	Furniture and fixtures	Total	Total
	(USD)	(USD)	(USD)	(USD)	(INR)
Gross block					
Balance as at 1 April 2021	74,703	7,200	34,680	116,583	8,571,765
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Foreign Currency Translation Reserve					277,025
At 31 March 2022	74,703	7,200	34,680	116,583	8,848,790
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Foreign Currency Translation Reserve					-
At 31 March 2023	74,703	7,200	34,680	116,583	8,848,790
Accumulated depreciation					
Balance as at 1 April 2021	(74,672)	(7,186)	(33,981)	(115,839)	(8,517,062)
Charge for the year	(31)	(14)	(699)	(744)	(54,913)
Disposals	-	-	-	-	-
Foreign Currency Translation Reserve					(276,815)
At 31 March 2022	(74,703)	(7,200)	(34,680)	(116,583)	(8,848,790)
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Foreign Currency Translation Reserve					-
At 31 March 2023	(74,703)	(7,200)	(34,680)	(116,583)	(8,848,790)
Net block					
At 31 March 2022	-	-	-	-	-
At 31 March 2023	-	-	-	-	-

2 Intangible assets

	Computer software	Computer software
	(USD)	(INR)
Gross block		
Balance as at 1 April 2021	13,720	1,008,763
Additions	-	-
Disposals	-	-
Foreign Currency Translation Reserve		32,601
At 31 March 2022	13,720	1,041,364
Additions	-	-
Disposals	-	-
Foreign Currency Translation Reserve		-
At 31 March 2023	13,720	1,041,364
Amortisation		
Balance as at 1 April 2021	(13,720)	(1,008,763)
Charge for the year	-	-
Disposals	-	-
Foreign Currency Translation Reserve		(32,601)
At 31 March 2022	(13,720)	(1,041,364)
Charge for the year	-	-
Disposals	-	-
Foreign Currency Translation Reserve		-
At 31 March 2023	(13,720)	(1,041,364)
Net block		
At 31 March 2022	-	-
At 31 March 2023	-	-

Annik Inc.

Notes to the financial statements (Continued)
as at 31 March 2023

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
3 Loans				
Non-current				
Unsecured, considered good				
Loans to related parties (refer note 19)	12,515,029	10,091,563	1,029,173,402	765,961,742
4 Trade receivables				
Trade receivables from contract with customers	73,450	149,146	6,040,200	11,320,347
Trade receivables from contract with customers- Related parties (refer note 19)	274,917	2,020,191	22,607,836	153,334,934
Less: Loss allowance	(52,815)	(59,644)	(4,343,242)	(4,527,051)
Total receivables	295,552	2,109,693	24,304,794	160,128,230

	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding as on 31 March 2022 from the due date of payment						
Undisputed Trade receivables – considered good	2,109,995	-	-	14,776	44,566	2,169,337
Total in USD	2,109,995	-	-	14,776	44,566	2,169,337
Total in INR	160,151,167	-	-	1,121,516	3,382,598	164,655,281
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Outstanding as on 31 March 2023 from the due date of payment						
Undisputed Trade receivables – considered good	295,552	-	-	4,473	48,342	348,367
Total in USD	295,552	-	-	4,473	48,342	348,367
Total in INR	24,305,017	-	-	367,842	3,975,177	28,648,036

Annik Inc.

Notes to the financial statements (Continued)
as at 31 March 2023

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)		
5 Cash and cash equivalents						
Balance with banks :						
In current accounts	1,015,888	91,288	83,541,534	6,928,869		
	<u>1,015,888</u>	<u>91,288</u>	<u>83,541,534</u>	<u>6,928,869</u>		
6 Other financial assets						
Current						
Security deposits	6,500	-	534,528	-		
Unbilled revenues	-	797,028	-	60,495,382		
	<u>6,500</u>	<u>797,028</u>	<u>534,528</u>	<u>60,495,382</u>		
7 Other current assets						
Prepaid expenses	-	711,755	-	54,023,024		
Unbilled revenues	146,401	81,861	12,039,128	6,213,348		
	<u>146,401</u>	<u>793,616</u>	<u>12,039,128</u>	<u>60,236,372</u>		
8 Share capital						
Authorised:						
1,000,000 (31 March 2022 - 1,000,000) equity shares of USD 1 each	1,000,000	1,000,000	39,840,000	39,840,000		
Issued, subscribed and fully paid up:						
25,000 (31 March 2022 - 25,000) equity shares of USD 1 each	25,000	25,000	996,000	996,000		
	<u>25,000</u>	<u>25,000</u>	<u>996,000</u>	<u>996,000</u>		
9 Trade and other payables						
Due to micro and small enterprises	-	-	-	-		
Due to other than micro and small enterprises	793,374	1,310,694	65,244,209	99,483,222		
	<u>793,374</u>	<u>1,310,694</u>	<u>65,244,209</u>	<u>99,483,222</u>		
Outstanding as on 31 March 2022 from the due date of payment						
	Provision	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed Others	302,677	1,008,017	-	-	-	1,310,694
Total in USD	<u>302,677</u>	<u>1,008,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,310,694</u>
Total in INR	<u>22,973,542</u>	<u>76,509,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>99,483,222</u>
Outstanding as on 31 March 2023 from the due date of payment						
	Provision	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total
Undisputed Others	81,641	24,890,863	-	-	-	24,972,504
Total in USD	<u>81,641</u>	<u>24,890,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,972,504</u>
Total in INR	<u>213,298</u>	<u>65,030,911</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,244,209</u>
10 Other current liabilities						
Unearned revenue	-	43,220	-	-	-	3,280,450
	<u>-</u>	<u>43,220</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,280,450</u>

Annik Inc.

Notes to the financial statements (Continued) for the year ended 31 March 2023

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
11 Revenue from operations				
Revenue from software operations	5,065,013	9,903,230	399,096,787	738,075,158

Revenue from software services includes USD 1,074 (INR 84,814) (previous year USD 7,465 (INR 553,647)) towards out of pocket expenses reimbursed by the customers.

Disaggregate revenue information

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

Revenue by contract type :

Time & material contracts	3,497,764	9,603,124	275,605,669	715,708,644
Fixed price contracts	1,567,249	300,106	123,491,118	22,366,514
Total	5,065,013	9,903,230	399,096,787	738,075,158

Revenue by geography:

America	4,947,261	9,888,412	389,818,480	736,970,791
India	26,652	-	2,100,040	-
Rest of the world	91,101	14,818	7,178,267	1,104,367
Total	5,065,013	9,903,230	399,096,787	738,075,158

Reconciliation of revenue recognized with the contracted price is as

Contracted price	5,065,013	9,903,230	399,096,787	738,075,158
Discounts	-	-	-	-
Revenue recognised	5,065,013	9,903,230	399,096,787	738,075,158

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31 March 2023 is Nil (31 March 2022 : USD 236,790 (INR 17,647,642)). Out of this, the Company expects to recognize revenue of around Nil (31 March 2022 : 55.94%) within the next one year and the remaining thereafter.

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

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

	31 March 2022		31 March 2022	
	Contract assets	Contract liabilities	Contract assets	Contract liabilities
Opening balance	736,495	59,719	54,150,820	4,390,834
Revenue recognised during the year	81,861	(59,719)	6,213,348	(4,390,834)
Increase due to invoices raised during the year	(736,495)	43,220	(54,150,820)	3,280,450
Balances as at the end of the year	81,861	43,220	6,213,348	3,280,450

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

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

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
12 Other income, net				
Other interest (including interest on income tax and service tax refunds)	413,952	39,869	33,720,976	2,985,717
Net gain on foreign currency transactions	-	437,941	-	32,553,241
	413,952	477,810	33,720,976	35,538,958

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
13 Depreciation and amortisation expenses				
Depreciation of property, plant and equipment (refer note 1)	-	744	-	54,913
	<u>-</u>	<u>744</u>	<u>-</u>	<u>54,913</u>
14 Other expenses				
Sub-contracting expenses	3,889,783	7,295,591	308,064,138	548,482,967
Rates and taxes	-	915	-	68,648
Legal and professional charges	5,969	151,675	457,233	11,247,151
Bank charges	5,210	7,744	418,404	577,054
Provision for doubtful trade receivables written back	(6,829)	(287,016)	(561,583)	(21,327,388)
Software and hardware expenses	(6,500)	-	(519,030)	10,525
Provision for doubtful trade receivables	-	302	-	22,412
Group management fee	(24,403)	72,692	(1,880,364)	5,394,608
Net loss on foreign currency transactions	247,120	-	19,583,383	-
	<u>4,110,350</u>	<u>7,241,903</u>	<u>325,562,181</u>	<u>544,475,977</u>
15 Statement of other comprehensive income				
Items that will be reclassified subsequently to Statement of Profit and Loss				
Exchange differences on translation of foreign operations	-	-	81,478,784	30,574,400

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

16 Tax expense

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

	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(USD)	(USD)	(INR)	(INR)
1. Current income tax	375,584	306,000	30,515,125	22,684,080
-in respect of earlier years	-	-	-	-
2. Deferred Tax credit	(50,931)	-	(4,188,311)	-
Tax expense for the year	375,584	306,000	26,326,814	22,684,080

(b) Reconciliation of effective tax rate

	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	(USD)	(USD)	(INR)	(INR)
Profit before tax	1,368,615	3,138,393	107,255,582	229,083,226
Tax using the Company's domestic tax rate (Current year and previous year)	357,756	820,376	28,036,609	59,882,355
Tax effect of:				
Incremental deduction allowed for research and Others	(20,792)	(509,609)	(1,709,795)	(37,198,275)
Investment allowance deduction				
Total income tax expense	336,964	310,767	26,326,814	22,684,080
Effective Tax Rate	25%	9.90%	25%	9.90%

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

16 Tax expense (Continued)

(c) Income tax assets and liabilities

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
Income tax assets (net)*	-	-	-	-
Income tax liabilities (net)	105,669	441,978	8,689,673.00	33,546,660.00

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

(d) Movement in deferred tax balances

	Net balance 1 April 2022	Impact on adoption of Ind AS 116	Recognised in Statement of Profit and Loss	Recognised in OCI	MAT utilisation	Net balance 31 March 2023
Deferred tax liability						
Cash flow hedges	-	-	558,909	-	-	558,909
	-	-	558,909	-	-	558,909
Deferred tax asset						
Cash flow hedges	-	-	-	-	-	-
Property, plant and equipment and intangible assets	-	-	1,268,766	-	-	1,268,766
Provisions - employee benefits	-	-	-	-	-	-
Provision for doubtful trade receivables	-	-	1,135,337	-	-	1,135,337
Lease liabilities	-	-	-	-	-	-
Others	-	-	2,343,117	-	-	2,343,117
MAT Credit carried forward	-	-	-	-	-	-
	-	-	4,747,220	-	-	4,747,220
Deferred tax asset (net)	-	-	4,188,311	-	-	4,188,311

Annik Inc.

Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

17 Earnings per share (EPS)

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

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
(A) Profit attributable to equity shareholders	1,043,962	2,832,393	80,928,768	206,399,146
Weighted average number of equity shares in calculating basic and diluted EPS (nos.)	25,000	25,000	25,000	25,000
Basic earning per share of face value of Rs.10/- each (A/B)	41.76	113.30	3,237.15	8,255.97

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

18 Segment reporting

The Company's operations predominantly relate to providing Information Technology ("IT") services, IT Enabled services, and business process outsourcing services delivered to customers globally through an onsite / offshore model. The Company considers all of these services to be relating to one segment i.e. IT enabled services. The Company has evaluated its service offerings and has concluded that the risks and rewards of all these services are identical. Accordingly, the Board of Directors review the performance of the Company as one primary business segment i.e. IT and IT-enabled operations, solutions and services. Secondary segment reporting is performed on the basis of the geographical segmentation as the Company operates in various countries.

The Company's geographic segmentation is based on the location of customers. Revenue in relation to geographic segments is categorised based on the location of the specific customer entity for which services are rendered, irrespective of the customer entity that is billed for the services and whether the services are delivered onsite or offshore. Categorisation of customer related assets in relation to geographic segments is based on the location of the specific customer entity which is billed for the services. Costs are not specifically allocable to individual segments as the underlying resources and services are used interchangeably. The Company has common fixed assets for development of software. Fixed assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as the fixed assets and services are used interchangeably between segments.

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

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

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
Revenue				
- India	26,652	-	2,100,040	-
- America	4,947,261	9,888,412	389,818,480	736,970,791
- Rest of the world	91,101	14,818	7,178,267	1,104,367
	<u>5,065,013</u>	<u>9,903,230</u>	<u>399,096,787</u>	<u>738,075,158</u>
Segment assets				
Trade receivables (excluding allowance for doubtful receivables)				
- America	340,078	2,163,524	27,966,394	164,214,067
- Rest of the world	8,290	5,813	681,730	441,214
	<u>348,368</u>	<u>2,169,337</u>	<u>28,648,125</u>	<u>164,655,281</u>
Unbilled revenue				
- America	146,401	878,889	12,039,324	66,708,730
	<u>146,401</u>	<u>878,889</u>	<u>12,039,324</u>	<u>66,708,730</u>
Segment liabilities				
Unearned revenue				
- Rest of the world	-	43,220	-	3,280,450
	<u>-</u>	<u>43,220</u>	<u>-</u>	<u>3,280,450</u>

Annik Inc.

Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

19 Related party disclosures

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

Names of related parties and related party relationship

Related parties where control exists

Parent companies

Capgemini Technology Services India Private Limited, hold 100% shared in the Parent Company

Ultimate Parent companies

Capgemini SE, the Ultimate Parent Company

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

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

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

Other related parties

Key Management Personnel

Mr. Jim Bailey

Mr. Jean-Philippe Bol

Fellow subsidiaries

Liquidhub India Private Limited

Capgemini Service SAS

Capgemini Technology Services India Limited

Capgemini America, Inc.

Capgemini Ireland Limited

Capgemini North America, Inc.

Capgemini Polska Sp. z.o.o

Liquidhub Pte Ltd

Liquidhub Sp z o o

Capgemini Australia Pty. Ltd.

Related party transactions	(USD)	(USD)	(INR)	(INR)
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
a) Revenues from operations				
Capgemini America, Inc.	4,463,636	7,386,357	351,139,868	552,293,946
Liquidhub Analytics Private Limited	-	-	-	-
Capgemini Technology Services India Limited	26,652	-	2,041,676	-
b) Expenses cross charged*				
Capgemini Australia Pty		-		
Capgemini Singapore Pte Ltd	503,906	210,401	39,977,964	15,864,604
Capgemini Technology Services India Limited	1,993,218	3,015,866	158,055,126	225,476,828
LiquidHub PTE. LTD.	329,418	720,055	25,660,825	53,757,615
Capgemini Ireland Limited		34,571		2,535,679
Capgemini America, Inc.	607,815	3,204,666	48,870,977	239,803,653
Liquidhub Analytics Private Limited		-		-
Capgemini Service SAS	(24,403)	72,692	(1,880,364)	5,394,608
Capgemini Polska Sp Z.O.O	440,245	795,211	34,325,876	59,501,295
Capgemini (China) Co Ltd	65,561	-	5,435,998	-
Liquidhub India Private Limited		-		-
c) Interest on loan given				
Capgemini North America, Inc.	413,952	39,869	33,720,976	2,985,717

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

Balances outstanding	(USD)	(USD)	(INR)	(INR)
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
a) Trade receivables				
Annik Inc.				
Capgemini America, Inc.	274,917	2,020,191	22,607,836	153,334,934
Liquidhub Analytics Private Limited				
b) Other financial assets - loans				
Capgemini North America, Inc.	12,515,029	10,091,563	1,029,173,402	765,961,742
c) Advance to Vendors				
Capgemini Polska Sp Z.O.O	-	(711,755)	-	(54,023,024)
d) Trade payables				
Capgemini Technology Services India Limited	302,666	646,491	24,889,704	49,069,418
Capgemini Singapore Pte Ltd	-	210,401	-	15,969,662
Capgemini America Inc	369,016	66,935	30,346,031	5,080,426
Capgemini Service SAS	(25,510)	12,157	(2,097,821)	922,741
Capgemini (China) Co Ltd	65,561	-	5,391,416	-
Liquidhub Pte Ltd	-	67,755	-	5,142,700
e) Others - unbilled revenues				
Capgemini America, Inc.	136,637	823,680	11,236,356	62,518,300
Capgemini Technology Services India Limited	-	(26,652)	-	(2,022,919)

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

20 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

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

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

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

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

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

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

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

31 March 2022	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets								
Cash and cash equivalents	-	-	91,288	91,288	-	-	-	-
Trade receivables	-	-	2,109,693	2,109,693	-	-	-	-
Other current financial assets	-	-	797,028	797,028	-	-	-	-
	-	-	13,089,572	13,089,572	-	-	-	-
Financial liabilities								
Trade and other payables	-	-	1,310,694	1,310,694	-	-	-	-
	-	-	1,310,694	1,310,694	-	-	-	-

(1) Assets that are not financial assets (such as receivables from statutory authorities, prepaid expenses, advances paid and certain other receivables) amounting to USD 146,401 and USD 793,616 as of March 31, 2023 and March 31, 2022 respectively, are not included.

(2) Other liabilities that are not financial liabilities (such as statutory dues payable, deferred revenue, advances from customers and certain other accruals) amounting to USD 105,669 and USD 485,198 as of March 31, 2023 and March 31, 2022, respectively, are not included.

Annik Inc.

Notes to the financial statements (*Continued*)

for the year ended 31 March 2023

20 Financial instruments – Fair values and risk management (*Continued*)

B. Financial risk management

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

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

i. Credit risk

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

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

Trade and other receivables

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

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

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. Out of the total trade and other receivables of USD 348367. and USD 2169337. as of 31 March 2023 and 31 March 2022 respectively, the Company has receivables which are past due and impaired as detailed below -

	31 March 2023 (USD)	31 March 2022 (USD)	31 March 2023 (INR)	31 March 2022 (INR)
Balance at the beginning of the year	59,644	346,358	25,466,004	12,853,182
Impairment loss recognised	-	302	-	14,023,225
Impairment provision written back	(6,829)	(287,016)	-	(2,044,748)
Translation exchange difference	-	-	(21,122,762)	634,345
Balance at the end of the year	<u>52,815</u>	<u>59,644</u>	<u>4,343,242</u>	<u>25,466,004</u>

Others

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

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

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

B. Financial risk management (Continued)

ii. Liquidity risk

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

Exposure to liquidity risk

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

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

31 March 2022	Carrying amount	Contractual cash flows		
		Within one year	One year but not more than five years	More than five years
Trade and other payables	1,310,694	1,310,694	-	-

Annik Inc.

Notes to the financial statements (Continued)

for the year ended 31 March 2023

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

B. Financial risk management (Continued)

iii. Market risk

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

The currency profile of financial assets and financial liabilities as at 31 March 2023 and 31 March 2022 is as below:

Foreign currency exposures as on 31 March 2023

Particulars	Cash and cash equivalents	Trade receivables*	Trade Payables	Other financial liabilities
EUR	-	-	(2,097,948)	-
USD	-	-	49,636,596	-
INR	-	-	5,815,795	-
CNY	-	-	5,391,744	-

*excludes allowance for doubtful receivables

Annik Inc.

Notes to the financial statements (Continued)
for the year ended 31 March 2023

21 Other Notes:

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

For and on behalf of the Board of Directors of
Annik Inc.

DocuSigned by:

Jim Bailey

EE2056F51EAF4C2...
Jim Bailey
Director

Place : Atlanta, GA
Date : July 14, 2023