NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
BALANCE SHEET AS AT 31 MARCH 2021

	Notes	As at 31 March 2021 (ZAR)	As at 31 March 2020 (ZAR)	As at 31 March 2021 (Rupees) (Unaudited) Refer note 1.2 (i)	As at 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)
ASSETS					
Non-current assets					
Property, plant and equipment	2.1	-	16,604	-	70,234
		-	**16,604**	**-**	**70,234**
Current Assets					
Financial assets					
Cash and Cash Equivalents	2.2	855,483	855,100	4,226,080	3,617,073
		855,483	**855,100**	**4,226,080**	**3,617,073**
TOTAL ASSETS		**855,483**	**871,704**	**4,226,080**	**3,687,307**
EQUITY & LIABILITIES					
EQUITY					
Equity Share capital	2.3	612,000	612,000	3,023,280	2,588,760
Other equity	2.4	212,085	244,158	1,047,710	1,032,785
		824,085	**856,158**	**4,070,990**	**3,621,545**
Current liabilities					
Financial liabilities					
Trade payables	2.5	31,398	15,546	155,090	65,762
		31,398	**15,546**	**155,090**	**65,762**
TOTAL EQUITY AND LIABILITIES		**855,483**	**871,704**	**4,226,080**	**3,687,307**

See accompanying notes forming part of the financial — 1 & 2

In terms of our report attached

For **SPMG & CO.**
Chartered Accountants
ICAI Firm Registration Number : 509249C

VINOD GUPTA
Digitally signed by VINOD GUPTA
Date: 2021.06.02 19:54:54 +05'30'

VINOD GUPTA
Partner
Membership number : 090687

Place : New Delhi
Date : 02 June 2021

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Dusad Vishnu Rampratap
Digitally signed by Dusad Vishnu Rampratap
Date: 2021.06.02 18:45:35 +05'30'

VISHNU R DUSAD
Director

Place : Noida
Date : 02 June 2021

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31 MARCH 2021

		Notes	Year Ended 31 March 2021 (ZAR)	Year Ended 31 March 2020 (ZAR)	Year Ended 31 March 2021 (Rupees) (Unaudited) Refer note 1.2 (i)	Year Ended 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)
1.	**REVENUE FROM OPERATIONS**					
	Sales and services	2.6	-	-	-	-
2.	**OTHER INCOME**	2.7	8,075	733	37,065	3,519
3.	**TOTAL INCOME (1+2)**		**8,075**	**733**	**37,065**	**3,519**
4.	**EXPENSES**					
a.	Operating and other expenses	2.8	25,627	23,476	117,433	112,684
b.	Finance cost - Bank Charges	2.9	7,932	8,246	36,100	39,580
c.	Depreciation/Amortisation	2.1	6,589	8,746	33,737	41,979
	TOTAL EXPENSES		**40,148**	**40,468**	**187,270**	**194,243**
5.	**PROFIT/(LOSS) BEFORE TAX**		**(32,073)**	**(39,735)**	**(150,205)**	**(190,724)**
6.	**TAX EXPENSE**					
	Current income tax		-	6,655	-	31,944
7.	**PROFIT/(LOSS) FOR THE PERIOD**		**(32,073)**	**(46,390)**	**(150,205)**	**(222,668)**
8.	**OTHER COMPREHENSIVE INCOME**					
	Items that will be reclassified to profit or loss					
	Currency Translation reserve		-	-	165,130	(130,459)
	OTHER COMPREHENSIVE INCOME		**-**	**-**	**165,130**	**(130,459)**
9.	**TOTAL COMPREHENSIVE INCOME/(LOSS) (**		**(32,073)**	**(46,390)**	**14,925**	**(353,127)**
10.	**EARNINGS PER EQUITY SHARE**					
	Equity shares of ZAR 61,200 each					
	a. Basic		(3,207)	(4,639)	(15,021)	(22,267)
	b. Diluted		(3,207)	(4,639)	(15,021)	(22,267)
	Number of shares used in computing earnings per share					
	a. Basic		10	10	10	10
	b. Diluted		10	10	10	10

See accompanying notes forming part of the financial statements

In terms of our report attached

For SPMG & CO.
Chartered Accountants
ICAI Firm Registration Number : 509249C

VINOD GUPTA
Digitally signed by VINOD GUPTA Date: 2021.06.02 19:56:05 +05'30'

VINOD GUPTA
Partner
Membership number : 090687

Place : New Delhi
Date : 02 June 2021

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Dusad Vishnu Rampratap
Digitally signed by Dusad Vishnu Rampratap Date: 2021.06.02 18:46:00 +05'30'

VISHNU R DUSAD
Director

Place : Noida
Date : 02 June 2021

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Notes Ref.	Year ended 31 March 2021 (ZAR)	Year ended 31 March 2020 (ZAR)	Year ended 31 March 2021 (Rupees) (Unaudited) Refer note 1.2 (i)	Year ended 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)
A. Cash flow from operating activities					
Net profit / (loss) before tax		(32,073)	(39,735)	(150,205)	(190,724)
Depreciation and amortisation	2.1	6,589	8,746	33,737	41,979
Interest Income on bank deposits		-	(128)	-	(613)
Gain on sale/Discard of property, plant and equipment		9,776	-	50,053	-
Adjustments for:					
Exchange difference on translation of foreign currency accounts		239	-	597,113	(457,748)
Operating profit/(loss) before working capital changes		**(15,469)**	**(31,117)**	**530,698**	**(607,106)**
Adjustment for (increase)/decrease in operating assets					
Other non-current assets		-	-	-	-
Adjustment for increase/(decrease) in operating liabilities					
Trade payables	2.5	15,852	5,704	78,309	24,128
		383	**(25,413)**	**609,007**	**(582,978)**
Taxes paid		-	-	-	-
Net cash flow from/(used in) operating activities (A)		**383**	**(25,413)**	**609,007**	**(582,978)**
B. Cash flow from investing activities					
Purchase of Property, plant and equipment		-	-	-	-
Net cash from/ (used in) investing activities (B)		**-**	**-**	**-**	**-**
C. Cash flow from financing activities					
Interest Income		-	128	-	613
Net cash from/ (used in) financing activities (B)		**-**	**128**	**-**	**613**
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		**383**	**(25,285)**	**609,007**	**(582,365)**
Cash and cash equivalents at the beginning of the year	2.2	**855,100**	**880,385**	**3,617,073**	**4,199,438**
Cash and cash equivalents at the end of the year	2.2	**855,483**	**855,100**	**4,226,080**	**3,617,073**

See accompanying notes forming part of the Financial Statements 1 & 2

In terms of our report attached

For SPMG & CO.
Chartered Accountants
ICAI Firm Registration Number : 509249C

VINOD GUPTA Digitally signed by VINOD GUPTA Date: 2021.06.02 19:57:25 +05'30'

VINOD GUPTA
Partner
Membership number : 090687

Place : New Delhi
Date : 02 June 2021

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Dusad Vishnu Rampratap Digitally signed by Dusad Vishnu Rampratap Date: 2021.06.02 18:46:20 +05'30'

VISHNU R DUSAD
Director

Place : Noida
Date : 02 June 2021

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(Amount in ZAR)

Balance as of 1 April 2020	Changes in equity share capital during the year	Balance as on 31 March 2021
612,000	-	612,000

(Amount in Rupees)

Balance as of 1 April 2020	Changes in equity share capital during the year (refer Note below)	Balance as on 31 March 2021
2,588,760	-	3,023,280

Note: There has been no change in equity share capital during the year but closing balances have been restated due to translation from ZAR to Rupees

(Amount in ZAR)

Balance as of 1 April 2019	Changes in equity share capital during the year	Balance as on 31 March 2020
612,000	-	612,000

(Amount in Rupees)

Balance as of 1 April 2019	Changes in equity share capital during the year	Balance as on 31 March 2020
2,919,240	-	2,588,760

Note: There has been no change in equity share capital during the year but closing balances have been restated due to translation from ZAR to Rupees

B. Other Equity

(Amount in ZAR)

	Reserves and Surplus	Total
	Retained earnings	
Balance as of 1 April 2020	**244,158**	**244,158**
Profit/(Loss) for the year	(32,073)	(32,073)
Balance as of 31 March 2021	**212,085**	**212,085**

(Amount in Rupees)

	Reserves and Surplus	Items of OCI	Total
	Retained earnings	Currency Translation reserve	
Balance as of 1 April 2020	**1,105,680**	**(72,895)**	**1,032,785**
Profit/(Loss) for the year	(150,205)	165,130	14,925
Balance as of 31 March 2021	**955,475**	**92,235**	**1,047,710**

(Amount in ZAR)

	Reserves and Surplus	Total
	Retained earnings	
Balance as of 1 April 2020	**290,548**	**290,548**
Profit/(Loss) for the year	(46,390)	(46,390)
Balance as of 31 March 2021	**244,158**	**244,158**

(Amount in Rupees)

	Reserves and Surplus	Items of OCI	Total
	Retained earnings	Currency Translation reserve	
Balance as of 1 April 2019	**1,328,348**	**57,564**	**1,385,912**
Profit/(Loss) for the year	(222,668)	(130,459)	(353,127)
Balance as of 31 March 2020	**1,105,680**	**(72,895)**	**1,032,785**

See accompanying notes forming part of the financial statements

In terms of our report attached

For SPMG & CO.
Chartered Accountants
ICAI Firm Registration Number : 509249C

VINOD GUPTA
Digitally signed by VINOD GUPTA
Date: 2021.06.02 19:58:41 +05'30'

VINOD GUPTA
Partner
Membership number : 090687

Place : New Delhi
Date : 02 June 2021

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Dusad Vishnu Rampratap
Digitally signed by Dusad Vishnu Rampratap
Date: 2021.06.02 18:46:56 +05'30'

VISHNU R DUSAD
Director

Place : Noida
Date : 02 June 2021

Note 1:

1.1 Company Overview

Nucleus Software South Africa (Pty) Ltd ('the Company') was incorporated on 10 February 2015 in the state of Johannesburg (South Africa), and the Company's entire share capital introduce on 29 July 2015 by Nucleus Software Exports Ltd., India ('the Holding Company'). The principal activities of the Company consists of dealing in software systems and providing support and technical advisory and consultancy services, which are executed through a service level agreement with the Holding Company.

1.2. Significant accounting policies

i. Basis of preparation of financial statements

a) Statement of compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Financial statements were approved for issue by the Board of Directors on 02 June 2021.

b) Functional and Presentation currency

The financial statements are presented in ZAR, which is also the Company`s functional currency. The translation from ZAR to Indian Rupees is unaudited.

c) Basis of measurement

The financial statements have been prepared on the historical basis except for the following items:

Items	Measurement Basis
Certain financial assets and liabilities (including derivative instruments)	Fair Value

d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgments

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the subsequent period financial statements is included in the following notes:

- Estimated useful life of property, plant and equipment – Note 2.1

e) Measurement of fair values

The Company`s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

ii. Revenue Recognition

Revenue from service income for sale and marketing fee from Holding Company is recognised on rendering of services and in accordance with the terms of the contract.

Service income accrued but not due represents revenue recognised on contracts to be billed in the subsequent period, in accordance with the terms of the contract.

iii. Other income

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset ; or
- the amortised cost of the financial liability

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit- impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

iv. Property, Plant and equipment

Property, Plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. Cost of an item of property, plant and equipment includes its purchase price, any directly attributable expenditure on making the asset ready for its intended use. Property, plant and equipment under construction and cost of assets not ready to use before the year end, are disclosed as capital work-in-progress.

Depreciation on property, Plant and equipment, except leasehold land and leasehold improvements, is provided on the straight-line method based on useful lives of respective assets as estimated by the management taking into account nature of the asset, the estimated usage of the asset and the operating conditions of the asset. Leasehold land is amortised over the period of lease. The leasehold improvements are amortised over the remaining period of lease or the useful lives of assets, whichever is shorter. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

The management's estimates of the useful lives of the various property, plant and equipment are as follows:

Asset category	Management estimate of useful life (in years)	Useful life as per Schedule II(in years)
Tangible asset		
Plant and machinery (including office equipment)*	5	15
Furniture and fixtures*	5	10

*Based on technical evaluation, the useful lives as given above represent the period over which the management believes to use these assets; hence these lives are different from the useful lives prescribed under Part C of schedule II of the Companies Act, 2013.

v. Financial instruments

a) Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provision of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI)-equity investment; or
- Fair value through profit and loss (FVTPL)

Financial asset are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely for payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment`s fair value in OCI (designated as FVOCI-equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivatives financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirement to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

− contingent events that would change the amount or timing of cash flows;
− terms that may adjust the contractual coupon rate, including variable interest rate features;
− prepayment and extension features; and
− terms that limit the Company's claim to cash flows from specified assets (e.g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

c) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

vi. Impairment

a) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:
- financial assets measured at amortised cost;

At each reporting date, the Company assesses whether financial assets are carried at amortised cost A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward- looking information.

Measurement of expected credit losses
Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off
The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

b) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

vii. Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Post Sales client support and warranties

The Company provides its clients with fixed period warranty for correction of errors and support on its fixed price product orders. Revenue for such warranty period is allocated based on the estimated effort required during warranty period.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognises any impairment loss on the assets associated with that contract.

viii. Foreign Currency

a) Foreign currency transactions

Transactions in foreign currencies are translated at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

ix. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

x. Taxation

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b) Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

xi. Employee benefits

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under:

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

xii. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non –cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.1 Property, plant and equipment

(Amount in ZAR)

	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION					NET CARRYING AMOUNT	
PARTICULARS	**As at 1 April 2020**	**Additions**	**Deductions / adjustments**	**Currency Translation**	**As at 31 March 2021**	**As at 1 April 2020**	**Depreciation for the year**	**Currency Translation**	**Deductions**	**As at 31 March 2021**	**As at 31 March 2021**	**As at 31 March 2020**
- Office equipment	43,541 (43,541)	- -	43,728 -	- 	(187) (43,541)	26,937 (18,191)	6,589 (8,746) -	-	33,713 -	(187) (26,937)	- (16,604)	16,604 (25,350)
Total	**43,541**	**-**	**43,728**		**(187)**	**26,937**	**6,589**		**33,713**	**(187)**	**-**	**16,604**
Previous year	**(43,541)**	**-**	**-**	**-**	**(43,541)**	**(18,191)**	**(8,746)**		-	**(26,937)**	**(16,604)**	**(25,350)**

(Amount in Rupees)
(Unaudited -Refer note 1.2 (i)

	GROSS CARRYING AMOUNT					ACCUMULATED DEPRECIATION					NET CARRYING AMOUNT	
PARTICULARS	**As at 1 April 2020**	**Additions**	**Deductions / adjustments**	**Currency Translation**	**As at 31 March 2021**	**As at 1 April 2020**	**Depreciation for the year**	**Currency Translation**	**Deductions**	**As at 31 March 2021**	**As at 31 March 2021**	**As at 31 March 2020**
Tangible assets												
- Office equipment	184,178 (207,691)	- -	216,017 -	30,915 ((23,513))	(924) (184,178)	113,944 (86,771)	33,737 (41,979)	17,938 ((14,806))	166,543 -	(924) (113,944)	- (70,234)	70,234 (120,920)
Total Tangible assets	**184,178**	**-**	**216,017**	**30,915**	**(924)**	**113,944**	**33,737**	**17,938**	**166,543**	**(924)**	**-**	**70,234**
Previous year	**(207,691)**	**-**	**-**	**((23,513))**	**(184,178)**	**(86,771)**	**(41,979)**	**((14,806))**	-	**(113,944)**	**(70,234)**	**(120,920)**

Note:
(i) Figures in bracket pertains to previous year.

	Particulars	As at 31 March 2021 (ZAR)	As at 31 March 2020 (ZAR)	As at 31 March 2021 (Rupees) (Unaudited) Refer note 1.2 (i)	As at 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)
2.2	**INCOME TAX ASSETS**				
	Advance income tax (net of provisions)	-	-	-	-
		-	**-**	**-**	**-**
2.3	**CASH AND CASH EQUIVALENTS**				
	Balances with non scheduled banks:				
	- in current accounts	855,483	855,100	4,226,080	3,617,073
		855,483	**855,100**	**4,226,080**	**3,617,073**
2.4	**SHARE CAPITAL**				
	a. **Authorised**				
	Equity Shares 10 equity shares of ZAR 61,200 each	612,000	612,000	3,023,280	2,588,760
	b. **Issued, Subscribed and Paid-Up**				
	10 Equity shares of ZAR 61,200 each fully paid up, held by Nucleus Software Exports Limited, India (the Holding Company).	**612,000**	**612,000**	**3,023,280**	**2,588,760**

Notes :

(i) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-**

As at beginning of the year				
- Number of shares	10	10	10	10
- Amount	612,000	612,000	3,023,280	2,588,760
Shares issued/(bought back) during the year				
- Number of shares	-	-	-	-
- Amount	-	-	-	-
As at end of the year				
- Number of shares	10	10	10	10
- Amount	612,000	612,000	3,023,280	2,588,760

(ii) **Rights, preferences and restrictions attached to shares :-**

The Company has one class of equity shares having a par value of ZAR 61,200 each. Each shareholder is eligible for one vote per share held.

(iii) **Details of share held by the Holding Company :-**

Nucleus Software Exports Limited

- Number of shares	10	10	10	10
- Percentage	100%	100%	100%	100%
- Amount	612,000	612,000	612,000	612,000

2.5 OTHER EQUITY

Particulars	As at 31 March 2021 (ZAR)	As at 31 March 2020 (ZAR)	As at 31 March 2021 (Rupees) (Unaudited) Refer note 1.2 (i)	As at 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)
Retained Earnings	212,085	244,158	955,475	1,105,680
Other Comprehensive Income-Currency translation reserve	-	-	92,235	(72,895)
a. **Retained Earnings**				
Opening Balance	244,158	290,548	1,105,680	1,328,348
Add: Profit/ (Loss) for the year	(32,073)	(46,390)	(150,205)	(222,668)
Closing balance	**212,085**	**244,158**	**955,475**	**1,105,680**
b. **Other Comprehensive Income**				
Currency translation reserve				
Opening balance	-	-	(72,895)	57,564
Add: Created during the year	-	-	165,130	(130,459)
Closing balance	-		**92,235**	**(72,895)**
	212,085	**244,158**	**1,047,710**	**1,032,785**

2.6 TRADE PAYABLES

Particulars	As at 31 March 2021 (ZAR)	As at 31 March 2020 (ZAR)	As at 31 March 2021 (Rupees)	As at 31 March 2020 (Rupees)
a. Trade Payables				
i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	31,398	15,546	155,090	65,762
	31,398	**15,546**	**155,090**	**65,762**

2.7 Financial Instruments

a) Financial Instruments by category

The carrying value and fair value of financial instruments by categories of 31 March 2021 were as follows:

(Amount in ZAR)

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents (2.3)	855,483	-	-	855,483	855,483
	855,483	**-**	**-**	**855,483**	**855,483**
Liabilities:					
Trade payables (2.6)	31,398	-	-	31,398	31,398
	31,398	**-**	**-**	**31,398**	**31,398**

The carrying value and fair value of financial instruments by categories of 31 March 2020 were as follows:

(Amount in ZAR)

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents (2.3)	855,100	-	-	855,100	855,100
	855,100	**-**	**-**	**855,100**	**855,100**
Liabilities:					
Trade payables (2.6)	15,546	-	-	15,546	15,546
	15,546	**-**	**-**	**15,546**	**15,546**

The carrying amount of current trade receivables, trade payables, security deposit, current financial assets and cash and cash equivalent are considered to be same as their fair values, due to their short-term nature.

b) Financial risk management

The Company's activities expose it to a variety of financial risks arising from financial instruments

As of 31 March 2021, the Company had a working capital of ZAR 824,084 (31 March 2020: ZAR 839,554)

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2021 :

Particulars	Less than 1 year	1-2 years	Total
Trade payables	31,398	-	**31,398**

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2020:

Particulars	Less than 1 year	1-2 years	Total
Trade payables	15,546	-	**15,546**

c) Capital Management

The Company's objectives when managing capital are to:

-safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and

- maintain an appropriate capital structure

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international financial markets so as to maintain investors, creditors & markets' confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

Risk management

For the purpose of the Company`s capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company`s capital management is to maximise the shareholder value.

The Company manages it capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, raise debts or issue new shares.

Particulars		Year Ended 31 March 2021 (ZAR)	Year Ended 31 March 2020 (ZAR)	Year Ended 31 March 2021 (Rupees) (Unaudited) Refer note 1.2 (i)	Year Ended 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)
2.7	**SALES AND SERVICES**				
a.	Sales & Marketing activities from holding Company	-	-	-	-
		-	**-**	**-**	**-**
2.8	**OTHER INCOME**				
a.	Interest income on				
	- Deposits with banks	-	128	-	613
b.	Net gain on foreign currency transactions	8,075	-	37,065	-
c.	Gain on sale of Property, plant and equipment	-	605	-	2,906
		8,075	**733**	**37,065**	**3,519**
2.9	**OPERATING AND OTHER EXPENSES**				
a.	Legal and professional expenses	15,851	19,876	67,380	95,404
b.	Rates and taxes	-	600	-	2,880
c.	Miscellaneous Expenses	9,776	3,000	50,053	14,400
		25,627	**23,476**	**117,433**	**112,684**
2.10	**FINANCE COST**				
a.	Bank charges	7,932	8,246	36,100	39,580
		7,932	**8,246**	**36,100**	**39,580**

2.11 the Company has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of right-of-use assets, trade receivables and other financial and non financial assets, for possible impact on the Standalone Financial Statements. However, the impact of COVID·19 on the Company's financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

2.12 SEGMENT REPORTING

Based on the guiding principles stated in IndAS 108 on “Segment Reporting” with the accounting standards specified under section 133 of the Act, as applicable, the Company has identified its business of providing software development services as one reportable business segment only. Accordingly, no additional disclosure for segment reporting have been made in the financial statements.

For SPMG & CO.
Chartered Accountants
ICAI Firm Registration Number : 509249C

VINOD GUPTA Digitally signed by VINOD GUPTA Date: 2021.06.02 20:00:00 +05'30'

VINOD GUPTA
Partner
Membership number : 090687

Place : New Delhi
Date : 02 June 2021

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Dusad Vishnu Rampratap Digitally signed by Dusad Vishnu Rampratap Date: 2021.06.02 18:47:37 +05'30'

VISHNU R DUSAD
Director

Place : Noida
Date : 02 June 2021