

## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Metasofttech Solutions LLC

Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Metasofttech Solutions LLC ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 ("ICAI") and International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

### Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 2(a) to the financial statements, which describes the basis of accounting. The financial statements have been prepared for management use and for the group auditors (Walker Chandio & Co LLP) of Mastek Limited (ultimate holding company) for the consolidation of the financial statements as of and for the year ended March 31, 2024. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for the information and use of Metasofttech Solutions, LLC and group auditors of the ultimate holding company in relation to the audit of the financial statements of the ultimate holding company, and accordingly, should not be distributed to or referred to or used by any other parties other than these specified parties. M S K A & Associates shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to



any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Our opinion is not modified in respect of this matter.

## Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements that give a true and fair view in accordance with the financial reporting provisions of Ind AS and other accounting principles generally accepted in India and for such internal control as management determines is necessary to enable the preparation of the financial statements that 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 relating 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.

## 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 International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the financial statements.

For M S K A & Associates  
Chartered Accountants  
ICAI Firm Registration No. 105047W

*Udit Parikh*

Udit Brijesh Parikh  
Partner  
Membership No. 151016  
UDIN: 24151016BKFHFA9081



Place: Mumbai  
Date: April 17, 2024

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF METASOFTTECH SOLUTIONS LLC

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

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

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



# MSKA & Associates

Chartered Accountants

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.

For M S K A & Associates  
Chartered Accountants

ICAI Firm Registration No. 105047W

*U. Parikh*

**Udit Brijesh Parikh**  
Partner  
Membership No. 151016  
UDIN: 24151016BKFHFA9081



Place: Mumbai  
Date: April 17, 2024

**METASOFTTECH SOLUTIONS LLC**  
**BALANCE SHEET AS AT MARCH 31, 2024**  
(Amount in '\$ 000 unless otherwise stated)

	Note	As at	
		March 31, 2024 US\$	March 31, 2023 US\$
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment, net	3(a)(i)	124	172
Capital work in progress	4	-	2
Right-of-use assets	3(b)	1,046	1,067
<b>Financial assets</b>			
Loans and advance	5	-	2,300
Deferred Tax assets, net		223	-
<b>Total non-current assets</b>		<b>1,393</b>	<b>3,541</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Loans and advance	5	9,332	14
Trade receivables	6	6,218	4,773
Cash and cash equivalents	7	3,056	3,988
Other financial assets	8	15	314
Contract assets	9	2,305	3,800
Other current assets	10	141	72
<b>Total current assets</b>		<b>21,067</b>	<b>12,961</b>
<b>Total Assets</b>		<b>22,460</b>	<b>16,502</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	11	18,137	18,137
Other equity	12	(4,736)	(10,458)
<b>Total equity</b>		<b>13,401</b>	<b>7,679</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	13	610	608
Deferred tax liabilities, net		-	36
<b>Total non-current liabilities</b>		<b>610</b>	<b>644</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Lease liabilities	13	536	524
Trade and other payables	14	7,327	5,660
Other financial liabilities	15	503	803
Other current liabilities	16	83	84
Current tax liability, net		-	1,108
<b>Total current liabilities</b>		<b>8,449</b>	<b>8,179</b>
<b>Total Liabilities</b>		<b>9,059</b>	<b>8,823</b>
<b>Total Equity and Liabilities</b>		<b>22,460</b>	<b>16,502</b>

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

In terms of our report attached  
For M S K A & Associates  
Chartered Accountants  
Firm Registration No: 105047W

*Udit Brijesh Parikh*  
**Udit Brijesh Parikh**  
Partner  
Membership No.: 151016  
Place: Mumbai  
Date: April 17, 2023



For and on behalf of the Board of Directors of Metasofttech Solutions LLC

*Mayur Gajendragadkar*

**Mayur Gajendragadkar**  
Authorised Signatory  
Date: April 17, 2023

**METASOFTTECH SOLUTIONS LLC**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024**  
(Amount in '\$ 000 unless otherwise stated)

	Note	For the year ended	
		March 31, 2024 US\$	March 31, 2023 US\$
<b>INCOME</b>			
Revenue from operations	17	43,041	39,639
Other income	18	640	2,322
<b>Total Income (1)</b>		<b>43,681</b>	<b>41,961</b>
<b>EXPENSES</b>			
Employee benefits expenses	19	20,199	23,430
Finance costs	20	67	69
Depreciation and amortisation expenses	21	596	581
Other expenses	22	18,464	17,958
<b>Total expenses (2)</b>		<b>39,326</b>	<b>42,038</b>
<b>Profit before tax (3 = 1-2)</b>		<b>4,355</b>	<b>(77)</b>
<b>Tax expense/ (credit)</b>			
Current tax		(1,108)	1,622
Deferred tax		(259)	36
<b>Total tax expense (net) (4)</b>		<b>(1,367)</b>	<b>1,658</b>
<b>Net Profit/(Loss) for the year (5 = 3-4)</b>		<b>5,722</b>	<b>(1,735)</b>

Summary of significant accounting policies 2

The accompanying notes are integral part of the financial statements.

In terms of our report attached  
**For M S K A & Associates**  
Chartered Accountants  
Firm Registration No: 105047W

*Udit Brijesh Parikh*  
**Udit Brijesh Parikh**  
Partner  
Membership No.: 151016  
Place: Mumbai  
Date: April 17, 2023



For and on behalf of the Board of Directors of Metasofttech Solutions LLC

*Mayur Gajendragadkar*

**Mayur Gajendragadkar**  
Authorised Signatory  
Date: April 17, 2023

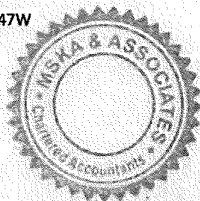
**METASOFTTECH SOLUTIONS LLC**  
**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2024**  
 (Amount in ' \$ 000 unless otherwise stated)

	Note	For the year ended	
		March 31, 2024 US\$	March 31, 2023 US\$
<b>Cash flows from operating activities</b>			
Net profit/ (Loss) before tax for the year		4,355	(77)
<b>Adjustments:</b>			
Employee stock compensation	19	72	5,847
Interest on lease liabilities	20	66	67
Profit on sale of Investment in subsidiary	18	-	(2,002)
Provision for doubtful debt	22	740	-
Depreciation and amortisation	21	596	581
		<b>5,829</b>	<b>4,416</b>
<b>Changes in operating assets and liabilities</b>			
(Increase)/Decrease in trade and other receivables	6	(2,185)	936
(Increase) in other assets	10	(69)	-
Decrease / (Increase) in other financial assets & contract assets	8&9	1,794	(4,114)
Increase / (Decrease) in other financial liabilities	15	(300)	803
Increase/(Decrease) in trade and other payables, other liabilities and provisions	14&16	1,594	(10,100)
Cash generated from/(used in) operating activities before taxes		6,663	(8,059)
Income taxes paid, net		-	(519)
<b>Net cash generated from/(used in) operating activities</b>		<b>6,663</b>	<b>(8,578)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3	(61)	(94)
Sale of Investment in Subsidiary		-	3,437
<b>Net cash (used in) / generated from investing activities</b>		<b>(61)</b>	<b>3,343</b>
<b>Cash flows from financing activities</b>			
Capital introduced		-	9,465
Loan given to related party	5	(7,018)	(2,314)
Payment of lease liabilities	27	(516)	(557)
<b>Net cash (used in) / generated from financing activities</b>		<b>(7,534)</b>	<b>6,594</b>
Net increase in cash and cash equivalents during the year		(932)	1,359
Cash and cash equivalents at the beginning of the year		3,988	2,629
<b>Cash and cash equivalents at the end of the year</b>		<b>3,056</b>	<b>3,988</b>

The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in the IAS - 7 on Statement of Cash Flows  
 This is the Statement of Cash Flow referred to in our report of even date

In terms of our report attached  
**For M S K A & Associates**  
 Chartered Accountants  
 Firm Registration No: 105047W

*Udit Brijesh Parikh*  
**Udit Brijesh Parikh**  
 Partner  
 Membership No.: 151016  
 Place: Mumbai  
 Date: April 17, 2023



For and on behalf of the Board of Directors of Metasofttech Solutions LLC

*Mayur Gajendragadkar*  
**Mayur Gajendragadkar**  
 Authorised Signatory  
 Date: April 17, 2023

**METASOFTTECH SOLUTIONS LLC**  
**STATEMENT OF CHANGES IN EQUITY AT MARCH 31, 2024**  
 (Amount in '\$ 000 unless otherwise stated)

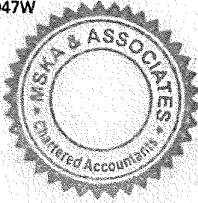
(US\$)

Particulars	Equity share capital	Retained earnings	Total equity
Balance as at April 1, 2023	18,137	(10,458)	7,679
Profit/(Loss) for the year	-	5,722	5,722
<b>Balance as at March 31, 2024</b>	<b>18,137</b>	<b>(4,736)</b>	<b>13,401</b>
Balance as at April 1, 2022	4,817	(4,868)	(51)
Profit/(Loss) for the year	-	(1,735)	(1,735)
Addition	13,320	-	13,320
Distribution	-	(3,855)	(3,855)
<b>Balance as at March 31, 2023</b>	<b>18,137</b>	<b>(10,458)</b>	<b>7,679</b>

The accompanying notes are integral part of the financial statements.

In terms of our report attached  
 For M S K A & Associates  
 Chartered Accountants  
 Firm Registration No: 105047W

*udlt*  
**Udit Brijesh Parikh**  
 Partner  
 Membership No.: 151016  
 Place: Mumbai  
 Date: April 17, 2023



For and on behalf of the Board of Directors of Metasofttech Solutions LLC

**Mayur Gajendragadkar**  
 Authorised Signatory  
 Date: April 17, 2023



**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024

**1 Company Overview**

Metasofttech Solutions LLC ("the Company") is domiciled in United State of America. Its registered office is situated at 2195 W Chandler Blvd #100 Chandler, AZ 85224. The Company is the provider of vertically-focused enterprise technology solutions in North American region.

**2 Basis of preparation and presentation**

**a. Basis of Preparation & Statement of Compliance**

These Financial Statements below (also referred to as "the financial statements") have been prepared in accordance with Indian Accounting Standards (Ind As) notified under Companies (Indian Accounting Standard) Rules, 2015(as amended from time to time). They have been prepared under the assumption that the Company operates on a going concern basis.

These financial statements correspond to the classification provisions contained in Ind As 1, "Presentation of Financial Statements". Accounting policies have been applied consistently to all periods presented in these financial statements except where a remission to an existing accounting standard required a change in the accounting policy hereto in use. The financial statements comprise the Statement of Financial Position as of March 31, 2024 with comparative Statement of Financial Position as on March 31, 2023; the Statement of Profit and loss and other Comprehensive Loss; the Statement of Changes in Equity; and the Statement of Cash Flows for the years ended March 31, 2024 with comparatives for the year ended March 31, 2023.

All amounts included in the financial statements are reported by rounding off to the nearest one thousand US dollar (in \$'000) and "0" denotes amount less than five hundred US dollar.

The financial statements have been prepared on an accrual basis and on a historical cost convention., except for the following material items that have been measured at fair value as required by relevant Ind As:

i. Certain financial assets and liabilities measured at fair value

**b. Use of estimate and judgement**

The preparation of financial statements in conformity with Ind As requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

i) *Revenue Recognition*: The Company applies the percentage of completion method in accounting for its fixed price contracts. Use of the percentage of completion method requires the Group to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

ii) *Income taxes*: Significant judgments are involved in determining the provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.

iii) *Property, plant and equipment*: Property, plant and equipment represent a significant proportion of the asset base of the Company. The change in respect of periodic depreciation is derived after determining an estimate of an assets expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

iv) *Expected credit losses on financial assets*: The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

v) *Deferred taxes*: Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024

vi) *Provisions:* Provision is recognised when the Company has a present obligation as a result of past event 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 (excluding retirement obligation and compensated expenses) are not discounted to their present value and are determined based on best estimate required to settle obligation at the balance sheet date. These are reviewed at each balance sheet date and are adjusted to reflect the current best estimates.

(vii) *Leases:* Determining the lease term of contracts with renewal and termination options – Company as lessee

Ind As 116 requires the lessee to determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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

When it is reasonably certain to exercise extension option and not to exercise termination option, the Company includes such extended term and ignore termination option in determination of lease term.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The Company has taken indicative rates from its bankers and used them for Ind As 116 calculation purposes.

**c. Summary of Significant accounting policies**

**(i) Functional and Presentation Currency**

Items included in the financial statements are measured using the currency of the primary economic environment in which these entity operate (i.e. the "functional currency"). The financial statements are presented in USD dollar, which is the functional currency of the Company.

**(ii) Financial instruments**

**A. Initial Recognition and Measurement**

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular purchase and sale of financial assets are recognised on the trade date.

**B. Subsequent Measurement**

**a. Financial Assets Carried at Amortised Cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Financial assets are subsequently measured at amortised cost using the effective interest rate method less impairment losses, if any.

**b. Financial Assets at Fair Value Through Other Comprehensive Income (FVOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**c. Financial Assets at Fair Value Through Profit or Loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**d. Financial Liabilities**

Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**C. Derecognition of Financial Instruments**

The Company derecognises a financial asset when the contractual right to receive the cash flows from the financial asset expire or it transfers the financial asset.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

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

**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024

**(iii) Current versus non-current classification**

1. An asset is considered as current when it is:
  - a. Expected to be realised or intended to be sold or consumed in the normal operating cycle, or
  - b. Held primarily for the purpose of trading, or
  - c. Expected to be realised within twelve months after the reporting period, or
  - d. Cash or cash equivalents unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
2. All other assets are classified as non-current.
3. Liability is considered as current when it is:
  - a. Expected to be settled in the normal operating cycle, or
  - b. Held primarily for the purpose of trading, or
  - c. Due to be settled within twelve months after the reporting period, or
  - d. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.
4. All other liabilities are classified as non-current.
5. Deferred tax assets and liabilities are classified as non-current assets and liabilities.
6. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

**(iv) Property, Plant and Equipment**

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management. The cost of property, plant and equipment acquired in a business combination is recorded at fair value on the date of acquisition.

An item of property, plant and equipment and any significant part initially recognised, is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the Statement of Profit or Loss when the asset is derecognised.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Category	Useful Life
Computers	5 years
Furniture and fixtures	5 years
Office Equipment	5 years
Leasehold Improvements	5 - 10 years or the primary period of lease whichever is less

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Depreciation on addition/ disposal is calculated pro-rata from the date of such addition/disposal.

**(v) Intangible assets**

Intangible assets acquired separately are measured at cost of acquisition. Intangible assets acquired in a business combination are measured at fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and impairment losses, if any.

The amortisation of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated.

The estimated useful lives of amortisable intangibles are reviewed and where appropriate, are adjusted annually.

The estimated useful lives of the amortisable intangible assets for the current and comparative periods are as follows:

Category	Useful Life
Computer Software	5 year

**(vi) Leases**

The company has applied Ind As 116 with effect from April 1 2021, using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under AS 19.

**As a lessee**

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

**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024

**a. Right of use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

**b. Lease liabilities**

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

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

**As a lessor**

Leases in which the company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**(vii) Provisions & Contingent Liabilities**

Provisions are recognised when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, only when such reimbursement is virtually certain.

**(viii) Revenue Recognition**

The Company derives revenue primarily from Information Technology services which includes IT Outsourcing services, support and maintenance services. The Company recognises revenue over time of period of contract on transfer of control of deliverables (solutions and services) to its customers in an amount reflecting the consideration to which the Company expects to be entitled. To recognise revenues, Company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognise revenues when a performance obligation is satisfied.

Company accounts for a contract when it has approval and commitment from all parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Fixed Price contracts related to Application development, consulting and other services are single performance obligation or a stand-ready performance obligation, which in either case is comprised of a series of distinct services that are substantially the same and have the same pattern of transfer to the customer (i.e. distinct days or months of service). Revenue is recognised in accordance with the method prescribed for measuring progress i.e. percentage of completion method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity. Revenues relating to time and material contracts are recognised as the related services are rendered.

**Multiple element arrangements-**

In contracts with multiple performance obligations, Company accounts for individual performance obligations separately if they are distinct by allocating the transaction price to each performance obligation based on its relative standalone selling price out of total consideration of the contract. Standalone selling price is determined utilizing observable prices to the extent available. If the standalone selling price for a performance obligation is not directly observable, Company uses expected cost plus margin approach.

**METASOFTTECH SOLUTIONS LLC**

**Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024**

**IT support and maintenance-**

Contracts related to maintenance and support services are either fixed price or time and material. In these contracts, the performance obligations are satisfied, and revenues are recognised, over time as the services are provided. Revenue from maintenance contracts is recognised rateably over the period of the contract because the Company transfers the control evenly by providing standard services.

The term of the maintenance contract is usually one year. Renewals of maintenance contracts create new performance obligations that are satisfied over the term with the revenues recognised rateably over the term.

Contracts may include incentives, service level penalties and rewards. The Company includes an estimate of the amount it expects to receive for the total transaction price if it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Any modification or change in existing performance obligations is assessed whether the services added to the existing contracts are distinct or not. The distinct services are accounted for as a new contract and services which are not distinct are accounted for on a cumulative catch-up basis.

Trade Receivable, net is primarily comprised of billed and unbilled receivables (i.e. only the passage of time is required before payment is due) for which there exists an unconditional right to consideration, net of an allowance for doubtful accounts. A contract asset is a right to consideration that is conditional upon factors other than the passage of time. Contract assets are presented in "Other current assets" in the financial statements and primarily relate to unbilled amounts on fixed-price contracts utilizing the cost to cost method (POCM) of revenue recognition. Contract liabilities consist of advance payments and billings in excess of revenues recognised.

The difference between opening and closing balance of the contract assets and liabilities results from the timing differences between the performance obligations and customer payment.

Cost to fulfil the contracts- Recurring operating costs for contracts with customers are recognised as incurred. Revenue recognition excludes any government taxes but includes reimbursement of out of pocket expenses.

**(ix) Income Tax**

Tax expense recognised in statement of profit and loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws applicable to the reporting period and for deferred tax with tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

**(x) Other Income**

Other income comprises interest income on deposits, gains / (losses) on disposal of investments except investments fair value through OCI. Interest income is recognised using the effective interest method.

**(xi) Finance expenses**

Finance costs comprises interest cost on borrowings, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/(losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

**(xii) Cash and cash equivalents**

Cash and cash equivalents include cash in hand and balance with current bank accounts.

**METASOFTTECH SOLUTIONS LLC**  
 Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024  
 (Amount in \$ 000 unless otherwise stated)

**3(a)(i) Property, plant and equipment**

	Gross Block (at cost)		Depreciation / Amortisation		Net Block		
	As at April 1, 2023	Additions Deletions	As at March 31, 2024	As at April 1, 2023	For the year Deletions	As at March 31, 2024	As at March 31, 2023
Computers	305	63	368	161	93	254	144
Furniture and fixtures	210	-	210	187	16	203	23
Office equipment	18	-	18	16	2	16	2
Leasehold improvements	94	-	94	91	2	93	3
<b>Total</b>	<b>627</b>	<b>63</b>	<b>690</b>	<b>455</b>	<b>111</b>	<b>566</b>	<b>172</b>

**3(a)(ii) Other intangible assets**

	Gross Block (at cost)		Amortisation		Net Block		
	As at April 1, 2023	Additions Deletions	As at March 31, 2024	As at April 1, 2023	For the year Deletions	As at March 31, 2024	As at March 31, 2023
Computer software	145	-	145	145	-	145	-
<b>Total</b>	<b>145</b>	<b>-</b>	<b>145</b>	<b>145</b>	<b>-</b>	<b>145</b>	<b>-</b>

**3(b) Right-of-use assets**

	Gross Block (at cost)		Depreciation / Amortisation		Net Block		
	As at April 1, 2023	Additions/ Adjustments Deletions	As at March 31, 2024	As at April 1, 2023	For the year Deletions	As at March 31, 2024	As at March 31, 2023
Building	2,089	464	2,553	1,022	485	1,507	1,067
<b>Total</b>	<b>2,089</b>	<b>464</b>	<b>2,553</b>	<b>1,022</b>	<b>485</b>	<b>1,507</b>	<b>1,067</b>

**3(a)(i) Property, plant and equipment**

	Gross Block (at cost)		Depreciation / Amortisation		Net Block		
	As at April 1, 2022	Additions Deletions	As at March 31, 2023	As at April 1, 2022	For the year Deletions	As at March 31, 2023	As at March 31, 2022
Computers	213	92	305	124	37	161	89
Furniture and fixtures	210	-	210	167	20	187	23
Office equipment	18	-	18	15	1	16	3
Leasehold improvements	94	-	94	80	11	91	14
<b>Total</b>	<b>535</b>	<b>92</b>	<b>627</b>	<b>386</b>	<b>69</b>	<b>455</b>	<b>149</b>

**3(a)(ii) Other intangible assets**

	Gross Block (at cost)		Amortisation		Net Block		
	As at April 1, 2022	Additions Deletions	As at March 31, 2023	As at April 1, 2022	For the year Deletions	As at March 31, 2023	As at March 31, 2022
Computer software	145	-	145	145	-	145	-
<b>Total</b>	<b>145</b>	<b>-</b>	<b>145</b>	<b>145</b>	<b>-</b>	<b>145</b>	<b>-</b>

**3(b) Right-of-use assets**

	Gross Block (at cost)		Depreciation / Amortisation		Net Block		
	As at April 1, 2022	Additions Deletions	As at March 31, 2023	As at April 1, 2022	For the year Deletions	As at March 31, 2023	As at March 31, 2022
Building	2,089	-	2,089	510	512	1,067	1,579
<b>Total</b>	<b>2,089</b>	<b>-</b>	<b>2,089</b>	<b>510</b>	<b>512</b>	<b>1,067</b>	<b>1,579</b>

**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024  
(Amount in \$ 000 unless otherwise stated)

		As at					
		March 31, 2024	March 31, 2023				
<b>4</b>	<b>Capital work in progress (CWIP)</b>						
	Capital work in progress	-	2				
		-	2				
	Balance as at the beginning of the year	2	-				
	Addition during the year	-	2				
	Less: Capitalisation during the year	(2)	-				
	Balance as at the end of the year	-	2				
<b>4</b>	<b>Capital work in progress (CWIP) Ageing Schedule</b>						
	As at 31 March 2024						
		Amount in CWIP for a period of					
		Less than 1 year	1-2 year	2-3 year	More than 3 years	Total	
	Projects in progress	-	-	-	-	-	
	Projects temporarily suspended	-	-	-	-	-	
	<b>Total</b>	-	-	-	-	-	
	As at 31 March 2023						
		Amount in CWIP for a period of					
		Less than 1 year	1-2 year	2-3 year	More than 3 years	Total	
	Projects in progress	2	-	-	-	2	
	Projects temporarily suspended	-	-	-	-	-	
	<b>Total</b>	2	-	-	-	2	
	There is no capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2024 and 31 March 2023.						
<b>5</b>	<b>Loans and advances</b>						
		As at					
		March 31, 2024	March 31, 2023				
	<u>Non-current</u>						
	Loan to related party	-	2,300				
	<u>Current</u>						
	Loan to related party (Refer Note 24)	9,332	-				
	Interest accrued but not due	-	14				
		9,332	2,314				
	Note: Loan to related party are repayable in 12 month or repayment data whichever is later and carries interest of 6 months SONIA + 160 bps.						
<b>6</b>	<b>Trade receivables</b>						
		As at					
		March 31, 2024	March 31, 2023				
	Trade Receivables ( Unsecured, considered good)	6,958	4,773				
	Less: Allowance for expected credit losses	(740)	-				
		6,218	4,773				
	Trade receivable ageing schedule						
	As at 31 March 2024						
		Outstanding for following periods from due date of transaction					
	<u>Current but not due</u>	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total
	Undisputed Trade Receivables - Considered Good	5,909	140	169	-	-	6,218
	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
	Disputed Trade receivables - considered good	-	-	-	-	-	-
	Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
	Disputed Trade receivables – credit impaired	-	-	-	-	-	-
	<b>Total</b>	5,909	140	169	-	-	6,218
	As at 31 March 2023						
		Outstanding for following periods from due date of transaction					
	<u>Current but not due</u>	Less than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total
	Undisputed Trade Receivables - Considered Good	4,773	-	-	-	-	4,773
	Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
	Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
	Disputed Trade receivables - considered good	-	-	-	-	-	-
	Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
	Disputed Trade receivables – credit impaired	-	-	-	-	-	-
	<b>Total</b>	4,773	-	-	-	-	4,773

**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024  
(Amount in ' \$ 000 unless otherwise stated)

		As at				
		March 31, 2024	March 31, 2023			
<b>7</b>	<b>Cash and cash equivalents</b>					
	Balances with Banks	3,056	3,988			
		<b>3,056</b>	<b>3,988</b>			
<b>8</b>	<b>Other financial assets</b>					
	Receivable from group company	-	300			
	Security deposits	15	14			
		<b>15</b>	<b>314</b>			
<b>9</b>	<b>Contract assets</b>					
	Unbilled revenue (Refer note 17)	2,305	3,800			
		<b>2,305</b>	<b>3,800</b>			
<b>10</b>	<b>Other current assets</b>					
	Prepaid expenses	123	34			
	Advances to employees	18	38			
		<b>141</b>	<b>72</b>			
<b>11</b>	<b>Equity share capital</b>					
	Mastek Inc.	18,137	18,137			
		<b>18,137</b>	<b>18,137</b>			
<b>(a)</b>	<b>Reconciliation of the number of equity shares outstanding at the beginning and end of the year are as given below:</b>					
	Particulars	March 31, 2024	March 31, 2023			
		Amount	Amount			
	Balance as at beginning of the year	18,137	4,817			
	Add : Amount contributed during the year	-	13,320			
	<b>Balance as at the end of the year</b>	<b>18,137</b>	<b>18,137</b>			
<b>(b)</b>	<b>Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company</b>					
	Name of the shareholder	March 31, 2024	March 31, 2023			
		% of holding	% of holding			
	Mastek Inc.	100%	100%			
<b>12</b>	<b>Other equity</b>					
	Retained earnings	(4,736)	(10,458)			
		<b>(4,736)</b>	<b>(10,458)</b>			
<b>13</b>	<b>Lease liability</b>					
	Lease liability - Non - Current (refer note 27)	610	608			
	Lease liability - Current (refer note 27)	536	524			
		<b>1,145</b>	<b>1,132</b>			
<b>14</b>	<b>Trade and other payables</b>					
	Trade and other payables	7,327	5,660			
		<b>7,327</b>	<b>5,660</b>			
	Trade and other payables ageing schedule					
	<b>Ageing Schedule for the year ended March 31, 2024*</b>					
	Particulars	Outstanding for following periods from date of transaction				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
	Total outstanding dues of MSME	-	-	-	-	-
	Total outstanding dues of creditors other than MSME	1,667	2,211	790	2,659	7,327
	Disputed dues of MSME	-	-	-	-	-
	Disputed dues of creditors other than MSME	-	-	-	-	-
	<b>Total</b>	<b>1,667</b>	<b>2,211</b>	<b>790</b>	<b>2,659</b>	<b>7,327</b>
	<b>Ageing Schedule for the year ended March 31, 2023*</b>					
	Particulars	Outstanding for following periods from date of transaction				
		Less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
	Total outstanding dues of MSME	-	-	-	-	-
	Total outstanding dues of creditors other than MSME	5,660	-	-	-	5,660
	Disputed dues of MSME	-	-	-	-	-
	Disputed dues of creditors other than MSME	-	-	-	-	-
	<b>Total</b>	<b>5,660</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,660</b>
	* Includes amount payables to related party USD 4,927 as on 31 March 2024 ( Previous year USD 627 )( refer note 24)					
<b>15</b>	<b>Other financial liabilities</b>					
	Security deposit Payables-Sublease	34	34			
	Sales consideration distribution liability	469	469			
	Synergy fees liability	-	300			
		<b>503</b>	<b>803</b>			
<b>16</b>	<b>Other current liabilities</b>					
	Payables to statutory authorities	83	84			
		<b>83</b>	<b>84</b>			



**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024  
(Amount in \$ '000 unless otherwise stated)

**17 Revenue from operations**

Sale of services  
Income from technology services and products

For the year ended	
March 31, 2024	March 31, 2023
43,041	39,639
<b>43,041</b>	<b>39,639</b>

Timing of revenue recognition  
Transferred at a point in time  
Transferred over time

For the year ended	
March 31, 2024	March 31, 2023
37,532	37,173
5,509	2,466
<b>43,041</b>	<b>39,639</b>

Changes in Contract assets (unbilled revenue) are as follows:

**Balance at the beginning of the year**

Invoices raised that were included in the contract assets balance at the beginning of the year  
Increase due to revenue recognised during the year, excluding amounts billed during the year

**Balance at the end of the year**

For the year ended	
March 31, 2024	March 31, 2023
3,800	33
(3,800)	(33)
2,305	3,800
<b>2,305</b>	<b>3,800</b>

Changes in contract liability (unearned revenue) are as follows:

**Balance at the beginning of the year**

Revenue recognised that was included in the contract liability balance at the beginning of the year  
Increase due to invoicing during the year, excluding amounts recognised as revenue during the year

**Balance at the end of the year**

For the year ended	
March 31, 2024	March 31, 2023
-	81
-	(81)
-	-
-	-

**Remaining performance obligation**

As of March 31, 2024, the aggregate amount of transaction price allocated to remaining performance obligations, was \$ 8,034 thousands (March 31, 2023 \$ 4,431 thousands) of which approximately 100% (March 31, 2023 100%) is expected to be recognized as revenues within 3 years.

**18 Other income**

Interest income  
Income from Sublease rent  
Income on sale of Investment

For the year ended	
March 31, 2024	March 31, 2023
249	14
391	306
-	2,002
<b>640</b>	<b>2,322</b>

**19 Employee benefits expenses**

Salaries and wages  
Contribution to 401k  
Employee stock compensation expenses  
Staff welfare

For the year ended	
March 31, 2024	March 31, 2023
19,027	16,765
425	197
72	5,847
675	621
<b>20,199</b>	<b>23,430</b>

**20 Finance costs**

Interest on lease liabilities (Refer Note 27)  
Bank charges

For the year ended	
March 31, 2024	March 31, 2023
66	67
1	2
<b>67</b>	<b>69</b>

**21 Depreciation and amortisation expenses**

Property, plant and equipment (Refer Note 3)  
Right of use asset (Refer Note 3)

For the year ended	
March 31, 2024	March 31, 2023
111	69
485	512
<b>596</b>	<b>581</b>

**22 Other expenses**

Advertisement and publicity  
Communication charges  
Consultancy charges\*  
Insurance  
Professional fees  
Audit Fees  
Recruitment and training expense  
Rent  
Repairs - others  
Rates and taxes  
Travelling and conveyance  
Provision for bad debt  
Miscellaneous expenses

For the year ended	
March 31, 2024	March 31, 2023
141	239
72	79
16,091	15,736
12	95
364	712
6	14
80	51
52	14
378	333
90	61
402	501
740	-
36	124
<b>18,464</b>	<b>17,958</b>

\* - Included amount expenses to related party USD 10,349 thousand as on March 31, 2024 ( Previous Year USD 7,123 thousand)

**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024  
(Amount in '\$ 000 unless otherwise stated)

<b>23</b>	<b>Income taxes</b>			
<b>a)</b>	<b>Income tax expense in the statement of profit and loss consists of:</b>		<b>For the year ended</b>	
	<b>Particulars</b>		<b>March 31, 2024</b>	<b>March 31, 2023</b>
	Current tax		(1,108)	1,622
	Deferred tax		(259)	36
	<b>Total tax expense recognised in the statement of profit or loss</b>		<b>(1,367)</b>	<b>1,658</b>
<b>b)</b>	<b>Deferred tax (liabilities)/ assets in relation to:</b>			
	<b>Particulars</b>	<b>Carrying value as at April 1, 2023</b>	<b>Changes through profit and loss</b>	<b>Carrying value as at March 31, 2024</b>
	Property, plant and equipment	(36)	259	223
	<b>Total</b>	<b>(36)</b>	<b>259</b>	<b>223</b>
<b>c)</b>	The Company prepares and file consolidated tax returns. Accordingly, the tax provision is determined at the Mastek Inc parent company's consolidated taxable income. Mastek Inc has reported consolidated taxable losses for the period ended 31. March 2024 accordingly, no current tax expenses are recorded by the Company in its standalone financial statements.			
<b>24</b>	<b>Related Party Disclosures (Relationships have been disclosed to the extent transactions have taken place and for relationships of control)</b>			
<b>i)</b>	<b>Name of Related Party</b>	<b>Nature of relationship</b>	<b>Country of Incorporation</b>	
	Mastek Inc.	Holding Company (w.e.f August 01, 2022)	U.S.A	
	Mastek Ltd	Parent Co	India	
	Meta Soft Tech Systems Private Limited	Fellow Subsidiary (Subsidiary upto July 31 2022)	India	
	Trans American Information Systems, Inc.	Fellow Subsidiary	U.S.A	
	Evolutionary Systems Corp & Newbury Cloud Inc	Fellow Subsidiary	U.S.A	
	<b>Key Management Personnel (KMP)</b>			
	Thirunavukkarasu Thangarathinam	Member(Upto July 31, 2022)		
	Thamiyadevi Thangavelu	Member(Upto July 31, 2022)		
<b>ii)</b>	<b>Transactions with related parties during the year were:</b>			
	<b>Nature of transactions</b>	<b>Name of related party</b>	<b>For the year ended</b>	
			<b>March 31, 2024</b>	<b>March 31, 2023</b>
	IT Services provided	Trans American Information Systems, Inc.	2,000	518
	IT Services received	Trans American Information Systems, Inc.	241	135
	Reimbursable / Other expenses recoverable	Trans American Information Systems, Inc.	-	24
	Reimbursable / Other expenses recoverable	Evolutionary Systems Corp & Newbury Cloud Inc	574	-
	Reimbursable / Other expenses recoverable	Mastek Inc.	612	86
	Interest income	Mastek Inc.	248	14
	Synergy Fees	Mastek Inc.	-	300
	IT Services Received	Meta Soft Tech Systems Private Limited	7,386	3,709
<b>iii)</b>	<b>Balances outstanding are as follows:</b>			
	<b>Nature of balances</b>	<b>Name of related party</b>	<b>For the year ended</b>	
			<b>March 31, 2024</b>	<b>March 31, 2023</b>
	Trade receivables	Trans American Information Systems, Inc.	375	134
	Trade and other payables	Trans American Information Systems, Inc.	2,092	541
	Trade and other payables	Mastek Ltd	27	-
	Trade and other payables	Evolutionary Systems Corp & Newbury Cloud Inc	574	-
	Loans and advance	Mastek Inc.	9,332	2,314
	Trade and other payables	Mastek Inc.	315	86
	Other Receivables	Mastek Inc.	-	300
	Trade and other payables	Meta Soft Tech Systems Private Limited	1,919	2,280
<b>25</b>	<b>Segment reporting</b>			
	The Company has only one reportable segment which is Information technology Service. Accordingly, the figures appearing in these financial statements relate solely to that business segment. The business of the Company is in United States of America only.			

**METASOFTTECH SOLUTIONS LLC**  
**Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024**  
**(Amount in \$ '000 unless otherwise stated)**

**26 Financial Instrument**

The carrying value and fair value of financial instruments by categories as at March 31, 2023 and March 31, 2022 is as follows:

Particulars	Carrying Value		Fair Value	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
<b>Financial assets</b>				
<b>Amortised cost</b>				
Trade receivables	6,218	4,773	6,218	4,773
Cash and cash equivalents	3,056	3,988	3,056	3,988
<b>Other current assets:</b>				
Security deposit	15	14	15	14
<b>Total financial assets</b>	<b>9,289</b>	<b>8,775</b>	<b>9,289</b>	<b>8,775</b>

**Financial liabilities**

**Amortised cost**

Trade and other payables	7,327	5,660	7,327	5,660
Lease liabilities	610	608	610	608
Other financial liabilities	503	803	503	803
<b>Total financial liabilities</b>	<b>8,440</b>	<b>7,071</b>	<b>8,440</b>	<b>7,071</b>

**27 Leases**

**Company as lessor**

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on systematic basis over the lease term.

If an arrangement contains lease and non-lease components, the Company applies Ind As 115 Revenue from contracts with customers to allocate the consideration in the contract.

**Company as lessee**

The Company's leased assets primarily consist of leases for office premises. Leases of office premises generally have lease term between 4 to 5 years. The Company has applied low value exemption for leases of laptops, leased lines, furniture and equipment and accordingly are excluded from Ind As 116.

i) The carrying amounts if right-of-use assets recognised and the movements during the period (Refer note 3(b))

ii) Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	Year ended	
	March 31, 2024	March 31, 2023
As at April 1, 2023	1,132	1,622
Additions/adjustments	464	-
Finance expenses	65	67
Payments	515	557
<b>As at March 31, 2024</b>	<b>1,146</b>	<b>1,132</b>
Current	536	524
Non-current	610	608

**Maturity analysis of lease liability:**

The contractual maturity analysis of lease liabilities (includes amount not falling under Ind As 116) are disclosed herein on an undiscounted basis-

Particulars	March 31, 2024	March 31, 2023
Less than one year	577	567
More than one year to five year	626	625
More than five years	-	-
<b>Total</b>	<b>1,203</b>	<b>1,192</b>

The average effective interest rate for lease liabilities is 4.81%

iii) The following are the amounts recognised in the statement of profit and loss:

Particulars	Year ended	
	March 31, 2024	March 31, 2023
Depreciation expense of right-of-use assets	485	512
Finance expense on lease liabilities	66	67
Expense relating to short-term leases (included in other expenses)	-	-
<b>Total amount recognised in the statement of profit and loss</b>	<b>551</b>	<b>579</b>

The Company had total cash outflows for leases of \$ 516 thousands in FY 2023-24 (\$557 thousands in FY 2022-23).

There is one lease agreements with extension and termination options, management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised. Since it is reasonable certain to exercise extension option and not to exercise termination option, the Company has opted to include such extended term and ignore termination option in determination of lease term.

**The maturity analysis of lease income are disclosed herein-**

Particulars	March 31, 2024	March 31, 2023
<b>Lease income</b>		
Future minimum lease income under non-cancellable operating lease (in respect of properties):		
Due within one year	367	356
Due later than one year but not later than five years	410	777
<b>Total</b>	<b>777</b>	<b>1,133</b>

**METASOFTTECH SOLUTIONS LLC**

Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024  
(Amount in '\$ 000 unless otherwise stated)

**28 Financial Risk Management**

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's management oversees the management of these risk and formulates the policies, the Board of Directors reviews and approves policies for managing each of these risks, which are summarised below:

**Market Risk:** Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market prices.

**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. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counter party credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience, analysis of historical bad debts, ageing of accounts receivable and other factors.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment and accordingly, the Company accounts for the expected credit loss. One customer who contributes for more than 30% of outstanding total accounts receivables aggregating to 31.33% as at March 31, 2024 (12.75%, March 31, 2023).

The following table gives details in respect of revenues generated from top customer and top 5 customers:

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Revenue from Top Customer	33%	11%
Revenue from Top 5 Customers	62%	42%

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Also, the Company has unutilized credit limits with banks. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The management monitors the Company's net liquidity position through rolling forecast on the basis of expected cash flows.

The liquidity position of the Company is given Below

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Cash and cash equivalents	3,056	3,988
<b>Total</b>	<b>3,056</b>	<b>3,988</b>

The table below provides details regarding the contractual maturities of significant liabilities as at March 31, 2024 and March 31, 2023:

Particulars	As at March 31, 2024	
	Less than 1 Year	1 Year and above
Trade and other payables	7,327	-
Lease liabilities	577	626
Other liabilities	83	-

Particulars	As at March 31, 2023	
	Less than 1 Year	1 Year and above
Trade and other payables	5,660	-
Lease liabilities	567	625
Other liabilities	84	-

**29 Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

Particulars	As At	
	March 31, 2024	March 31, 2023
<b>Total Equity attributable to the Equity Share Holders of Company</b>	<b>13,401</b>	<b>7,679</b>
Equity capital as a percentage of total capital	100.00%	100.00%
Current loans and borrowings	-	-
<b>Total loans and borrowings</b>	<b>-</b>	<b>-</b>
Borrowings as a percentage of total capital	NA	NA
<b>Total capital (Loans, borrowings and equity)</b>	<b>13,401</b>	<b>7,679</b>

**METASOFTTECH SOLUTIONS LLC**  
 Summary of significant accounting policies and notes forming part of the financial statements as at and for the year ended March 31, 2024  
 (Amount in \$ 000 unless otherwise stated)

<b>30 Employee Stock Option</b>		
<b>Particulars</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>
Balance as at the beginning of the year	-	6,373
Add: Addition on account of employee stock option plans**	72	5,847
Less: Transferred to employee benefit on account of cancellation of ESOP Plan *	-	(12,220)
<b>Closing</b>	<b>72</b>	<b>-</b>

\*During the previous year Company has cancelled all the ESOP plans pursuant to the agreement for acquisition by Mastek Inc.

\*\*During the year, ultimate holding company issued ESOP to few employees of the company. The cost represent the allocation of charge at ultimate holding company level.

**31 Post-reporting date events**

No adjusting or significant non-adjusting events have occurred between March 31, 2024 and the date of authorization of financial statements.

**32**

Previous year figures have been re-grouped, re-arranged and re-classified wherever necessary to conform to current period's classification.

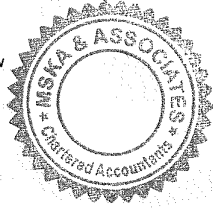
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**Authorization of Financial Statements**

These financial statements for the year ended March 31, 2024 (including comparatives) were approved by the Board of Directors and authorised for issue on 17th April 2024.

For M S K A & Associates  
 Chartered Accountants  
 Firm Registration No: 105047W

*Udit Brijesh Parikh*  
**Udit Brijesh Parikh**  
 Partner  
 Membership No.: 151016  
 Place: Mumbai  
 Date: April 17, 2024



For and on behalf of the Board of Directors of Metasofttech Solutions LLC

*Mayur Gajendragadkar*  
**Mayur Gajendragadkar**  
 Authorised Signatory  
 Date: April 17, 2024