Vodafone Idea Manpower Services Limited

Financial Statements

For the period ended March 31, 2024

12th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai - 400 028, India
Tel : +91 22 6819 8000

INDEPENDENT AUDITOR'S REPORT

To the Members of Vodafone Idea Manpower Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Vodafone Idea Manpower Services Limited ("the Company"), which comprise the Balance sheet as at March 31 2024, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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

Basis for Opinion

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

Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Board of Directors' Report but does not include the financial statements and our auditor's report thereon. The Board of Directors' Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) The Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act;

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(f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2024;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 21 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. No dividend has been declared or paid during the year by the Company;

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vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 35 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W/E300004**

per **Amit Poddar**
Partner
Membership Number: 509192
UDIN: 24509192BKFDST7993

Place of Signature: Mumbai
Date: May 10, 2024

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Vodafone Idea Manpower Services Limited (the 'Company')

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) The Company does not have any Property, Plant and Equipment and Intangible assets, and accordingly the requirement to report on clause 3(i) (a), (b), (c) and (d) of the Order is not applicable to the Company.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories, and accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not availed any working capital limits from banks or financial institutions at any point of time during the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a), (c), (d), (e) and (f) of the Order is not applicable to the Company.

(b) During the year, the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under clause 148(1) of the Act, for the services of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

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(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. The provisions pertaining to duty of customs and duty of excise are not applicable to the Company.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of provident fund have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Employees' Provident Funds & Miscellaneous Provision Act, 1952	Provident Fund	1,580	2017-18	Central Government Industrial Tribunal (CGIT), Mumbai

The Company has deposited Rs 135 Lakhs under protest for the above case.

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) On overall examination of the financial statements of the Company, the Company has used funds raised on short term basis (in form of trade payable and other liability) aggregating to Rs. 419 Lakh for long-term purposes (to fund Margin Money).

(e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

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(b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor / secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b),(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of The Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv) The Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. Therefore, the requirement to report under clause 3(xiv)(a) & (b) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group has five Core Investment Companies as part of the Group.

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(xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of note 33 and 34 to the financial statements, which includes financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by Rs 419 Lakh, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe that Company is not capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.

We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The requirement of section 135 of The Companies Act, 2013 is not applicable to the Company, and accordingly, the requirement to report on Clause 3(xx) of the Order is not applicable to the Company.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W/E300004**

per **Amit Poddar**
Partner
Membership Number: 509192
UDIN: 24509192BKFDST7993

Place: Mumbai
Date: May 10, 2024

Annexure '2' to the Independent Auditor's Report of even date on the financial statements of Vodafone Idea Manpower Services Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Vodafone Idea Manpower Services Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

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Meaning of Internal Financial Controls With Reference to these Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: **101049W/E300004**

Amit Poddar

S.R. BATLIBOI & ASSOCIATES LLP * CHARTERED ACCOUNTANTS * MUMBAI

per **Amit Poddar**
Partner
Membership Number: 509192
UDIN: 24509192BKFDST7993

Place of Signature: Mumbai
Date: May 10, 2024

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Balance Sheet as at March 31, 2024

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Financial assets			
Other non-current financial assets	6	670	722
Deferred tax assets	25	82	109
Other non-current assets	7	173	143
Total non-current assets (A)		**925**	**974**
Current assets			
Financial assets			
Trade receivables	8	86	158
Cash and cash equivalents	9	23	19
Other current assets	10	31	28
Total current assets (B)		**140**	**205**
Total Assets (A+B)		**1,065**	**1,179**
Equity and Liabilities			
Equity			
Equity share capital	11	5	5
Other equity	12	334	272
Total equity (A)		**339**	**277**
Liabilities			
Non-current liabilities			
Long term provisions	13	167	281
Total non-current liabilities (B)		**167**	**281**
Current liabilities			
Financial liabilities			
Trade payables	14		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		232	300
Other current liabilities	15	183	187
Short term provisions	16	144	134
Total current liabilities (C)		**559**	**621**
Total Equity and Liabilities (A+B+C)		**1,065**	**1,179**

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E30004

For and on behalf of the Board of Directors of Vodafone Idea Manpower Services Limited

Amit Poddar
Partner
Membership No.: 509192

Murthy G.V.A.S.
Director
(DIN: 08920194)

Abhijit Kishore
Director
(DIN : 09042186)

Place : Mumbai
Date : May 10, 2024

Place : Mumbai
Date : May 10, 2024

Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Service revenue (Refer note 27)		7,595	7,381
Other Operating Income	17	11	18
Revenue from operations		**7,606**	**7,399**
Interest income		33	33
Total income		**7,639**	**7,432**
Expenses			
Employee benefit expenses	18	6,545	6,320
Other expenses	19	1,002	1,017
		7,547	**7,337**
Profit/(Loss) before finance costs and tax		**92**	**95**
Finance costs	20	1	1
Profit/(Loss) before tax		**91**	**94**
Tax expense:			
- Current tax	24	4	28
- Deferred tax	24 & 25	27	26
Profit/(Loss) for the year		**60**	**40**
Other comprehensive income / (loss)			
Items not to be reclassified to profit or loss in subsequent periods:			
Re-measurement (loss)/gain on defined benefit plans	22	2	104
Income tax effect on above	24 & 25	-*	(26)
Other comprehensive income/(loss) for the year, net of tax		**2**	**78**
Total comprehensive income /(loss)for the year		**62**	**118**
Earnings per equity share of Rs. 10 each:	26		
Basic (Rs.)		**120.00**	**80.00**
Diluted (Rs.)		**120.00**	**80.00**

The accompanying notes are an integral part of the Financial Statements

*Numbers below one lakh are under the rounding off convention adopted by the Company and accordingly not reported

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E30004

Amit Poddar
Partner
Membership No.: 509192

Place : Mumbai
Date : May 10, 2024

For and on behalf of the Board of Directors of Vodafone Idea Manpower Services Limited

Murthy G.V.A.S.
Director
(DIN: 08920194)

Abhijit Kishore
Director
(DIN : 09042186)

Place : Mumbai
Date : May 10, 2024

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Statement of Changes in Equity for the year ended March 31, 2024

A. Equity share capital:

Equity shares of Rs. 10 each issued, subscribed and fully paid

	Numbers	Amount
As at April 1, 2022	50,000	5
Issue of share capital	-	-
As at March 31, 2023	50,000	5
Issue of share capital	-	-
As at March 31, 2024	**50,000**	**5**

B. Other equity

Particulars	Retained earnings
As at April 1, 2022	**154**
Profit/ (Loss) for the year ended March 31, 2023	40
Other comprehensive income/(loss) for the year ended March 31, 2023	78
As at March 31, 2023	**272**
Profit /(Loss) for the year ended March 31, 2024	60
Other comprehensive income/(loss) for the year ended March 31, 2024	2
As at March 31, 2024	**334**

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E30004

Amit Poddar
Partner
Membership No.: 509192

Place : Mumbai
Date : May 10, 2024

For and on behalf of the Board of Directors of
Vodafone Idea Manpower Services Limited

Murthy G.V.A.S.
Director
(DIN: 08920194)

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Director
(DIN : 09042186)

Place : Mumbai
Date : May 10, 2024

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Statement of Cash Flows for the year ended March 31, 2024

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Cash flows from operating activities		
Profit before tax	91	94
Adjustments to reconcile profit before tax to net cash flows:		
Finance costs	1	1
Bad debts / advances written off	8	-
Allowance for doubtful debts / advances	(3)	6
Interest income	(33)	(33)
Adjustments for changes in working capital		
Decrease/(Increase) in trade receivables	64	(158)
Decrease in other financial and non-financial assets	-	2
(Decrease)/Increase in trade payables	(68)	72
(Decrease) in other financial and non-financial liabilities	(106)	(97)
Cash used in operating activities	**(46)**	**(113)**
Income tax refund/(paid)	(34)	33
Net cash used in operating activities	**(80)**	**(80)**
Cash flows from investing activities		
Interest received	85	4
Net cash generated from investing activities	**85**	**4**
Cash flows from financing activities		
Finance charges paid	(1)	(1)
Net cash used in financing activities	**(1)**	**(1)**
Net decrease in cash and cash equivalents	**4**	**(77)**
Cash and cash equivalents at the beginning of the year	19	96
Cash and cash equivalents at the end of the year (refer note 9)	**23**	**19**

The above statement of cash flows has been prepared under the indirect method as set out in Ind AS 7 on Statement of Cash Flows.

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E30004

Amit Poddar
Partner
Membership No.: 509192

Place : Mumbai
Date : May 10, 2024

For and on behalf of the Board of Directors of Vodafone Idea Manpower Services Limited

Murthy G.V.A.S.
Director
(DIN:08920194)

Abhijit Kishore
Director
(DIN :09042186)

Place : Mumbai
Date : May 10, 2024

1. Corporate Information

Vodafone Idea Manpower Services Limited ('the Company'), a wholly owned subsidiary of Vodafone Idea Limited was incorporated on October 3, 2007 under the provisions of the Companies Act, 1956 and is in the business of providing manpower services to its holding Company. The registered office of the Company is situated at Suman Tower Plot No. 18, Sector No. 11, Gandhinagar - 380051, Gujarat, India.

The financial statements for the period ended March 31, 2024 were approved by the Board of Directors and authorized for issue on May 10, 2024.

2. Statement of Compliance

The financial statements of the Company comprising of Balance Sheet, Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows together with the notes have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

3. Basis of Preparation

The financial statements have been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services on the transaction date.

All financial information presented in Rs. has been rounded off to the nearest lakhs unless otherwise stated.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013.

4. Material Accounting Policies

a) Revenue from contracts with customers

Revenue is recognised when a customer receives services and thus has the ability to direct the use and obtain benefits from those services. Revenue is measured at the "Transaction Price" i.e. an amount that reflects the consideration, to which an entity expects to be entitled in exchange for transferring services to customers, excluding amounts collected on behalf of third parties. Taxes and duties collected by the service provider are to be deposited with the Government and not received by the Company on their own account. Accordingly, it is excluded from revenue.

i) Revenue from supply of services

Revenue on account of manpower services is recognised as and when services are rendered and related costs are incurred.

ii) Trade receivables

A trade receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 4(f) Financial instruments – initial recognition and subsequent measurement.

iii) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is recorded using the applicable Effective Interest Rate (EIR), which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to that asset's net carrying amount on initial recognition.

b) Employee benefits

i) Defined Contribution Plan

Contributions to Provident and Pension funds are funded with the appropriate authorities and charged to the Statement of Profit and Loss when the employees have rendered service entitling them to the contributions.
The Company has no obligation other than contributions payable to these funds.

ii) Defined Benefit Plan

The Company operates a defined benefit gratuity plan, which requires contributions to be made to a separately administered fund with insurance companies. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method, with actuarial valuations being carried out at periodic intervals.

Re-measurements, comprising of actuarial gains and losses and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding charge or credit to Other Comprehensive Income (OCI) in the period in which they occur. Re-measurements are not reclassified to statement of profit and loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs; and
- Net interest expense or income

iii) Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, wages and other short term employee benefits in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Provision for compensated absences to employees is based on actuarial valuation done by projected unit credit method at the reporting date. The related re-measurements are recognised in the Statement of Profit and Loss in the period in which they arise.

c) Taxes

Income tax expense represents the sum of the current tax and deferred tax.

i) Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current tax is based on the taxable income and calculated using the applicable tax rates and tax laws. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.
Current tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at the end of each reporting date and are recognised to the extent it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

d) Current / Non – Current Classification

An asset is classified as current when

a) It is expected to be realized or consumed in the Company's normal operating cycle;
b) It is held primarily for the purpose of trading;
c) It is expected to be realized within twelve months after the reporting period; or
d) If it is cash or cash equivalent, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

Any asset not conforming to the above is classified as non-current.

A liability is classified as current when

a) It is expected to be settled in the normal operating cycle of the Company;
b) It is held primarily for the purposes of trading;
c) It is expected to be settled within twelve months after the reporting period; or
d) The Company has no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Any liability not conforming to the above is classified as non-current.

e) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

f) Financial Instruments

Initial recognition and measurement

Financial Instruments (assets and liabilities) are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.
Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of Profit and Loss.

i) Financial assets

All regular way purchase or sale of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at amortised cost or fair value, depending on the classification of the financial assets:

a) Financial assets measured at amortised cost
b) Financial assets measured at fair value through profit or loss (FVTPL) – The Company does not have any assets classified as FVTPL.
c) Financial assets measured at fair value through other comprehensive income (FVTOCI) – The Company does not have any assets classified as FVTOCI.

Financial assets measured at amortised cost.

A financial asset is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. EIR is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the EIR, transaction costs and other premiums or discounts) through the expected life of the debt instrument or where appropriate, a shorter period, to the net carrying amount on initial recognition.

The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables, loans, etc.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - the Company has transferred substantially all the risks and rewards of the asset; or
  - the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Trade receivables
- Other Financial assets not designated as FVTPL

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

ii) Financial liabilities

Subsequent measurement

All financial liabilities are subsequently measured at amortised cost using the EIR method or at FVTPL. The Company does not have any liability classified as FVTPL.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition

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

In case, an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

iii) Offsetting 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 or to realise the assets and settle the liabilities simultaneously.

g) Fair value measurement

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) (a) on the date of the event or change in circumstances that caused the transfer or (b) at the end of each reporting period or (c) at the beginning of each reporting period.

h) Earnings per share

The earnings considered in ascertaining the Company's Earnings per share (EPS) is the net profit / loss after tax.

EPS is disclosed on basic and diluted basis. Basic EPS is computed by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless the effect of the potential dilutive equity shares is anti-dilutive.

i) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability

A Contingent Liability is disclosed where there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Contingent Assets are not recognised.

k) Recent pronouncements

Amendments to Ind AS

MCA vide notification no. G.S.R. 242(E) dated March 31, 2023 has issued Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends following Ind AS:

- Ind AS 101 First Time Adoption of Indian Accounting Standards
- Ind AS 102 Shared based Payment
- Ind AS 12 Income Taxes
- Ind AS 107 Financial Instrument Disclosures
- Ind AS 103 Business Combinations
- Ind AS 109 Financial Instruments
- Ind AS 115 Revenue from Contracts with Customers
- Ind AS 1 Presentation of Financial Statements
- Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 34 Interim Financial Reporting

The amendments are applicable for annual periods beginning after April 1,2023, however, these do not have material impact on the Financial Statements of the Company.

5. Use of Estimates, assumptions and judgments

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures including the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of assets or liabilities in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialise.

The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Estimates and Assumptions

i) Taxes

The Company provide for tax considering the applicable tax regulations and based on reasonable estimates. Management periodically evaluates positions taken in the tax returns giving due considerations to tax laws and establishes provisions in the event if required as a result of differing interpretation or due to retrospective amendments, if any.
Deferred tax asset (DTA) is recognized only when and to the extent there is convincing evidence that the Company will have sufficient taxable profits in future against which such assets can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies, recent business performance and developments

Minimum alternative tax (MAT) is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax and will be able to utilize such credit during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the Statement of Profit and loss and is included in Deferred Tax Assets. The Company reviews the same at each balance sheet date and if required, writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to absorb such credit during the specified period.

ii) Defined benefit plans (gratuity benefits)

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter subject to frequent changes is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables in India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in note 22.

iii) Provisions and Contingent Liabilities

Provisions and contingent liabilities are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Evaluations of uncertain provisions and contingent liabilities and assets requires judgement and assumptions regarding the probability of realization and the timing and amount, or range of amounts, that may ultimately be incurred. Such estimates may vary from the ultimate outcome as a result of differing interpretations of laws and facts. Refer Note 21 for further details about Contingent liabilities.

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 6
Other Non Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
Deposits and balances with government authorities	5	5
Margin money deposits	655	655
Interest receivable	10	62
Total	**670**	**722**

Note 7
Other non-current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Advance income tax (Net)	38	8
Others (consisting mainly deposit against demands which are appealed against/subjudice)	135	135
Total	**173**	**143**

Note 8
Trade receivables (Unsecured, unless otherwise stated) (refer note 27)

Particulars	As at March 31, 2024	As at March 31, 2023
Billed Receivables		
Considered Good	14	158
Unbilled Receivables	72	-
Total	**86**	**158**

The following is ageing schedule of trade receivables :

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	Total
As at March 31, 2024					
Trade receivables - Billed					
Undisputed Trade receivables - considered good	14	-	-	-	14
	14	**-**	**-**	**-**	**14**
Trade receivables - Unbilled					72
					86
As at March 31, 2023					
Trade receivables - Billed					
Undisputed Trade receivables - considered good	158	-	-	-	158
	158	**-**	**-**	**-**	**158**

Note 9
Cash and cash equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks in current accounts	23	19
Total	**23**	**19**

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 10
Other current assets

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	13	18
Others		
- Considered Good	18	10
- Considered Doubtful	11	14
	42	**42**
Allowance for doubtful advances (refer note 28)	(11)	(14)
Total	**31**	**28**

Note 11
Equity share capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	Amount	Numbers	Amount
EQUITY SHARE CAPITAL				
Authorised share capital				
Equity Shares of Rs. 10 each	2,000,000	200	2,000,000	200
	2,000,000	**200**	**2,000,000**	**200**
Issued, subscribed and paid-up share capital				
Equity Shares of Rs. 10 each fully paid up	50,000	5	50,000	5
	50,000	**5**	**50,000**	**5**

(a) Reconciliation of number of shares outstanding

Particulars	As at March 31, 2024		As at March 31, 2023	
	Numbers	Amount	Numbers	Amount
Equity shares outstanding at the beginning of the year	50,000	5	50,000	5
Issue of shares	-	-	-	-
Equity shares outstanding at the end of the year	50,000	5	50,000	5

(b) Terms/ rights attached to issued, subscribed and paid up equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at March 31, 2024		As at March 31, 2023	
	Numbers	% holding in the class	Numbers	% holding in the class
Equity shares of Rs. 10 each fully paid				
Vodafone Idea Limited, the holding company and its nominees	50,000	100%	50,000	100%

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 12
Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Retained Earnings		
Opening balance	272	154
Profit/(loss) for the year	60	40
Other Comprehensive Income/(Loss) for the year	2	78
Total	**334**	**272**

Note 13
Long term provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity (refer note 22)	15	142
Compensated absences	152	139
Total	**167**	**281**

Note 14
Trade payables

The following is ageing schedule of trade payables :

Particulars	Outstanding for following periods from due date of payment				
	Not due	Less than 1 year	1-2 years	2-3 years	Total
As at March 31, 2024					
(i) Micro enterprises and small enterprises	-	-	-	-	-
(ii) Others	-	60	10	-	70
	-	60	10	-	70
Accrued expenses					162
Total					232
As at March 31, 2023					
(i) Micro enterprises and small enterprises	-	-	-	-	-
(ii) Others	20	75	3	-	98
	20	75	3	-	98
Accrued expenses					202
Total					300

Note 15
Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Taxes and other liabilities	183	187
Total	**183**	**187**

Note 16
Short term provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Gratuity (refer note 22)	91	86
Compensated absences	53	48
Total	**144**	**134**

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 17
Other operating income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Miscellaneous receipts	11	18
Total	**11**	**18**

Note 18
Employee benefit expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, wages and bonus	5,932	5,670
Contribution to provident and other funds (refer note 22)	516	533
Staff welfare	92	112
Recruitment and training	5	5
Total	**6,545**	**6,320**

Note 19
Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Communication expenses	76	72
Travelling and conveyance	874	887
Bad debts / advances written off	8	-
Allowances for doubtful debts and advances (refer note 28)	(3)	6
Directors sitting fees (refer note 27)	1	1
Legal and professional charges	19	25
Audit fees (refer note 23)	2	2
Support service charges (refer note 27)	15	23
Miscellaneous expenses	10	1
Total	**1,002**	**1,017**

Note 20
Finance costs

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Other Finance Charges	1	1
Total	**1**	**1**

Note 21
Contingent Liabilities not provided for

Particulars	As at March 31, 2024	As at March 31, 2023
Provident fund matter(1)	1,580	1,580

(1) This is on account of Demand raised by Provident Fund Authorities considering "Field Allowance" as salary, which the Company has challenged before Central Government Industrial Tribunal (CGIT), Mumbai. The Hon'ble Supreme Court Judgement on Provident Fund dated February 28, 2019 has let to numerous interpretative issues including a review petition. Future cash outflows in respect of the above matters is determinable only on receipt of final judgments/ decisions from CGIT. Further, based on the Company's internal evaluation, it is not probable that the claim will materialise and therefore, no provision has been recognized for the above.

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 22
Employee Benefits:

A. Defined Benefit Plan (Gratuity):

General Description and Benefits of the plan

The Company operates a defined benefit salary gratuity plan through a trust. The gratuity benefits payable to the employees are based on the employee's service and last drawn salary at the time of leaving. The benefit is payable on termination of service or retirement, whichever is earlier. The employees do not contribute towards this plan and the full cost of providing these benefits are met by the Company.

Regulatory Framework, Funding Arrangement and Governance of the Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972 (Gratuity Act). The trustees of the gratuity fund have a fiduciary responsibility to act according to the provisions of the trust deed and rules. Since the fund is income tax approved, the Company and the trustees have to ensure that they are at all times fully compliant with the relevant provisions of the income tax act and rules. The Company is bound to pay the statutory minimum gratuity as prescribed under Gratuity Act. There are no minimum funding requirements for a gratuity plan in India. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of underfunding of the plan, vis-à-vis settlements. The trustees of the trust are responsible for the overall governance of the plan. The trustees of the plan have outsourced the investment management of the fund to insurance companies which in turn manage these funds as per the mandate provided to them by the trustees and applicable insurance and other regulations.

Inherent Risks

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any significant change in salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future.

The following tables summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the Balance Sheet for gratuity:

Particulars	As at March 31, 2024	As at March 31, 2023
Amount recognised in Balance Sheet		
Present value of obligations as at the end of the year	500	484
Fair value of plan assets as at the end of the year	394	256
Net Funded (Obligation)/Assets	(106)	(228)
Net Asset/(Liability) recognized in Balance Sheet	(106)	(228)
Net Asset/(Liability) recognized in Balance Sheet is bifurcated as		
- Long term provision	(15)	(142)
- Short term provision	(91)	(86)

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Sr. No	Particulars	As at March 31, 2024	As at March 31, 2023
1	**Reconciliation of Net Defined Benefit Obligation**		
	Opening Net Defined Benefit liability / (asset)	228	392
	Expense charged to the Statement of Profit & Loss	100	135
	Expense / (Income) charged to OCI	(2)	(104)
	Employer Contributions	(195)	(136)
	Liabilities assumed / (settled)[1]	(25)	(59)
	Closing Net Defined Benefit liability (asset)	106	228
2	**Reconciliation of Defined Benefit Obligation**		
	Opening Defined Benefit Obligation	484	585
	Current Service cost	86	111
	Interest on Defined Benefit Obligation	33	37
	Re-measurement (Gain)/Loss arising from change in financial assumptions	5	(13)
	Re-measurement (Gain) / Loss arising from change in demographic assumptions	-	(36)
	Re-measurement (Gain)/Loss arising on account of experience changes	(3)	(55)
	Benefits paid	(80)	(86)
	Liabilities assumed / (settled)[1]	(25)	(59)
	Closing of Defined Benefit Obligation	500	484
3	**Reconciliation of plan assets**		
	Opening fair value of plan assets	256	193
	Employer Contributions	195	136
	Interest on plan assets	19	13
	Re-measurements due to		
	- Actual return on plan assets less expected interest on plan assets	4	-
	Benefits paid	(80)	(86)
	Closing fair value of plan assets	394	256

[1]On account of inter group transfer.

Amounts recognized in Statements of Profit and Loss in respect of these defined benefit plans are as follows:

Sr. No	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
1	**Expenses Recognised in Statement of Profit & Loss**		
	Current Service cost	86	111
	Interest on Net Defined Benefit liability/ (asset)	14	24
	Expenses recognised in the Statement of Profit & Loss	**100**	**135**
2	**Amount recorded as Other Comprehensive Income (OCI)**		
	Re-measurement during the year due to		
	- Changes in financial assumptions	5	(13)
	- Changes in demographic assumptions	-	(36)
	- Experience adjustments	(3)	(55)
	- Return on plan assets (excluding amounts included in net interest expense)	(4)	-
	Amount recognised in OCI (gain) / loss	**(2)**	**(104)**

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

The principal assumptions used in determining gratuity obligations are shown below:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Discount rate	7.20%	7.40%
Future salary increases[1]	8.00%	8.00%
Attrition rate	30 years & below - 30% 31-40 years - 20% 41 years & above - 10%	30 years & below - 30% 31-40 years - 20% 41 years & above - 10%
Mortality rate during employment	As per Indian Assured Lives Mortality (2012-14) Table	As per Indian Assured Lives Mortality (2012-14) Table
Disability	Leaving service due to disability is included in the provision made for all causes of leaving service.	

[1] The estimates of future salary increase considered taking into account inflation, seniority, promotion and other relevant factors.

A quantitative sensitivity analysis for significant assumptions on the defined benefit obligation is as below:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Discount rate %	Salary escalation rate %	Discount rate %	Salary escalation rate %
Impact of increase in 50 bps on DBO	-2.33%	2.36%	-2.00%	3.04%
Impact of decrease in 50 bps on DBO	2.45%	-2.29%	3.56%	-2.96%

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The following payments are expected contributions to the defined benefit plan in future years:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Within the next 12 months	91	86

Disaggregation details of plan assets (% allocation)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Insurer Managed Funds [1]	100%	100%

(1) The funds are managed by Insurers and they do not provide breakup of plan assets by investment type.

Projected plan cash flow:

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date.

Maturity Profile	As at March 31, 2024	As at March 31, 2023
Expected benefits for year 1	93	87
Expected benefits for year 2	75	78
Expected benefits for year 3	69	69
Expected benefits for year 4	65	63
Expected benefits for year 5 and above	459	445

The average duration of the defined benefit plan obligation at the end of the reporting period is 4.18 years (March 31, 2023: 5.04 years).

B. Defined contribution plans:

During the year, the Company has recognised the following amounts in the statement of profit and loss:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Employers' contribution to provident and pension fund	416	394
Employee State Insurance Corporation contribution	-	5

Note 23
Auditor's Remuneration

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit Fees	2	2
Total Remuneration	**2**	**2**

Note 24
Income Tax Expense
(a) Major components of tax expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax		
Current Tax on profits for the year	4	20
Adjustments for current tax of prior period	-	8
Total Current Tax Expense (A)	**4**	**28**
Deferred Tax		
Relating to addition & reversal of temporary differences	27	26
Total Deferred Tax Expense (B)	**27**	**26**
Total Current Tax Expense (A+B)	**31**	**54**
Income tax effect of re-measurement (gains)/losses on defined benefit plans taken to other comprehensive income / (loss)	**-***	**26**

*Numbers below one lakh are under the rounding off convention adopted by the Company and accordingly not reported

(b) Reconciliation of average effective tax rate and applicable tax rate

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit before income tax expense	91	94
Applicable Tax Rate	**25.17%**	**25.17%**
Increase / reduction in taxes on account of:		
Effect of items for which no deferred tax is recognised	-	24.02%
Effects of expenses that are not deductible in determining the taxable profits	8.55%	-
Effect of adjustment for tax on prior period	-	7.70%
Effective Tax Rate	**33.72%**	**56.89%**

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 25
Movement in Deferred Tax Assets

Particulars	As at April 1, 2022	Recognised in Profit and Loss	Recognised in OCI	As at March 31, 2023	Recognised in Profit and Loss	Recognised in OCI	As at March 31, 2024
Assets							
Expenses allowable on Payment Basis	159	(24)	(26)	109	(27)	-*	82
Others	2	(2)	-	-	-	-	-
Total (A)	**161**	**(26)**	**(26)**	**109**	**(27)**	**-***	**82**
Net Deferred Tax Liabilities/ (assets)	**(161)**	**26**	**26**	**(109)**	**27**	**-***	**(82)**

Note 26
Basic & Diluted Earnings Per Share

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Nominal value of per equity share Rs.	10	10
Profit / (Loss) after Tax	60	40
Profit / (Loss) attributable to equity shareholders	60	40
Weighted average number of equity shares outstanding during the period	50,000	50,000
Basic and Diluted earnings per share	120.00	80.00

Note 27
Related party transactions

The Company has transactions with the below related parties:

Relationship	Related Party
Holding company	Vodafone Idea Limited
Fellow Subsidiaries	Vodafone Idea Shared Services Limited
Key Managerial Personnel	Mr. Murthy G. V. A. S. (Appointed as an Non-Executive Director on May 10, 2023)*
	Mr. Akshay Moondra (Resigned as Non-Executive Director on May 11, 2023)*
	Mr. Krishnan Ramachandran (Non-Executive Director)
	Mr. Abhijit Kishore (Non-Executive Director)*
Trust[(1)]	Vodafone Idea Manpower Services Limited Employees Group Gratuity Scheme

[(1)]Transaction with trust includes contribution to gratuity fund refer note 22 for information on transaction with post-employment benefit plans mentioned above.

* No transactions during the year/period

A. Transactions with Related Parties for the year ended March 31, 2024 and March 31, 2023

Particulars	Holding Company	Fellow Subsidiary	Key Managerial Personnel	Trust
Purchase of service	2	15	-	-
	-	(23)	-	-
Sale of service	7,595	-	-	-
	(7,381)	-	-	-
Expense incurred on Company's behalf by	42	-	-	-
	(36)	-	-	-
Director's sitting fees	-	-	1	-
	-	-	(1)	-
Contribution to Gratuity fund	-	-	-	140
	-	-	-	-

(Figures in bracket are for the year ended March 31, 2023)

B. Balances with Related Parties

Particulars	Holding Company	Fellow Subsidiary
Trade Payables	*	2
	*	-
Trade and Other Receivable	86	-
	(158)	*

*Numbers below one lakh are under the rounding off convention adopted by the Company and accordingly not reported
(Figures in bracket are as at March 31, 2023)

Note 28
Movement of Allowances for Doubtful Debts/Advances

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	14	8
Charged to Statement of Profit and Loss (Net) (refer note 19)	(3)	6
Closing Balance	**11**	**14**

Note 29
Segment information

As the Company operates in only one business segment there is no separate reportable segments as per Ind AS–108 on "Operating segment".

(All amounts are in Rs. lakhs, except per share data and unless stated otherwise)

Note 30
Financial Instruments

(a) Financial Instruments by Category:

Particulars	As at March 31, 2024	As at March 31, 2023
	Amortised Cost	
Financial Assets		
Trade receivables	86	158
Cash and cash equivalents	23	19
Margin money deposit	655	655
Interest receivable	10	62
Deposit and balances with government authorities	5	5
Total Financial Assets	**779**	**899**
Financial Liabilities		
Trade Payables	232	300
Total Financial Liabilities	**232**	**300**

(b) Fair value hierarchy

The carrying amounts of the financial assets and financial liabilities are reasonable approximation of their fair values. Accordingly, the fair values of such financial assets and financial liabilities have not been disclosed separately.

Note 31
Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets comprise cash and bank balance and margin money deposit, trade receivable and deposits and balance with government authorities.

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Directors of the Company oversees management of these risks and assure that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities and from its financing activities and other financial instrument.

The Company provides its services to the Group Companies and trade receivable are generally on 15 to 30 days credit terms. The Company does not have credit risk.

Other financial assets and cash deposits

Credit risk from balances with banks is managed by the holding Company's treasury department.

The Company maintains its Cash and cash equivalents with banks and financial institutions having good reputation, good past record and high quality credit rating and reviews their credit worthiness on an on-going basis in close co-ordination with its holding Company's Treasury team.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 and March 31, 2023 on its carrying amounts has been illustrated in note 6, 8 & 9.

c) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company has financial liabilities of trade payables which are payable within one year. The Company generally maintains sufficient cash and other liquid financial assets to meet the payment of financial liabilities as per due date. However, the Company may need financial support from the holding company, to settle some of its existing liabilities and fund the operations of the Company (refer note 33).

Note 32
Capital management

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

The Company has external financial liabilities of trade and other payables which are payable within one year. The Company is confident of meeting its liabilities within the due dates with available liquid assets, receivable and effective working capital management. However, the Company may need financial support from the holding company, to settle some of its existing liabilities and fund the operations of the Company (refer note 33).

Note 33

The Company's current liabilities exceeded its current assets by Rs.419 Lakhs. The Company's business operations are largely dependent on its holding company. The Company has assessed its liquidity position and its possible sources of funds. The holding company, subsequent to the balance sheet date, has raised funds of Rs 1,800,000 Lakhs through "Further Public Offer" and got Shareholder's approval to raise Rs .207,500 Lakhs through "preferential allotment".

The Holding Company committed to extend appropriate financial support to the extent of working capital requirements of the Company for the next 12 months from the date of the financial statements to enable the Company to continue as a going concern. Accordingly, the financial statements of the Company have been prepared on a going concern basis as the Company will be able to meet its liabilities as when they fall due.

Note 34
Ratios for the year ended March 31, 2024 and March 31, 2023

Particulars	As at March 31, 2024	As at March 31, 2023	% Variance	Reason for change
Current Ratio(1)	0.25	0.33	-24%	
Return on Equity Ratio (%) (2)	19%	18%	6%	
Trade Receivables turnover ratio (number of days) (3)	5	3	57%	Mainly due to decrease in trade receivables
Trade Payables turnover ratio(4)	28	28	2%	
Net capital turnover ratio (5)	NA*	NA*	NA	
Net Profit ratio (%) (6)	0.8%	0.5%	46%	Mainly due to increase in revenue from operations
Return on Capital employed (%) (7)	17%	22%	-22%	

(1) Current Ratio = [Current assets/Current liabilities]

(2) Return on Equity Ratio = [Net Profit/(loss) after tax/ Average Equity]

(3) Trade Receivables turnover ratio = [(Average trade receivables/(Revenue from operations)*Number of days during the year]

(4) Trade Payables turnover ratio = [Total purchases/Average Trade Payables]

(5) Net capital turnover ratio = [Revenue from operations / (Current asset - Current liability)]

(6) Net profit ratio = [Profit after tax/Revenue from operations]

(7) Return on Capital employed = [(Profit/(loss) before tax + Finance costs - Interest income)/ (Equity share capital + Other equity)]

* As the Net working capital is negative as on March 31, 2024 and as on March 31, 2023.

Note 35

The Company uses accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Note 36

Previous year's figures have been regrouped or rearranged wherever necessary to conform to the current year grouping.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E30004

Amit Poddar
Partner
Membership No.: 509192

Place : Mumbai
Date : May 10, 2024

For and on behalf of the Board of Directors of Vodafone Idea Manpower Services Limited

Murthy G.V.A.S.
Director
(DIN: 08920194)

Abhijit Kishore
Director
(DIN : 09042186)

Place : Mumbai
Date : May 10, 2024