



SPECTRUM TALENT MANAGEMENT LTD.

SYMBOL: SPECTSTM
ISIN: INE00L001018

Dated: 25.08.2023

To,

**The Manager-Listing Department,
The National Stock Exchange of India Limited,
Exchange Plaza, NSE Building,
Bandra Kurla Complex, Bandra East,
Mumbai-400 051**

Subject: Intimation of 11th Annual General meeting and submission of Annual Report of the of the Company for the Financial year 2022-23

Respected Sir / Madam,

In compliance with Regulation 34 of SEBI (LODR) Regulations, 2015 we hereby submit copy of 11th Annual Report for the financial year 2022-23. The details on the manner of attending the AGM and casting votes by the shareholders via Electronic Mode is set out in the notice of the AGM.

The Annual report is also available at the website of the Company www.stmpl.co.in

Kindly take the above information on your records and disseminate.

Thanking you,

For Spectrum Talent Management Limited

Ajit Singh
Company Secretary
A 35436

PAN NO - AARCS4776M, CIN NO - U51100DL2012PLC235573

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RPO | Executive Search | Flexi-Staffing | Payroll
VISIT US : WWW.STMPL.CO.IN, WWW.CONSULTSTM.COM



Spectrum Talent Management

FUELING PROGRESS

CULTURE INNOVATION PERSISTENCE



**Spectrum Talent
Management Limited**

Annual Report 2022-2023



Table of Content

Fueling Progress Culture, Innovation, Persistence	1
Company at a Glance	4
Key Facts	5
Key Milestones	6
Our Founder	8
Board of Director	9
Founder Letter	10
Robust Financial Profile	12
Profit and Loss Statement	13
Industries Served	14
Services Portfolio	15
Operating Matrix	22
Management Discussion & Analysis	24
Board’s Report	38
STANDALONE	
Independent Auditor’s Report	53
Standalone Balance Sheet	61
Standalone Statement Of Profit & Loss	62
Standalone Cash Flow Statement	63
Notes To The Standalone Accounts	64
CONSOLIDATED	
Independent Auditor’s Report	88
Consolidated Balance Sheet	94
Consolidated Statement Of Profit & Loss	95
Consolidated Cash Flow Statement	96
Notes To The Consolidated Accounts	97

FORWARD LOOKING STATEMENT

In this Annual Report, we might have disclosed forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We cannot guarantee that these forward- looking statements will be realized, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties, and inaccurate assumptions. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

FUELING PROGRESS

CULTURE INNOVATION PERSISTENCE



Spectrum Talent Management Limited embodies a culture of tenacity and creativity, focused on growth and empowerment. With an unwavering commitment to excellence, we drive progress for both ourselves and clients, solidifying our industry prominence. Our tailored services, including staffing, recruitment and apprenticeship, cater to diverse needs, contributing to enhanced opportunities for the ambitious workforce.

We prioritize understanding and responsiveness, engaging stakeholders to provide comprehensive solutions and continuous improvement. We focus on nurturing employee growth through training and a secure work environment. This aligns with our mission to empower individuals and enrich the workforce.

As we navigate the dynamic human resources landscape, innovation, growth, and client-centricity remain our foundation. Spectrum Talent Management Limited’s legacy is one of enduring empowerment, progress, and exceptional service, shaping industries and going beyond expectations.

Company at a glance



Spectrum Talent Management Limited (Spectrum) is a fast-growing talent management, deployment and HR services company, involved in the entire talent recruitment and deployment life cycle.



Spectrum was founded in 2008 by first-generation dynamic promoter duo, Vidur Gupta and Sidharth Agarwal, ably supported by a professional second-level management team.



Offers complete range of services for talent management, including general staffing, IT staff augmentation, RPO, apprenticeship solutions, among others.



As a bootstrapped company, Spectrum has grown into a global talent management company with workforce of 15,800+ people and 6,000+ people in Apprenticeship.



Vision

To be a global people business by bringing great people together.



Mission

Develop and Implement best practices in human capital selection and management for our partners.

Key Facts



14+

Years
of experience



4+

Global Countries
of Presence



13+

Offices



13+

Sectors
of Expertise



290+

Vendor Network



21,800+

Employees



15,800+

Workforce
Deployed



6,000+

People Deployed
For NAPS & NATS



430+

Core Team



₹7,688 Mn

Revenue



₹243 Mn

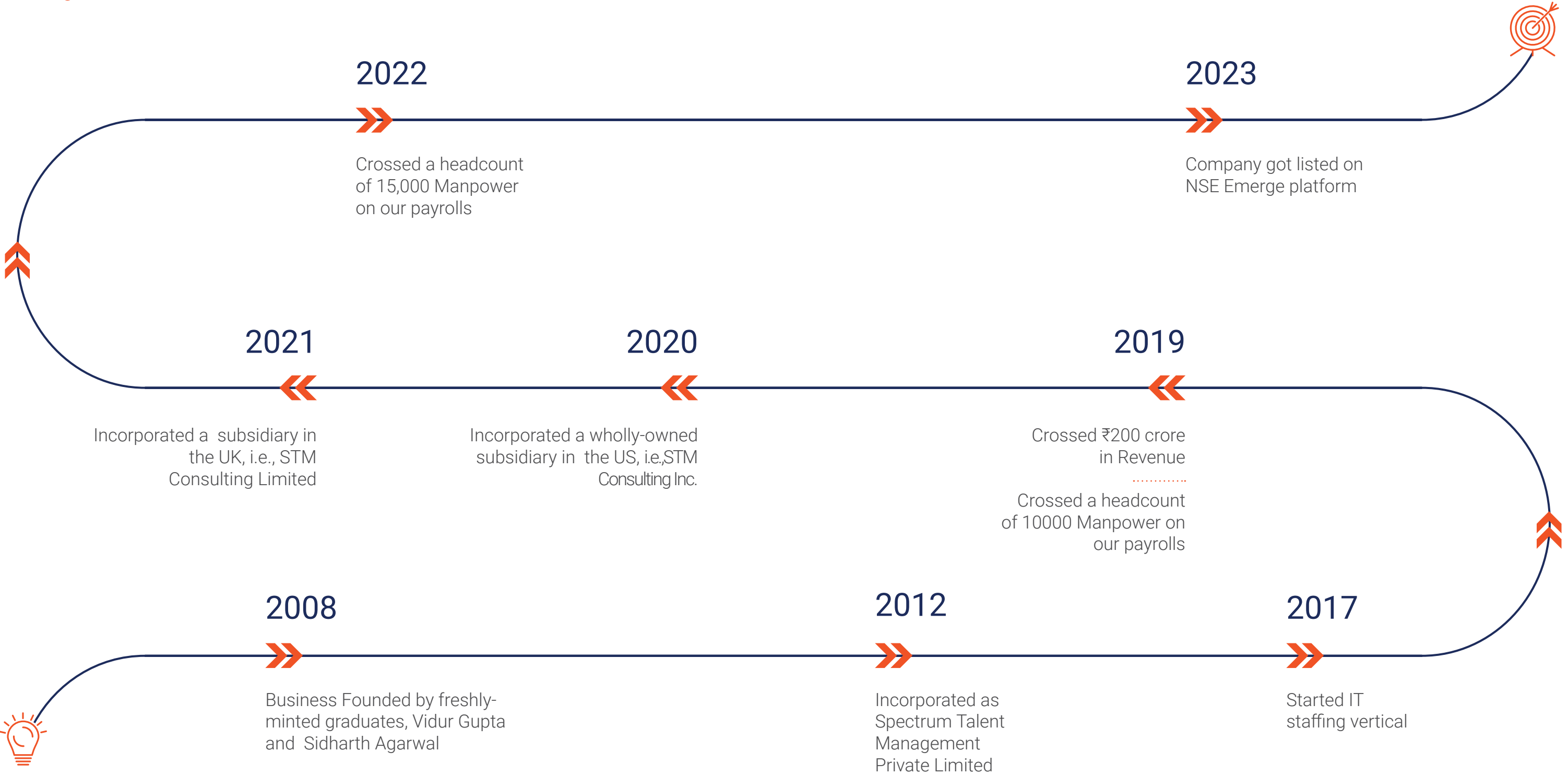
EBITDA



₹278.15 Mn

Net PAT

Key Milestones



Our Founder



Mr. Vidur Gupta
Managing Director

Mr. Vidur Gupta, is the Co- founder, Promoter and Managing Director of the Company. He holds a bachelor’ s degree in Hospitality, after which he studied Entrepreneurship from the Amity University. He has completed his MBA in Entrepreneurship and is a specialist in Strategy & Business Development. He possesses extensive experience in management at all levels in India and abroad, and has expertise in talent management in the US, APAC and MEA. He handles Permanent Recruitment, Sales and Marketing and International Business for the company.



Mr. Sidharth Agarwal
Whole-Time Director

Mr. Sidharth Agarwal, is the Co- founder, Promoter, Whole- Time Director and CFO of the Company. He holds a bachelor’ s degree in Business and an MBA from Amity Business School. During his past stints, he worked with Reliance Capital for a year, where he gained tremendous exposure in finance and strategy. His expertise in finance, forecasting skills, optimising and judiciously deploying resources are of great value to the Company. He has been instrumental in ramping up staffing operations of the company. He is responsible for handling contract staffing, finance, and overall operations for Spectrum.

Board of Director

Mr. Rajesh Gupta
Non- Executive Director

Mr. Rajesh Gupta, is a Non- Executive Director of the Company. He is an Engineer with a degree from SVR College of Engineering, Surat. After passing out from college in 1981, Mr. Gupta went on to establish multiple ventures that involved producing raw materials related to the textile industry. He brings over 40 years of work experience with different industries.

Mr. Rajeev Agarwal
Non-Executive Director

Mr. Rajeev Agarwal, is a Non-Executive Director of the Company. He completed bachelor’s of Commerce (Honors) from Delhi University (DU), after which he established multiple automobile dealerships for cars and two wheelers in last 35 years. Mr. Agarwal brings a strong association with several retail businesses to the board.

Mr. Anup Kumar Jaiswal
Independent Director

Mr. Anup Kumar Jaiswal, is an Independent Director of the Company. He completed his MA from the University of Delhi in 1982, and also holds an LLB Degree from Garhwal University. He has held various positions as a Government authority; he was the Chairman of the Income Tax Settlement Commission, Principal Chief Commissioner of Income Tax – Gujarat, Principal Chief Commissioner of Income Tax - MP and Chhattisgarh, DDG Narcotic Control Bureau.

Ms. Anubha Agarwal
Independent Director

Ms. Anubha Agarwal, is an Independent Director of the Company. She is a fellow Company Secretary and a lawyer serving in the legal profession for more than 17 years. She has advised various multinational companies on corporate, commercial and policy issues and holds a gold medal in commerce. She has to her credit various legal articles on diverse topics. In her current role, she works as the Legal Counsel in India for United Airlines.

Mr. Suresh Kumar Mehra
Independent Director

Mr. Suresh Kumar Mehra, is an Independent Director of the Company. He has completed his post-graduation and is a diligent insurance professional with more than 36 years of work experience managing operations in The Oriental Insurance Company Limited and Health Insurance TPA of India. He has overseen departments such as budget, and human resource development.

MD's Letter



Mr. Vidur Gupta
Managing Director



From Equity to Prosperity: Cultivating Opportunities, Creating Wealth Together

Dear Shareholders,

In this era defined by rapid and relentless change, the luxury of maintaining the status quo has become a distant memory for businesses. The imperative now is not only to refine practices but also to navigate swift transformations, devising strategies that remain resilient against market volatility.

Amidst these challenges, the staffing industry emerges as an indispensable ally for modern enterprises, empowering them to embrace the complexities of adopting new policies. These policies encompass a wide spectrum of functions, ranging from fulfilling job roles to managing finances and governance. The staffing industry not only facilitates adaptation to change but also plays a pivotal role in upskilling individuals. This dynamic approach creates a workforce that stands poised to confront the future's intricate challenges head-on.

As per the Indian Staffing Federation, the Indian general

staffing industry's sustained growth at an impressive 15.3% year-on-year during 2022-23. While certain sectors are expected to experience cautious growth in the second half of the year, staffing is projected to maintain its double-digit growth on a year-on-year basis. This growth is attributed to the demand from sectors such as FMCG, e-commerce, manufacturing, healthcare, retail, logistics, banking, and energy.

During 2022-23 The Indian IT Staffing Industry, however, witnessed a sharp decline of -7.7% YoY. Nonetheless, the IT Staffing Industry is actively seeking opportunities within sectors that are slowly growing, such as government infrastructure projects and emerging industries, driven by demands for digital adoption.

At Spectrum, we take immense pride in our pivotal role as intermediaries connecting employers and employees. Our commitment extends to providing a consistent flow of adept candidates across diverse roles, effectively bridging existing gaps. By strategically utilizing the staffing industry, we

directly contribute to the transformation of enterprises. We facilitate heightened adaptability and drive the cultivation of a forward-looking workforce that seamlessly aligns with the ever-evolving dynamics of the world.

"We're embracing technology to optimize processes and enhance operational efficiency, leading to increased productivity and elevated consumer experiences for future."

I am exceedingly proud of our business's performance throughout this period of change in the world of work. In FY23, our company delivered an outstanding performance, achieving a revenue of ₹7,688 million, underlying EBITA of ₹243 million, and a PAT of ₹173 million. Our full-year performance was underpinned by robust levels of client demand and persistent talent scarcity. The enhancements we achieved in profitability and margin underscore the benefits of our dedicated focus on cost management, value-based pricing, and business mix. With our deep understanding of talent and clients, coupled with our experienced team, we are well-positioned to navigate the macroeconomic environment and deployed over 15,700 workforce across the geographies.

To meet the burgeoning demand for our services, we successfully listed on the NSE Emerge platform on June 22, 2023, with the largest ever SME IPO in India amounting to ₹1,051 million. This landmark event garnered overwhelming support from the investor community, evident from an oversubscription of 12.27 times. The proceeds from the IPO will be judiciously employed to fund our working capital requirements, propelling the company's growth in alignment with the industry growth rate.

"We successfully listed on the NSE Emerge platform, with the largest ever SME IPO in India amounting to ₹1,051 million."

We find ourselves amid a profound transformation in our work landscape, where the conventional employer-employee dynamic is undergoing a substantial shift. The traditional notion of work as a mere transaction of labor for remuneration has evolved. In today's context, companies are expected to offer more than just employment; they are to provide an environment where meaningful work flourishes, complemented by avenues for continuous development. The days when a job was considered a simple labor-for-pay exchange are behind us. The contemporary workforce has different expectations. Talent now seeks roles that align with their values and aspirations, where their contributions contribute to a larger purpose. This shift is paralleled by an increasing emphasis on personal and professional growth. The conventional model of static employment is being challenged by the demand for ongoing advancement.

Employees today envision a trajectory of learning and development within their roles. Organizations are called upon to provide avenues for upskilling, reskilling, and continuous improvement, fostering both individual progress and the overall betterment of the company.

Flexibility stands as a cornerstone of this new paradigm. The modern workforce values autonomy, enabling them to balance personal and professional commitments, thereby optimizing productivity and enhancing well-being. Inclusivity, too, is paramount. Employees seek not only recognition but also a profound sense of belonging within their organizational milieu. Diversity in all its forms is celebrated, creating an environment where each individual's unique perspective contributes to the collective whole.

"Elevating Experiences through Innovation by Empowering Clients with Seamless Connectivity and User-Centric Tools."

In summary, the contemporary work landscape is undergoing a metamorphosis. The employer-employee relationship has transcended the transactional phase, entering an era where collaboration, growth, flexibility, and inclusivity form the foundation. Organizations that embrace this shift stand to unleash the full potential of their workforce, fostering a symbiotic relationship that is not only productive but also fulfilling for all parties involved.

In a world characterized by shortages in both skilled and unskilled sectors, a profound understanding of our clients' and talents' aspirations becomes vital for our future success. Throughout our history, we have pioneered the shaping of work environments, enhancing employability and access to social protections. Our commitment to equal opportunities and optimizing labor markets empowers talents and clients to maximize their potential. Our vision envisages an even more impactful future, synonymous with equity – built on trust, renowned for impartiality, offering equal chances to all. In a talent-scarce world, cultivating a diverse talent pool becomes imperative. Innovation and digitization propel our progress. With a resolute focus on efficiency and standards, we forge ahead.

Lastly, heartfelt gratitude to our invaluable talents, esteemed clients, and shareholders for your unwavering trust. To our dedicated STM employees, profound thanks for your unwavering dedication. Through your relentless efforts, we continue to ascend as the preferred partner, shaping a boundless future of work.

Best Regards,

Vidur Gupta
Spectrum Talent Management Limited

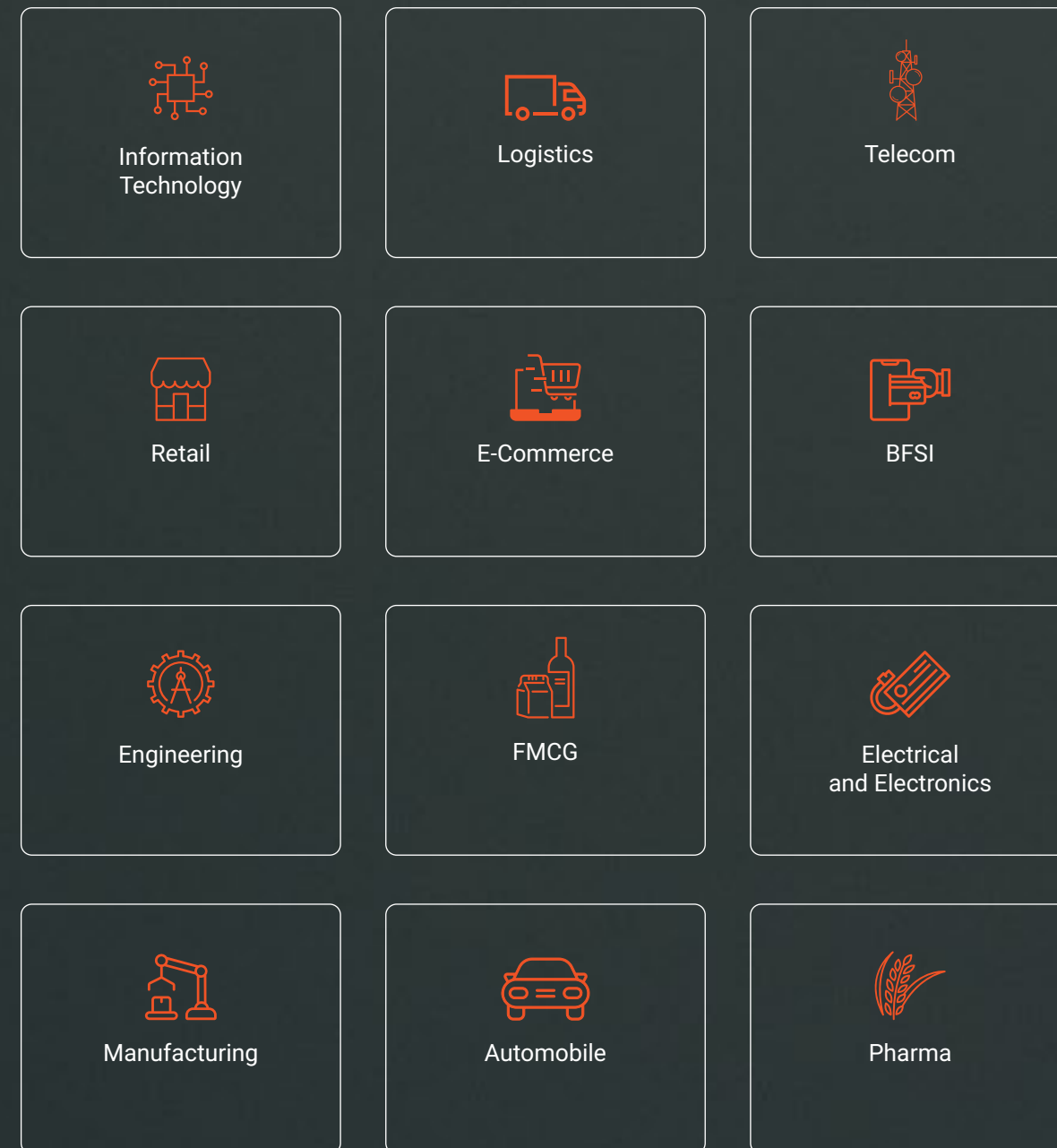
Robust Financial Profile



Profit and Loss Statement

	(₹ Million)			
PARTICULARS	FY20	FY21	FY22	FY23
Revenues	3,232.37	3,023.76	4,832.21	7,680.37
Other Income	4.45	5.17	2.45	7.68
Expenditure	3,152.78	2,984.07	4,646.47	7,394.66
EBITDA	92.85	55.01	161.71	243.41
EBITDA Margin(%)	2.9%	1.8%	3.3%	3.2%
Interest	1.17	1.39	1.19	6.59
Depreciation	7.65	8.74	8.79	15.03
PBT	84.04	44.87	151.73	221.79
PBT Margin (%)	2.6%	1.5%	3.1%	2.9%
Tax	15.87	-2.06	-0.72	-56.34
PAT	68.17	46.94	152.46	278.13
PAT Margin(%)	2.1%	1.5%	3.2%	3.6%
Balance Sheet				
Fixed Assets	23.18	17.93	27.22	33.09
Investments	0.00	7.98	8.11	0.00
Non Current Assets	4.34	7.32	8.05	73.89
Current Assets	380.59	428.87	600.81	854.03
Total Assets	408.11	462.09	644.19	961.01
Equity	47.50	95.00	85.50	179.07
Reserve & Surplus	102.23	101.62	193.49	378.99
Net Worth	149.73	196.62	278.99	558.06
Long Term Borrowings	6.07	3.08	3.43	1.13
Total Non current Liabilitie	2.30	5.46	6.81	9.74
Short Term Borrowings	33.11	0.01	99.25	36.43
Total Current Liabilities	250.01	256.92	255.28	355.23
Total Liabilities	408.11	462.09	644.19	961.01
Cash Flow statement				
Cash from Operations	56.84	57.06	-73.08	91.54
Cash from Investments	2.16	-52.43	24.21	-11.84
Cash from financial Activities	-28.56	-37.49	25.64	-71.72
Ratios				
Debt to Equity(x)	0.26	0.02	0.37	0.07
Current Ratio	1.52	1.67	1.69	2.18
EPS (Rs) Basic	14.35	9.88	8.46	16.04
EPS (Rs) Diluted	14.35	9.88	8.46	16.04
BV (Rs)	8.36	10.98	15.58	24.17
Number of Shares	1,79,07,496	1,79,07,496	1,79,07,496	2,30,93,096
ROE	45.05	24.11	54.89	49.83
ROCE	54.21	23.62	54.33	59.30

Industries Served



Services Portfolio



ServicesPortfolio: General Staffing

Flexi Staffing

- » Manpower deployed as per client needs for specific time periods
- » Associates deployed at client sites on Spectrum payroll
- » All documentation, compliance, processes handled by Spectrum
- » Present across different industries: BFSI, Retail, Telecom, e-commerce, FMCG, FMCD, Logistics among others



IT Staffing

- » Strong experience in sourcing and deploying IT talent across the country
- » Expertise across vanilla and niche skills



Industrial Staffing

- » Helping clients identify the right talent for their industry-specific manufacturing set ups
- » Vast database of candidates, tie-ups with colleges and NGOs, aid in effective talent sourcing
- » Talent with different qualifications deployed: Engineers, Diploma Engineers, ITI Technicians, Production Staff, Managerial Staff among others.

Compliance Management

- » Complete range of services including compliance audits, gap analysis, solution recommendations, registrations, renewals & records maintenance
- » Also taking care of closures, digital/manual register maintenance, liaising with authorities concerned, form submissions and remittances



Apprenticeship Solution

- » Offering apprenticeship solutions (NAPS & NATS) as per Apprenticeship Act. 2014 and Apprenticeship Rules, 2015



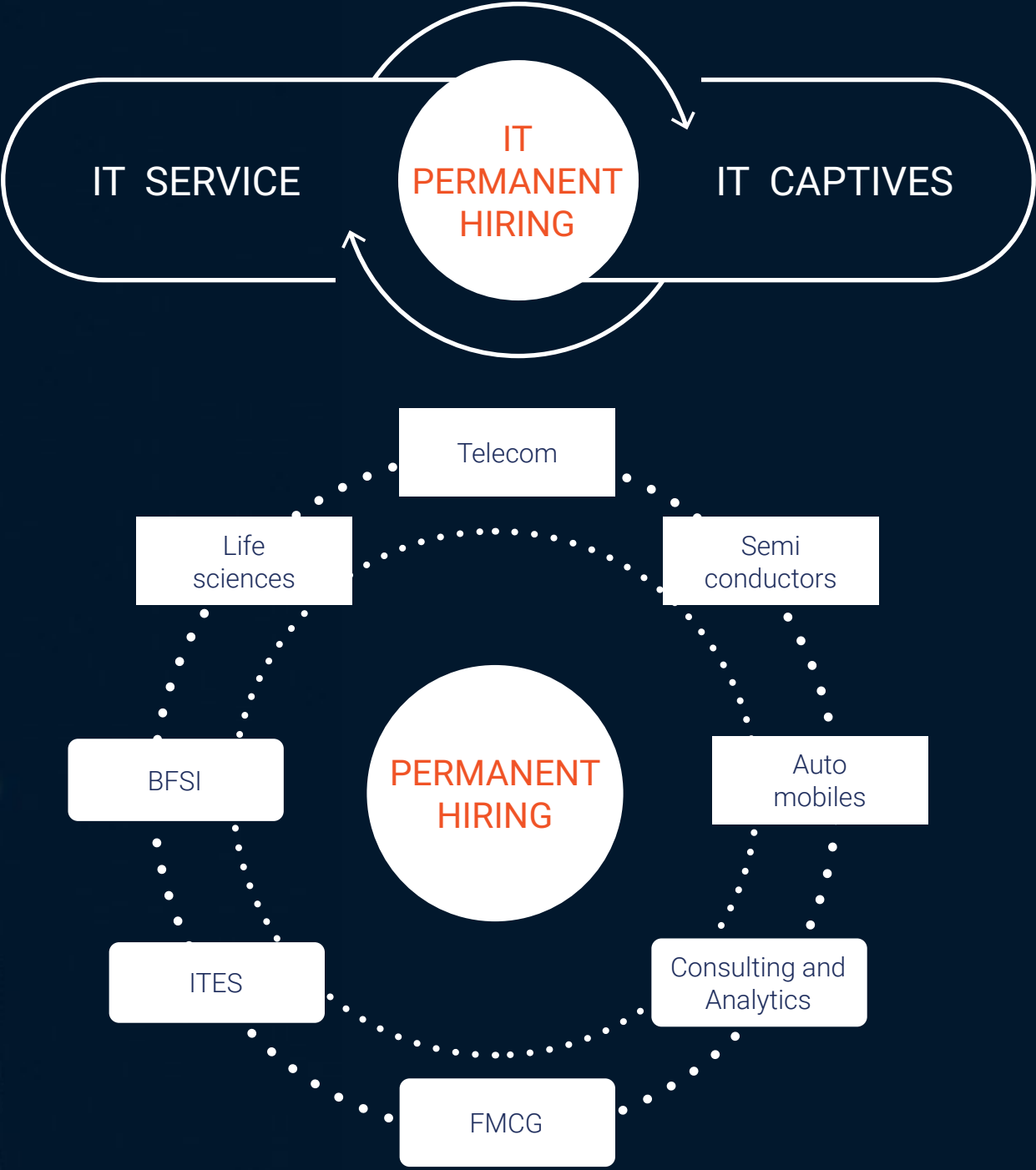
Payroll Management

- » Organised payroll management solutions to clients encompassing features such as payroll calculation, compliance as per local laws & regulations

ServicesPortfolio: RPO

RPO

Complete solution for clients in India and abroad to hire talent, based on deep understanding of the client's business, specific requirements, constraints, and preferences. Recruitment solutions for specific project as well as permanent hirings across industries such as IT, ITES, Telecom, Semiconductors, Automobiles, Life sciences, FMCG, C&A and BFSI



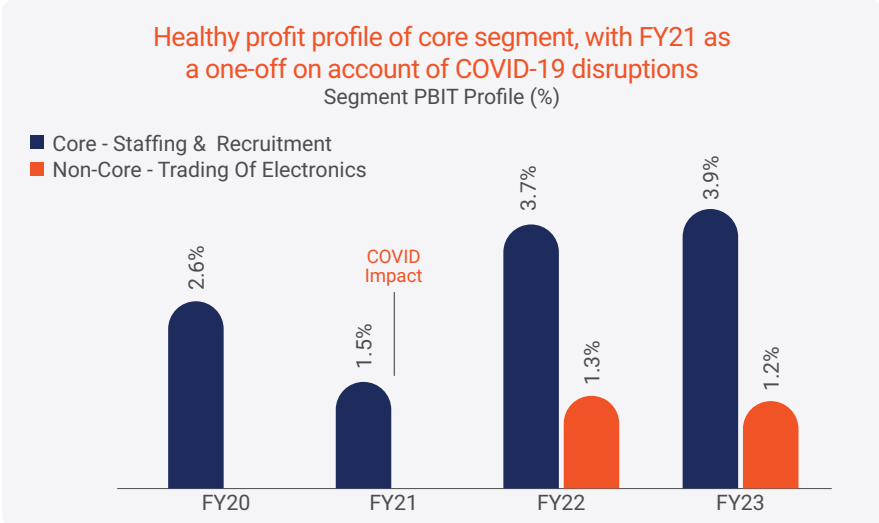
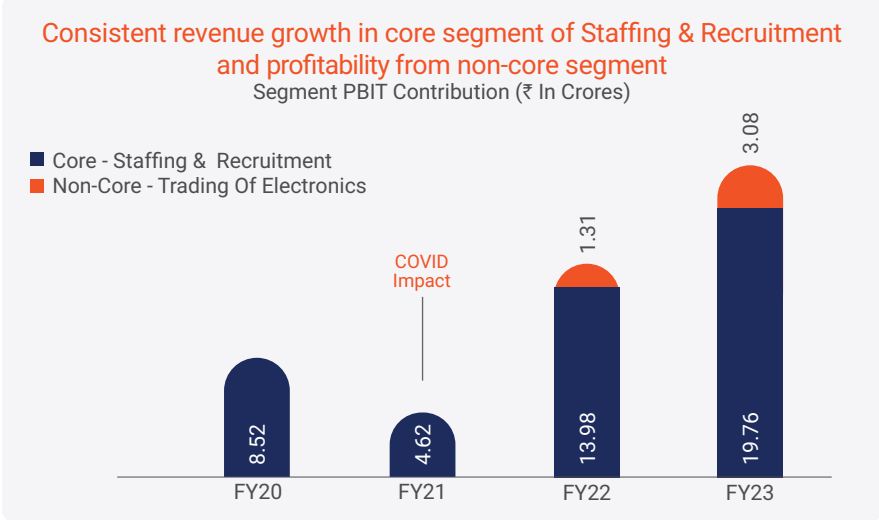
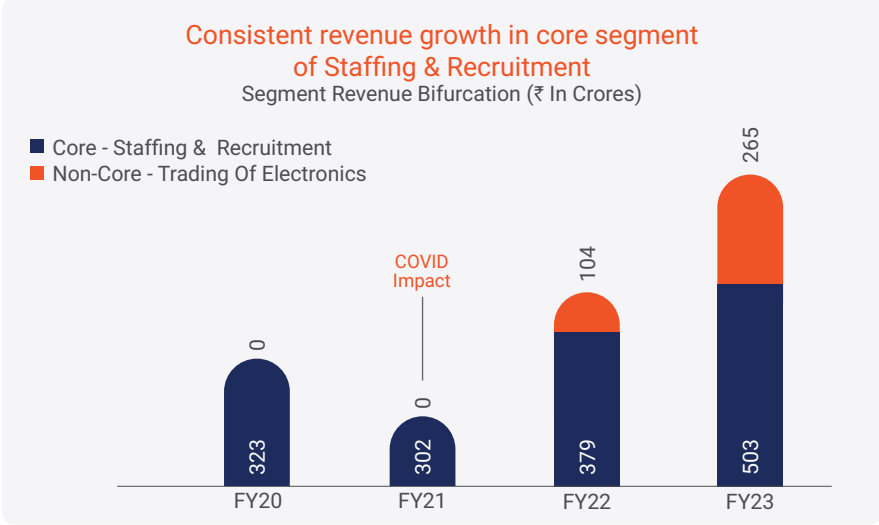
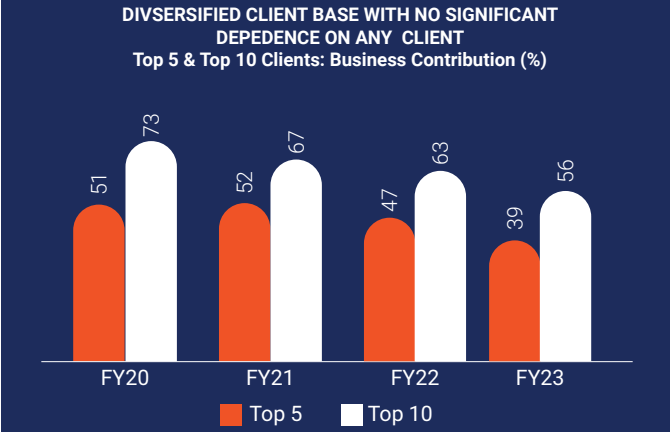
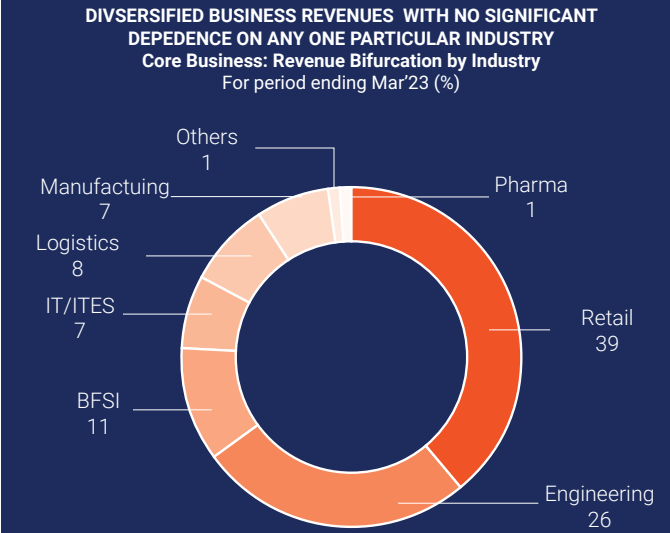
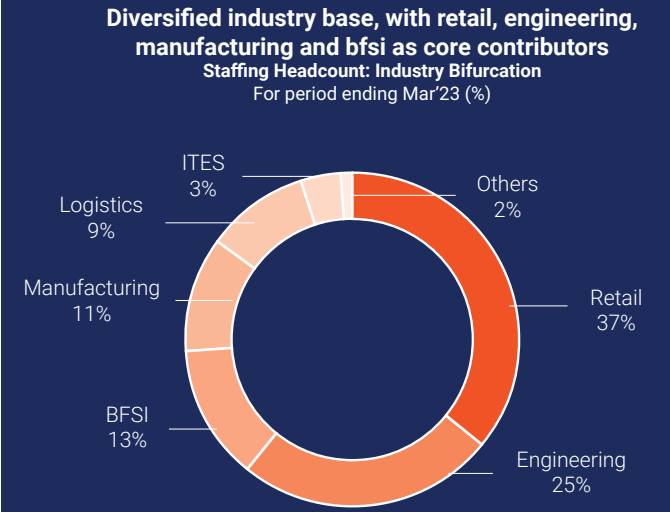
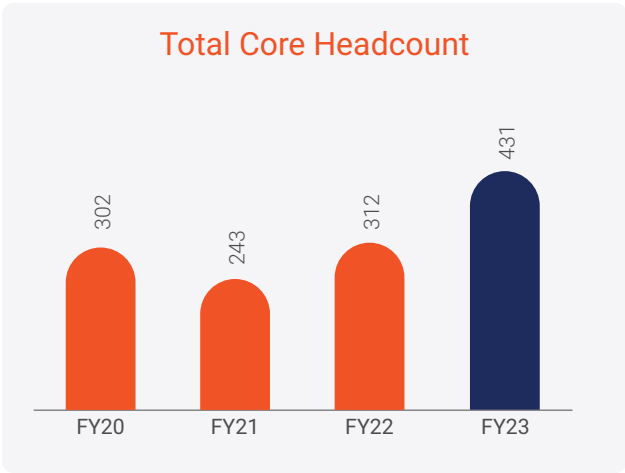
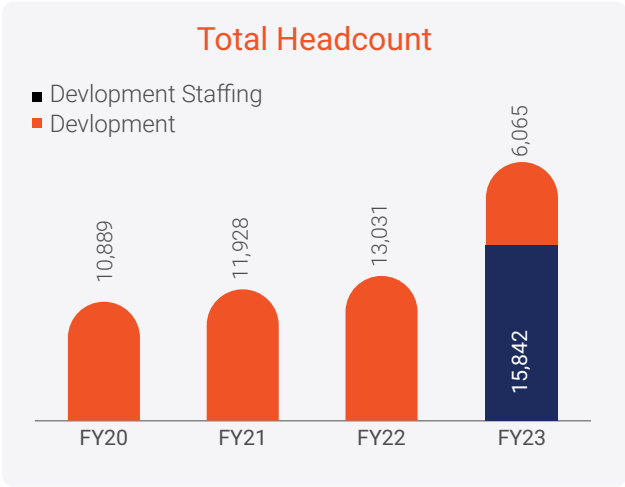
ServicesPortfolio: Global HR Services

GLOBAL HR SERVICES

This vertical is based on leveraging the cost arbitrage for delivering HR services globally, with India as the base



Operating Matrix



In FY23, both segments showed growth. The Core business saw a substantial revenue increase to ₹ 503 crore, representing a YOY growth of 32.66%. The Non-Core segment, focused on Trading of Electronics, exhibited remarkable growth, with revenue reaching ₹ 265 crore, marking a notable YOY growth of 154.81%. While the Non-Core segment experienced higher growth percentage-wise, the Core business remains the dominant contributor to the overall revenue. Monitoring these trends will be crucial for making informed strategic decisions in the future.

FY23, both segments demonstrated growth in PBIT. The Core business recorded a PBIT of ₹ 19.76 crore, reflecting a commendable Year-Over-Year (YOY) growth of 41.34%. Simultaneously, the Non-Core segment, specializing in Trading of Electronics, experienced substantial growth, achieving a PBIT of ₹ 3.08 crore, indicating an impressive YOY growth of 135.11%. While the Non-Core segment exhibited higher percentage growth, the Core business remained the primary driver of PBIT. Monitoring these trends will be pivotal for strategic decision-making in the upcoming periods.



Management Discussion & Analysis

ECONOMIC OVERVIEW

Global Economic Overview

The global growth outlook suggests a decline from about 3.5% in 2022 to roughly 3.0% in 2023 and 2024, with central bank policy rates impacting economic activity. Inflation is predicted to decrease from 8.7% in 2022 to 6.8% in 2023 and 5.2% in 2024, while core inflation adjusts gradually. Recent resolutions of the US debt ceiling and banking stability actions have reduced immediate financial risks, but downside risks to growth persist. Elevated inflation and potential shocks like conflict and extreme weather could tighten monetary policies. China's recovery might slow due to real estate issues, impacting other economies. Upside potential exists if inflation recedes faster, and domestic demand remains resilient.

Across economies, priorities include sustained disinflation and financial stability. Central banks should focus on price stability and financial oversight. Countries should provide liquidity for market strains, build fiscal buffers with targeted support, and enhance economic supply for smoother inflation control.

Outlook

The global economic outlook reflects a slowing recovery from the dual impacts of the COVID-19 pandemic and Russia's actions in Ukraine. Supply chains have improved, but challenges like high inflation, tightened central bank policies, and limited credit availability persist. Q1 2023 showcased resilience in services but manufacturing weakened, highlighting uncertainties and low productivity growth. Elevated inflation and central bank responses shape the landscape, with global growth projected to decline from 3.5% in 2022 to 3.0% in 2023 and 2024, led by advanced

economies, while emerging markets maintain stability with regional variations.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>

Indian Economic Overview

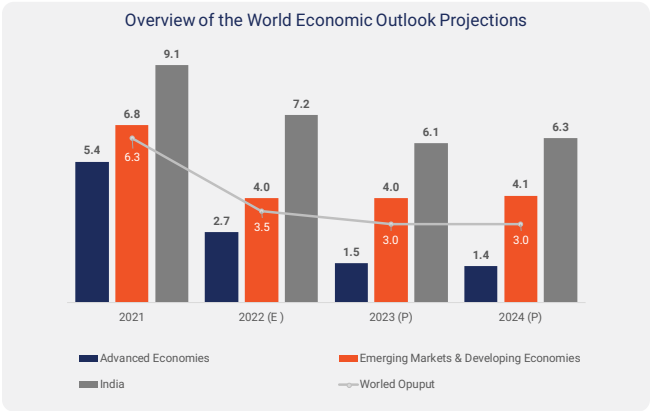
The Economic Survey of 2022-23 outlines India's economic outlook, projecting a GDP growth of 6.0-6.8% for 2023-24. The economy is set to achieve 7% growth by March 2023 after an 8.7% increase the previous year. Strong credit growth for MSMEs and increased government capital expenditure have been pivotal. While inflation may slightly exceed targets, housing market inventory improved, and export growth fueled production. Private consumption rose to 58.4% of GDP, supported by resurging contact-intensive services. Global trade growth is expected to slow from 3.5% in 2022 to 1.0% in 2023, reflecting global challenges.

Outlook

The Economic Survey's outlook for 2023-24 highlights India's rapid post-pandemic recovery, propelled by strong domestic demand and increased capital investment. The emergence of a new private sector capital formation cycle, combined with significant government capital expenditure, underscores a positive trend. Structural reforms like the Goods and Services Tax and the Insolvency and Bankruptcy Code have enhanced economic efficiency and transparency. Despite a global economic slowdown predicted by IMF and the World Trade Organisation, India's growth is poised to be supported. However, risks such as commodity prices, export growth, and inflation could impact the current account balance and currency depreciation. The likelihood of sustained higher borrowing costs due to inflation might contribute to subdued global growth. Notably, there are bright spots including lower

oil prices and improved current account prospects for India, contributing to overall external stability.

Source: <https://pib.gov.in/PressReleasePage.aspx?PRID=1894932>



In both 2023 and 2024, India's projected growth rates (6.1% and 6.3%) are significantly higher than those of advanced economies (1.5% and 1.4%). This indicates that India's economy is expected to continue growing at a much faster pace compared to the more mature economies of advanced nations.

Source: <https://www.imf.org/en/Publications/WEO/Issues/2023/07/10/world-economic-outlook-update-july-2023>



INDUSTRY OVERVIEW

Global staffing industry

The global employment landscape is grappling with formidable challenges brought on by an amalgamation of crises in recent years. The enduring impact of the COVID-19 pandemic on the global workforce has exacerbated prevailing gaps in decent work and given rise to new challenges. This has led to a global unemployment rate that is anticipated to remain significantly elevated from pre-

pandemic levels, with youth unemployment also poised to linger at elevated levels. Many workers have been coerced into informal employment arrangements or have regrettably exited the labor force entirely in the wake of the pandemic. Beyond unemployment, the quality of jobs remains an ongoing concern.

"From pandemic-driven unemployment to innovative HR technologies, the global employment landscape is navigating challenges and transformations, shaping a new era of workforce dynamics"

Disparities in employment trends across regions are notable, with some areas witnessing a resurgence in employment levels while others continue to grapple with substantial unemployment and underemployment. Employment levels across Europe and Central Asia are forecasted to regain pre-pandemic standings. In contrast, the recovery of employment levels in Latin America and the Caribbean may extend until at least 2024. Youth unemployment rates are most pronounced in upper middle-income nations (excluding China), while being lowest in low-income countries.

"For 2022, the global unemployment rate was 5.8% with a total employed population of 3359.4 million"

The global labor force participation rate is projected to have experienced a slight decline in 2022, influenced by a blend of factors including demographic shifts and the pandemic's impact on women's employment. Women have borne a disproportionate brunt of the pandemic's employment ramifications. Women's labor force participation rate is anticipated to have declined more profoundly compared to that of men.

Nonetheless, the integration of cutting-edge technologies such as data analytics, machine learning, the Internet of Things (IoT), and Artificial Intelligence (AI) into HR operations is expected to foster expansion within the global staffing market. To enhance organizational performance, numerous HR management service providers are embracing innovative solutions that seamlessly merge the latest technologies with existing HR systems. Growth is further anticipated to burgeon through the incorporation of predictive analytics into HR processes and advancements in IT infrastructure.

Customer preferences have shifted toward cloud-based solutions due to their flexibility, reduced maintenance costs, and the absence of intricate installation processes or associated expenditures. This integration of technology is set to reshape the employment landscape, augmenting efficiencies and paving the way for enhanced HR practices on a global scale.

Source: International Labour Organisation (ILO) - Trends 2023 https://www.ilo.org/wcmsp5/groups/public/-/dgreports/-/inst/documents/publication/wcms_865332.pdf

Indian Staffing Industry

In March 2023, India faced a three-month peak in unemployment at 7.8%, following a surge to 8.3% in December 2022, with fluctuations in subsequent months. Urban areas experienced heightened joblessness, particularly at 8.5% in March 2023. Notably, optimization of costs in start-ups, technology, and IT sectors impacted hiring, coupled with reduced demand in leisure, entertainment, and hospitality industries.

Amidst these challenges, India's employment landscape carries positive elements. Despite the rise, the March 2023 unemployment rate remained lower than December 2022's 8.3%. India's labor market, post-pandemic, has shown steady improvement, with the rate declining from its peak in April 2020 to 7.8% in March 2023, signifying economic recovery and a growing job market.

Source: <https://www.cmie.com/kommon/bin/sr.php?kall=warticle&dt=20230501182648&msec=936>

The Indian government has introduced initiatives such as Skill India and the National Career Service portal to enhance job prospects, complemented by an economy on the mend, promising better employment dynamics in the near future.

India's recruiting and staffing sector significantly contributes to the national economy. Efforts to mitigate COVID-19's impact on MSMEs, street vendors, and manufacturing units contributed to steady employment growth over the past year. Government-led initiatives further aim to improve job prospects and creation.

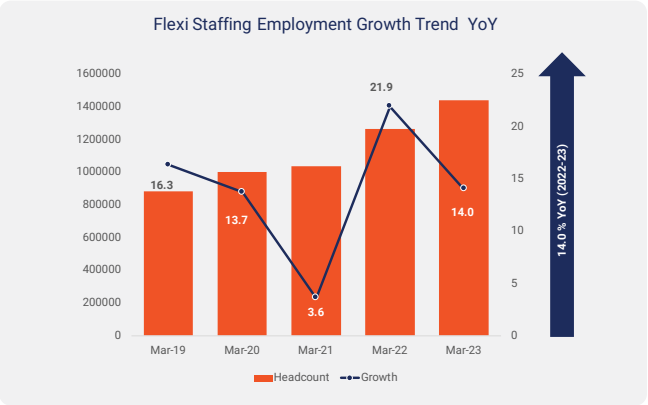
Initiatives like the PLI scheme and Make in India have energized job creation across industries. The Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) is expected to generate fresh employment opportunities and promote formal work. Sectors including hospitality, tourism, FMCG, healthcare, renewables, electric vehicle-focused automobile companies, oil & energy, and infrastructure are anticipated to drive white-collar employment growth."

Source: <https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>



Flexi Staffing Industry

"During FY23, Flexi Staffing witnessed a 14.0% growth in new jobs"



According to Indian Flexi Staffing Federation's (IFS), during FY 2022-23, the flexi staffing industry sustained a substantial growth trend in terms of new employment, and witnessed a 14.0% growth in new jobs in FY23. Over 1.77 lakh new flexi jobs were added by the members of the industry body IFS in FY23, which was majorly driven by a spur in employment particularly in key sectors such as e-commerce, logistics, manufacturing, tourism and hospitality, FMCG, consumer durables, and healthcare.

"In FY23, women's participation in the flexi workforce accounted for about 24%"



A growth of 15.3% was observed in new flexi jobs in the General Flexi Staffing sector in FY23, thereby adding around 1.47 lakh new flexi jobs. The demand in this sector was majorly observed in the sectors of FMCG, e-commerce, manufacturing, healthcare, and retail, among others.

In FY23, the staffing industry continued to play an important role in providing freshers and first-time job market entrants with their initial formal employment opportunities.

Source: <https://www.indianstaffingfederation.org/wp-content/uploads/2023/05/Indian-Staffing-Federation-Staffing-Employment-Trends-Annual-Report-2023.pdf>

Industrial Staffing

The national economy has managed to avert recession, but certain sectors face ongoing and significant weaknesses. This particularly affects critical client verticals for industrial staffing, like warehousing and logistics, with the term "freight recession" being used widely for the first time since 2019. Some client industries have plateaued (e.g., manufacturing, wholesale, retail), while others' slow growth (leisure, hospitality) doesn't provide immediate relief.

Industrial staffing firms have faced tough months. TrueBlue reported a 15.6% YoY drop in Q1 revenues, expecting another 10%-14% decline in Q2 after a 10.3% drop in Q4 2022. Our Pulse Survey echoes this, showing industrial staffing weakness since January. Firms noted December 2022 revenues 20% lower YoY. While there's slight improvement according to our March and May Pulse Survey, negative YoY trends persist.

Partly, these declines stem from tough YoY comparisons against strong 2021 and 2022 quarters. Despite this, the industrial staffing market remains larger than pre-pandemic levels. Our April update forecasts flat industrial staffing for 2023.

"A pivot to manufacturing industry seems promising for future growth"

When can we expect relief and where are future growth opportunities? Much growth in industrial staffing followed the pandemic's e-commerce surge and rapid labor market recovery. E-commerce's share of retail sales stabilizes around 14.5%-15% since mid-2020, likely tapering. Labor market conditions now plateau instead of fueling expansion.

Growth potential may lie in manufacturing, driven by government support and supply chain crises. The highest manufacturing construction rate since 1964 reflects industry growth. Targeted industries like semiconductors and "green" tech show promise.

Source: <https://www2.staffingindustry.com/Editorial/Industrial-Staffing-Report/June-15-2023/Manufacturing-may-hold-the-key-for-growth-in-industrial-staffing>



IT Staffing

India has emerged as a global IT hub in the last two decades. The IT industry has played a significant role in the growth of the Indian economy, contributing to nearly 8.0% of the country's GDP. According to NASSCOM, Indian technology sector is set to grow at 8.4% in FY 2023 to reach \$245 billion market size.

Source: <https://nasscom.in/knowledge-center/publications/technology-sector-india-2023-strategic-review>

The Indian IT staffing industry has been growing at a rapid pace, and with the rise of new technologies, the future of this industry seems to be going on the right track.

"In the next 5 years, IT staffing industry in India is expected to grow at a CAGR of 10.0%"

The IT staffing industry is a crucial part of the IT sector in India. It provides a platform for skilled professionals to find job opportunities in the field of technology. With the rise of new technologies such as artificial intelligence, machine learning, and blockchain, the demand for skilled IT professionals is expected to grow in the coming years. This demand will create significant opportunities for the IT staffing industry in India.

In the next five years, the IT staffing industry in India is expected to witness significant growth. The industry is expected to grow at a CAGR of 10.0% during this period, driven by factors such as the rise of new technologies, increased demand for skilled IT professionals, and the growing reliance on data driven work.

Source: *Future of IT staffing industry in India in next 5 years*

One of the significant drivers of growth in the IT staffing industry is the rise of new technologies. As organizations continue to adopt new technologies, they will require skilled professionals to implement and manage these technologies. The demand for skilled professionals in emerging technologies such as artificial intelligence, machine learning, and blockchain is expected to increase significantly in the coming years. The IT staffing industry in India is well-positioned to meet this demand by providing companies with access to a pool of skilled IT professionals.

Another factor driving growth in the IT staffing industry is the increased demand for skilled IT professionals. India has a large pool of skilled IT professionals who are proficient in various technologies. This pool of talent is expected to grow in the coming years as more students opt for STEM courses and the government invests in skill development programs. The IT staffing industry will play a crucial role in connecting this pool of talent with organizations that require their skills.

The trend of remote work is also expected to contribute to the growth of the IT staffing industry in India. With the COVID-19 pandemic accelerating the adoption of remote work, organizations are increasingly looking for IT staffing

solutions that can provide them with remote workers. Further, the growth in IT staffing can be attributed to the major role played by the IT services sector globally in helping various end-user industries and businesses across the country in their digital transformation and implementation of new and emerging technologies such as cloud, IoT, blockchain, and AI.



Employment trends in 2023

In the evolving landscape of 2023, global labor markets are witnessing diverse trajectories shaped by economic, health, and geopolitical trends. High-income countries are experiencing tight labor markets, while low- and lower-middle-income nations continue to grapple with elevated unemployment, a legacy of the COVID-19 pandemic. This divergence extends to individual labor-market outcomes, disproportionately affecting workers with basic education and women. A confluence of factors, including a cost-of-living crisis, shifting worker expectations, and concerns about work quality, is driving real wage declines and emphasizing global workforce challenges.



The fourth edition of the Future of Jobs Survey provides comprehensive insights, spanning 803 companies and over 11.3 million employees across 45 economies and 27 industry clusters. This survey delves into macro and technology trends, their job impact, and the transformation strategies businesses intend to deploy from 2023 to 2027.

Technology adoption remains a paramount driver of business transformation, with over 85% of organizations pinpointing increased adoption of novel technologies and enhanced digital access as primary transformation catalysts. Broader implementation of Environmental, Social, and Governance standards also looms large. Macroeconomic trends, such as rising living costs and sluggish economic growth, exert substantial influence. Climate-friendly investments, geopolitical divisions, and demographic shifts exhibit considerable transformative potency, while the ongoing pandemic's impact assumes a more muted role.

Environmental, technological, and economic trends exert the most significant job creation and destruction effects. Investments fostering the green transition, broader ESG integration, and localized supply chains offer robust net job creation, albeit with some displacement. While technological advancements, including new technologies and digital access, drive job growth, potential displacements persist. Economic growth slowdowns, supply shortages, and mounting living costs pose significant job destruction challenges. Geopolitical divisions and the pandemic evoke mixed sentiments regarding job impacts.

Within technology adoption, big data, cloud computing, and AI command considerable adoption likelihood, with more than 75% of firms targeting these technologies. Digital commerce and trade experience a pronounced impact, as digital platforms, apps, e-commerce, and digital trade are set to reshape operations in 75-86% of companies. Education and workforce technologies follow closely, while other technologies, such as robots and distributed ledger, show lower adoption potential.

Technology's job impact in the next five years appears net positive, driven by big data analytics, environmental management technologies, and cybersecurity. However, certain technologies like AI, digital platforms, apps, e-commerce, and digital trade are predicted to cause labor-market disruptions, leading to mixed job outcomes.

Predictions suggest a 23% job turnover in the next five years, reflecting emerging job additions and eliminations. Job growth emerges in education, agriculture, and digital commerce, driven by roles such as Vocational Education Teachers, Agricultural Equipment Operators, and E-Commerce Specialists. Administrative and security roles, alongside traditional commerce and factory positions, face substantial declines.

Analytical and creative thinking retain paramount importance for workers in 2023. Cognitive skills like resilience, flexibility, motivation, and self-awareness gain

prominence amid evolving workplaces. A significant skill disruption looms, with 44% of skills requiring reshaping. Cognitive skills witness rapid expansion, while technology literacy and self-efficacy skills experience acceleration. Workers' training needs far exceed current opportunities, highlighting a pressing issue.

Strategic upskilling priorities include analytical and creative thinking, AI, big data, and leadership, reflecting forward-looking workforce development.

Despite confidence in internal workforce development, concerns about talent availability persist. Skills gaps and talent attraction challenges prompt organizations to emphasize talent progression processes, enhanced wages, and effective reskilling as pivotal strategies.

Addressing diversity, equity, and inclusion (DEI), businesses prioritize women, youth, and individuals with disabilities, albeit to varying extents. Funding for skills training emerges as an effective government intervention for linking talent to employment.

In this complex landscape, businesses navigate transformative currents by leveraging technology, upskilling strategies, and DEI initiatives, aiming to secure their place in the dynamic future of jobs.

Source: <https://www.weforum.org/reports/the-future-of-jobs-report-2023>



Government Initiatives

Amidst India's digital divide, the government is dedicated to revolutionizing education by embracing digitalization, fostering online learning, and ensuring equal educational opportunities. Notably, the Indian government has undertaken impactful measures to introduce distance education initiatives, simplifying educational access and bolstering the e-learning landscape. These initiatives have entailed the establishment of robust internet infrastructure and seamless integration of e-learning technologies within

the educational framework, a feat achieved through the National Education Policy (NEP) of 2020.

In a bid to propel digital education in India, the government has embarked on various significant endeavors. This includes the initiation of projects like the National Programme on Technology Enhanced Learning (NPTEL), Digital Infrastructure for Knowledge Sharing (DIKSHA), and Study Webs of Active-Learning for Young Aspiring Minds (SWAYAM). These projects stand as testament to the government's commitment to expanding digital education across the nation.



Company Overview

Based in Delhi, Spectrum Talent Management Limited is a renowned HR and staffing service provider. Our founders, Mr. Vidur Gupta and Mr. Sidharth Agarwal, bring 28 years of combined staffing industry experience. They've driven our growth, fostering a strong value system. With their expertise and progressive mindset, we aim to thrive in staffing.

We serve over 275 clients domestically and internationally. With 15,700+ personnel deployed for clients, our HR database is a key asset. We have wholly owned subsidiaries: STM Consulting Inc. in the USA and STM Consulting Limited in the UK, focused on employment placement and HR services.

We specialize in Recruitment, Payroll, Onboarding, and flexible staffing. Our global network, structured processes, and ethics keep us competitive. Our deep talent pool and industry insight drive our HR market success. Our staffing process encompasses workforce planning, recruitment, placement, onboarding, retention, and exit strategies.

Financial Highlights

	In ₹ Mn	
Particulars	FY23	FY22
Revenues	7,680.4	4,832.2
EBITDA	243.4	161.7
EBITDA Margin (%)	3.2%	3.3%
PAT	278.1	152.5
PAT Margin (%)	3.6%	3.2%
Net Worth	558.1	279.0
Cash from Operations	91.5	-73.1
Cash from Investments	-11.8	24.2
Cash from financial Activities	-71.7	25.6
Debt to Equity(x)	0.1	0.4
Current Ratio	2.2	1.69
BV (₹)	24.2	15.6

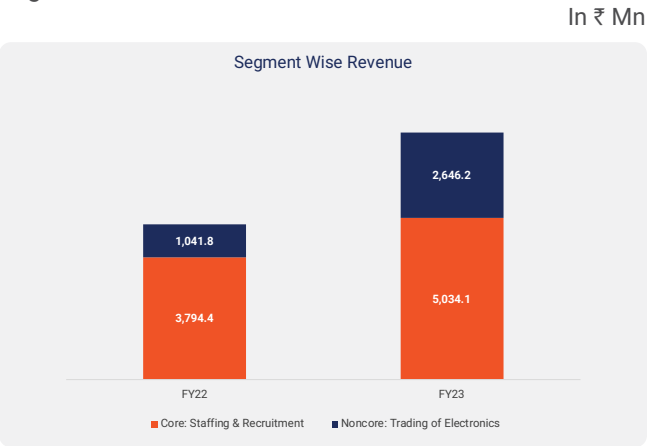
In FY23, the company experienced significant growth, with revenues increasing to ₹ 7,680.4 Mn from ₹ 4,832.2 Mn in FY22. Profitability also improved, with PAT reaching ₹ 278.1 Mn compared to ₹ 152.5 Mn in FY22, resulting in a higher PAT margin of 3.6%. The company's financial health showed remarkable progress, as Net Worth almost doubled to ₹ 558.1 Mn and the Debt to Equity ratio reduced to 0.1. Liquidity was enhanced, with the Current Ratio rising from 1.3 to 2.2. Cash from Operations recovered to ₹ 91.5 Mn from the previous year's ₹ -73.1 Mn, and financial activities generated ₹ -71.7 Mn. Overall, FY23 demonstrated impressive growth, increased profitability, and enhanced financial strength for the company



Ratio Analysis

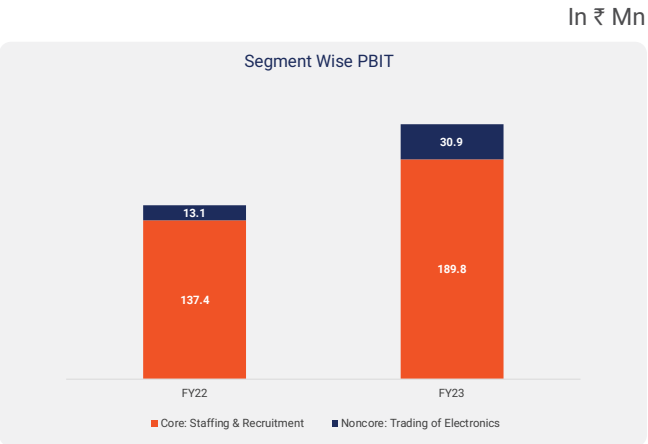
Needed along with auditors comments

Segment Wise Performance



In FY23, both segments showed growth. The Core business saw a substantial revenue increase to ₹ 5,034.1 Mn, representing a YOY growth of 32.8%. The Non-Core segment, focused on Trading of Electronics, exhibited remarkable growth, with revenue reaching ₹ 2,646.2 Mn, marking a notable YOY growth of 153.9%.

While the Non-Core segment experienced higher growth percentage-wise, the Core business remains the dominant contributor to the overall revenue. Monitoring these trends will be crucial for making informed strategic decisions in the future.



FY23, both segments demonstrated growth in PBIT. The Core business recorded a PBIT of ₹ 189.8 Mn, reflecting a commendable Year-Over-Year (YOY) growth of 38.1%. Simultaneously, the Non-Core segment, specializing in Trading of Electronics, experienced substantial growth, achieving a PBIT of ₹ 30.9 Mn, indicating an impressive YOY growth of 135.9%.

While the Non-Core segment exhibited higher percentage growth, the Core business remained the primary driver of PBIT. Monitoring these trends will be pivotal for strategic decision-making in the upcoming periods.



Opportunities and Threats

Opportunities:

The staffing industry in India is poised for substantial growth, driven by the escalating demand for human capital management solutions across various sectors like IT, telecom, infrastructure, and FMCG. This trend offers a lucrative opportunity for companies like Spectrum Talent Management to expand their services, including innovative offerings like the Degree Apprenticeship programme, which can deliver enhanced value to their clients. The prevailing focus on employability enhancement and business-friendly processes in the country further provides a favorable environment for Spectrum Talent Management to leverage its specialized expertise. The current landscape, marked by the surge in remote work and digital transformation, has sparked a heightened need for digital hiring solutions, a realm where the company can flourish. Moreover, the emergence of the gig economy has led to an increased requirement for flexible and temporary workforce solutions, opening up significant avenues for the company to cater to this evolving demand. By capitalizing on these opportunities and aligning its services with the changing dynamics of the industry, Spectrum Talent Management is well-positioned to establish itself as a key player in the staffing arena while contributing meaningfully to India's burgeoning economic landscape.

Threats:

A slowdown in economic growth in India could adversely affect our business, results of operations, financial condition

and cash flows. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Risk Management and Mitigation Strategies

1. Talent Risk:

Description: Securing and retaining skilled talent is crucial for fulfilling diverse client needs.

Mitigation: The company employs a combination of traditional and online recruitment methods to identify and attract top talent. It also offers training and upskilling programs to promote career advancement and retain valuable associates.

2. Technological Risk:

Description: Rapid technological advancements and the growing reliance on digital HR solutions might threaten the company's position.

Mitigation: The company invests continuously in research and development to stay ahead in the technology landscape. Collaboration with technology firms is explored to provide innovative, integrated solutions to clients.

3. Compliance and Legal Risk:

Description: The legal framework and stringent labor laws in India could pose challenges for the company's HR solutions business.

Mitigation: The company commits to complying with all relevant laws and regulations. It prioritizes transparency, accountability, and staying up-to-date with evolving regulations. Ethical conduct is maintained to minimize legal risks.

4. Competition Risk:

Description: The company faces fierce competition from both domestic and international human capital management firms.

Mitigation: Strategic partnerships with state governments and corporations provide the company with a competitive edge. Continuous improvement and innovation are key to outpacing competitors.

5. Credit Risk:

Description: Delayed customer payments can escalate working capital and interest costs.

Mitigation: The company diligently follows credit monitoring and billing protocols. It accounts for expected credit losses in financial reporting and maintains regular monitoring to ensure timely collections.

6. Macroeconomic Risk:

Description: Economic instability resulting from geopolitical issues impacts job creation, inflation, talent mobility, and customer demand.

Mitigation: The company adopts a flexible business approach to adapt to changing economic conditions. By fostering strong client and candidate relationships, it enhances resilience against economic uncertainties.

By effectively identifying these risks and implementing comprehensive mitigation strategies, the company demonstrates its commitment to responsible and sustainable business practices. Through talent development, technological innovation, adherence to legal standards, adaptive strategies, financial prudence, and strategic collaborations, the company aims to thrive amidst challenges and maintain its position as a leader in the HR solutions market.

Internal Control Systems and Their Adequacy

The Company maintains a robust Internal Control System (ICS) in alignment with the Companies Act, 2013. This ICS is tailored to fit the company's business size, complexity, and scale. The Board of Directors has established internal financial controls through policies and procedures to ensure orderly operations, legal compliance, asset safeguarding, fraud prevention, accurate accounting, and timely financial reporting.

In line with Section 177 of the Act, the Audit Committee, with three independent directors among its seven members, meets quarterly to review internal audit reports. These reports help scrutinize key audit findings, assessing the effectiveness of financial controls, internal controls, risk management, and compliance processes. Regular follow-up reviews by the internal auditor ensure timely resolution implementation.

In line with Section 177 of the Companies Act and Regulation 17 of SEBI (LODR) Regulations, 2015, both Statutory Auditors and the Audit Committee affirm the adequacy of the company's internal financial controls for reporting, attesting to their consistent and effective operation throughout the year.

Human Resources Development

Everything we do, we do better together. The Company with a large workforce of 4500 permanent employees, attracts,

develops, engages and retains talent in a dynamic and competitive environment. The Company is continuously transforming and developing its talent, both through learning and hiring.

The Human Resources function operates as a strategic collaborator within the business, aligning itself closely with the Company's objectives. Our Company has meticulously established policies that conform to the prevailing laws, including those mandated by the Companies Act of 2013 and the SEBI LODR Regulations of 2015. These policies encompass a range of vital areas, such as the Code of Conduct and Business Ethics for employees, senior management, and directors; a comprehensive Succession Plan policy; measures to prevent and address instances of Sexual Harassment as stipulated by the Sexual Harassment of Women at Workplace Act of 2013; Whistle Blower and Vigil Mechanism guidelines; an Anti-Bribery Policy; and a Policy on Insider Trading as per the SEBI Prohibition of Insider Trading Regulations of 2015 and their subsequent revisions. All of these policies and codes have been made accessible on the Company's official website.

Our Company is deeply committed to ensuring that employees uphold the organizational culture and values while remaining dedicated to our business objectives. We have a structured framework for providing both technical and safety training to our workforce at regular intervals. Moreover, we have established a robust performance evaluation system that intricately links individual objectives with the broader organizational goals. This synergy between individual growth and organizational advancement serves as a cornerstone for our continuous progress.

Cautionary Statement

According to the applicable securities laws and regulations, any statements in this report that refer to the company's goals, estimates, forecasts, projections, or outlooks are forward-looking statements. Actual outcomes could differ from these predictions, expectations, and others, whether explicitly stated or implicit. The assumptions and upcoming events upon which the statements are predicated are outside of the Company's immediate control. The Company disclaims any obligation to publicly edit, change, or revise any of the statements in light of new information, events, or developments.

SPECTRUM TALENT MANAGEMENT LIMITED (CIN: U51100DL2012PLC235573)

BOARD OF DIRECTORS

Managing Director
Shri Vidur Gupta

Whole Time Director
Shri Sidharth Agarwal

Non-Executive Directors
Non-Independent Directors
Shri Rajeev Agarwal
Shri Rajesh Gupta

Independent Directors
Shri Anup Kumar Jaiswal
Shri Suresh Kumar Mehra
Smt Anubha Agarwal

CHIEF FINANCIAL OFFICER
Shri Sidharth Agarwal

COMPANY SECRETARY & COMPLIANCE OFFICER
CS Ajit Singh

BOARD COMMITTEES

AUDIT COMMITTEE
Shri Suresh Kumar Mehra - Chairman
Shri Sidharth Agarwal - Member
Shri Anup Kumar Jaiswal - Member

STAKEHOLDERS' RELATIONSHIP COMMITTEE
Shri Rajesh Gupta - Chairman
Shri Rajeev Agarwal - Member
Shri Suresh Kumar Mehra - Member

NOMINATION & REMUNERATION COMMITTEE
Shri Suresh Kumar Mehra - Chairman
Shri Anup Kumar Jaiswal - Member
Shri Rajeev Agarwal - Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
Shri Sidharth Agarwal - Chairman
Shri Vidur Gupta - Member
Shri Anup Kumar Jaiswal - Member

STATUTORY AUDITORS
B. Chhawchharia & Co.,
Chartered Accountants
DTJ 524- 525, DLF Tower B,
Jasola District Center
New Delhi- 110025, Delhi

LISTING OF SHARES WITH
National Stock Exchange of India Limited
(22nd June 2023 onwards)

BANKERS
ICICI Bank

REGISTERED OFFICE
B-46, Retreat Apartments, 20 I.P Extension,
Delhi-110092, India
Phone: 0120- 4258857
Website: www.stmpl.co.in
Email: cs@stmpl.co.in

REGISTRAR & SHARE TRANSFER AGENT
Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area,
Phase-I, New Delhi-110 020
Tel: +91-11-40450193
Email: grievances@skylinerta.com
Website: www.skylinerta.com

CORPORATE OFFICE
Block C, Plot No. C-142, Sector- 63,
Noida -201301, Uttar Pradesh



NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Eleventh (11th) Annual General Meeting ("AGM") of the members of Spectrum Talent Management Limited will be held virtually on Monday, 18th September 2023 at 12:00 Noon at registered office of the Company situated at B-46, Retreat Apartments, 20 I.P Extension, Delhi-110092, to transact the following businesses:-

ORDINARY BUSINESS:

- To receive, consider and adopt:
 - the Audited Standalone Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss for the Financial Year ended as on that date together with the Report of Auditors and Board of Directors thereon; and
 - the Audited Consolidated Balance Sheet as at 31st March, 2023, the Consolidated Statement of Profit and Loss for the Financial Year ended as on that date together with the Report of Auditors thereon.
- To appoint a Director in place of Shri Sidharth Agarwal (DIN: 05213023), who retires by rotation and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Shri. Rajesh Gupta (DIN: 00295396), who retires by rotation and being eligible, offers herself for re-appointment.

NO SPECIAL BUSINESS:

By order of the Board of Directors of
Spectrum Talent Management Limited

Sd/-
Ajit Singh

Company Secretary

Place: Delhi
26th August, 2023
Date:
(Membership No.: A35436)

Regd. Off.:
B-46, Retreat Apartments,
20 I.P Extension, Delhi-110092, India
CIN: U51100DL2012PLC235573
Email id.: cs@stmpl.co.in
Website: www.stmpl.co.

Notes:

- As no Special Businesses is set out above to be transacted at 11th AGM so there is no requirement of Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013.
- The relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking appointment/re-appointment at this AGM is annexed hereto under Note No. 26 and form part of this Notice.
- Pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 5th May, 2020, Circular No. 02/2021 dated 13th January, 2021, Circular No. 2/2022 dated 05th May, 2022, followed by Circular No. 10/2022 dated 28th December, 2022 issued by the Ministry of Corporate Affairs, as amended from time to time, and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 issued by the Securities and Exchange Board of India (SEBI) on 12th May, 2020, 15th January, 2021, 13th May, 2022 and 05th January, 2023, respectively (hereinafter collectively referred to as the "Circulars"), physical attendance of the Members at AGM venue is not required and AGM can be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/
- The deemed venue for the AGM shall be the Registered Office of the Company. The Members desiring to attend the Meeting through VC/OAVM and/ or vote through electronic mode may refer to the detailed procedure given under Note No. 18.
- Since the AGM is being conducted through VC/OAVM, the Route Map, Proxy form and attendance slip are not annexed to this Notice.
- Pursuant to the above circulars, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM as the meeting is being conducted through VC/OAVM. However, Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-Voting.

- Corporate Members are requested to send a duly certified copy of the Board resolution/authority letter, authorizing their representative(s) to attend and vote on their behalf at the meeting. The said Resolution/Authorization be sent to the Scrutinizer at pcsvijaysinghal1@gmail.com and the Company at the email address cs@stmpl.co.in.
- The attendance of the Members attending the AGM through VC/OAVM will be reckoned for the purpose of quorum under Section 103 of the Companies Act, 2013.
- In compliance with the above Circulars copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report 2022-23) and Notice of AGM are being sent in electronic mode to Members whose e-mail addresses are registered with the Company/RTA or the Depository Participant(s). Notice of AGM and the Annual Report for the Financial Year 2022-23 are also available on the Company's website i.e. www.stmpl.co.in and may also be accessed from the relevant section of the website of the National Stock Exchange of India Limited at www.nseindia.com .

All documents referred to in the notice are also available electronically for inspection by writing to the Company at its email ID cs@stmpl.co.in till the date of the meeting. Members desiring any information in regard to the financial statements / accounts are requested to write to the Company at cs@stmpl.co.in at an early date so as to enable the management to keep the information ready at the AGM. Detailed procedure to raise questions/seek clarifications with respect to accounts is given under Note No. 19.
- Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with respective rules made thereunder, the companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail addresses either with the Company/RTA or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including annual report, notices, circulars, etc. from the Company electronically. Members of the Company, who have registered their e-mail addresses, are also entitled to receive such communication in physical form upon request.
- The Members can join the AGM through VC/OAVM mode, 15 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 Members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of

the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

- In case of joint holders attending the Meeting, only first shareholder will be entitled to vote at AGM. Individual shareholders holding shares in the Company, singly or jointly, may nominate an individual to all the rights in the shares in the Company shall vest after his/her or their death.
- In terms of SEBI Circular dated 09/12/2020, the depository shall send SMS/email alerts regarding the details of the upcoming AGM to the demat holders at least 2 days prior to the date of commencement of e-voting. Hence members are requested to update the mobile no./email ID with their respective depository participants.
- The Register of Members and Share Transfer Books of the Company shall remain close during the Book Closure period i.e. from Monday 11th day of September, 2023 to Monday, 18th September, 2023 (both days inclusive). The Company has fixed Monday, 11th September, 2023 as the 'Cut-off Date'.
- The Members holding shares in the same name or same order of names under different folios are requested to send the share certificates for consolidation of such shares to the Company or Skyline Financial Services Private Limited i.e. Registrar and Transfer Agent. Such requests for consolidation of share certificates shall be processed in dematerialized form.
- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

For shares held in electronic form: to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
- SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and to avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or its RTA, for assistance in this regard.
- In compliance with the provisions of Regulation 44 of the Listing Regulations, 2015 and Section 108 of the Companies Act, 2013 read with the Companies

(Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 11th Annual General Meeting (AGM) held through Video Conferencing by Electronic means and business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). The Members desiring to vote through electronic mode at the Meeting may refer to the detailed procedure and guidelines on e-voting during Annual General Meeting given hereunder.

18. INSTRUCTION FOR REMOTE E-VOTING, JOINING OF AGM THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS AND E-VOTING DURING THE AGM

The remote e-voting period will commence on Friday, 15th September, 2023 at 09:00 A.M. and will end on Sunday, 17th September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by CDSL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the cutoff date i.e.

Wednesday, 13th September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 13th September, 2023.

STEP I: ACCESS TO CDSL E-VOTING SYSTEM

(i) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE

In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see thee-Voting Menu. he Menu will have links of e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME. Click on CDSL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email ID as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Type of shareholders	Login Method
	<ol style="list-style-type: none"> Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting& voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430

(ii) LOGIN METHOD FOR E-VOTING AND JOINING VIRTUAL MEETING FOR SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL MODE AND SHAREHOLDERS OTHER THAN INDIVIDUAL SHAREHOLDERSHOLDING SECURITIES IN DEMAT MODE.

- The shareholders need to visit the e-voting website <http://www.evotingindia.com/>.
- Click on "Shareholders" module.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- Next enter the Image Verification as displayed and Click on Login.

- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

- If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and in Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is mentioned in email.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).

- After entering these details appropriately, click on "SUBMIT" tab.

- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach

‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting on resolutions of any other company for which they are eligible to vote, provided that the company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (ix) For shareholders holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.

STEP 2: CAST YOUR VOTE ELECTRONICALLY AND JOIN GENERAL MEETING ON CDSL E-VOTING SYSTEM

- (i) After successful login on CDSL e-voting system, click on the EVSN for “Spectrum Talent Management Limited Limited”
- (ii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same, the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you as sent to the Resolution and option NO implies that you dissent to the Resolution.
- (iii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (iv) After selecting the resolution on which you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (v) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (vi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (vii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (viii) Facility for Non - Individual Shareholders and Custodians -Remote Voting
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address info@jmaindia.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR MEMBERS FOR E-VOTING DURING THE AGM ARE AS UNDER:

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- (ii) Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (iii) If any votes are casted by the Members through the e-voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes casted by such Members shall be considered invalid as the facility of e-voting during the AGM is available only to the Members attending the AGM.
- (iv) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

INSTRUCTIONS FOR JOINING MEETING THROUGH VC / OAVM:

- (i) To join the meeting, the shareholders should access to CDSL e-voting system by following the steps explained above. After logging-in, kindly click on ‘live streaming’ tab and you will be redirected to ‘cisco’ website.
In the “Name” field - Enter fist name
In the “last name” field - Enter last name
In the “Email ID” field - Put your email ID
In the “Event password” field - password is pre-fill (cdsl1234)

Click join now button.

Event will start and you will be in the AGM through Video conferencing.

PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:

- System requirement:
 - Windows 10
 - I3
 - Microphone, speaker
 - Internet speed minimum 700 kbps
 - Date and time of computer should be current date and time

PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE:

- Please download webex application from play store

NOTE:

- It is advisable to login beforehand at e-voting system as explained in e-voting instructions above to be familiar with the procedure, so that you do not face any trouble while logging-in during the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via

Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

19. PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ACCOUNTS

- i. As the AGM is being conducted through VC/OAVM, members are encouraged to express their views/send their queries in advance mentioning their name, DP Id and Client Id / Folio No., e-mail id, mobile number & number of shares as on 11/09/2023 (cut of date) at cs@stmpl.co.in to enable smooth conduct of proceedings at the AGM. Questions/Queries received by the Company on or before Saturday, 16th September, 2023 on the aforementioned e-mail id shall only be considered and responded to during the AGM.
- ii. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their Name, DP ID and Client ID Folio Number, PAN, Mobile Number & number of shares at cs@stmpl.co.in on or before Friday, 16th September, 2023. Those Members who have registered themselves as a Speaker will only be allowed to express their views/ ask questions during the AGM.
- iii. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.

20. Particulars of Directors seeking re-appointment in this Annual General Meeting:

S. No.	1	2
Name of the Director	Shri Sidharth Agarwal	Shri. Rajesh Gupta
Category / Designation	Whole Time Director	Non-executive Director
Director Identification Number (DIN)	05213023	00295396
Date of Birth	25/06/1984	16/09/1958
Father's/Husband Name	Shri Rajeev Agarwal	Ram Nath Gupta
Date of 1st Appointment	09/05/2012	22/12/2022
Shareholding	80, 60,060 Equity Shares (34.90%)	Nil
Relation ship with other Directors & KMP	Son of Shri Rajeev Agarwal – Director.	Father of Shri Vidur Guta – Director
Experience	More than 15 Years	More Than 35 Years
Educational Qualification	Post Graduate	Graduate
Number of meetings attended in last Financial Year	18	5
Last Remuneration Withdrawn*	8,33,333/-	Nil
Remuneration sought to be paid*	8,33,333/-	Nil
Other Directorship#	1. Copams Services Private Limited; 2. Adjectus Services Private Limited	1. Triveni Yarns Ltd
Committee Membership@	Audit Committee – Member Corporate Social Responsibility – Member	Nil

BOARD'S REPORT

Dear Shareholder(s),

Your Directors have the pleasure in presenting the Eleventh (11th) Annual Report of your Company (Spectrum Talent Management Limited) on business and operations of the Company along with the Audited Standalone and Consolidated Financial Statements and the Auditor's Report for the year ended March 31, 2023 (Year under review). Consolidated performances of the Company, and its Subsidiaries have been referred to wherever required.

1. Financial Highlights

The Company's financial performance for the Financial Year ended 31st March, 2023 is summarized below:

Particulars	(₹ In Lakhs)			
	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
Revenue from Operations	75276.94	47624.10	76803.66	48322.10
Other Income	84.85	31.94	76.81	24.47
Total Income	75361.79	47656.03	76880.48	48346.57
Total Expenses	73241.24	46153.40	74662.60	46829.27
Profit before Tax (PBT)	2120.55	1502.63	2217.88	1517.29
Provision for Tax- Current	66.70	1.15	85.16	5.66
-Deferred	(648.59)	(12.92)	(648.59)	(12.92)
Profit after Tax	2702.44	1514.39	2781.54	1525.40
Other Comprehensive Income				
Total comprehensive Income				
Non-controlling interest				
Balance brought forward	2702.44	1514.39	2781.54	1525.40
Dividend				
Transfer to General Reserve				
Balance carried forward	2702.44	1514.39	2781.54	1525.40

1.1 State of the Company's Affairs

During the year under review, revenue from operations has increased to ₹ 75276.94 Lakhs in comparison to ₹ 47624.10 Lakhs in last financial year. Profit before tax increased by to ₹ 2120.55 Lakhs in comparison to ₹ 1502.63 Lakhs in last financial year. Profit after tax also increased by to ₹ 2,702.44 Lakhs in comparison to ₹ 1,514.39.72 Lakhs in preceding Financial Year.

Consolidated turnover stood at ₹ 76880.48 Lakhs as compared to ₹ 48346.57 Lakhs in the preceding Financial and consolidated profit after tax stood at ₹ 2,781.54 Lakhs as compared to ₹ 1525.40 Lakhs.

2. Details of material changes from the end of the financial year till the date of this report

The material change(s)/ commitment(s) which may affect the financial position of the Company between 01st April, 2023 and date of this report are...

1. Company is now listed on National stock exchange limited from 22nd June, 2023.

3. Change in the nature of business

There was no change in the nature of the business of the Company, which is engaged in the business of providing personnel's, whether skilled, semi-skilled or unskilled, anywhere in India and subject to the permission

of Reserve Bank of India, Outside India to any institution, concern, society, body corporate, firm, association whether incorporated or not, department of government – central as well as state, public or local authority, trust, industry or any other person or group.

4. Capital Expenditure incurred during the year and its impact on the liquidity of the Company

There is no such capital expenditure incurred during the year which has any impact on the liquidity of the Company

4. Consolidated Accounts

Consolidated Financial Statements are prepared in accordance with the provisions of the Companies Act, 2013 read with accounting standards (AS) Consolidated Financial Statements, AS Investment in Subsidiary. Consolidated Financial Statements for the Financial Year 2022-23 forms part of this Annual Report.

A statement in Form AOC-1 containing the salient features of the financial statements of associate companies and material subsidiary company is annexed (Annexure – 1). Consolidated Financial Statements have been prepared on the basis of audited annual financial statements of your Company and its material subsidiary for the purpose of consolidation of accounts as per the requirement of Accounting Standards.

5. Dividend and Reserves

Your Directors would like to use the profits earned for purpose of enhancing business and hence do not propose any dividend for the Financial Year under review. No amount has been transferred to reserves and the profit for the year has been retained in the surplus forming part of the reserves of the Company.

5.1 Transfer of unclaimed dividend into Investor Education & Protection Fund (IEPF)

There were no unpaid/unclaimed dividends declared and paid in previous years and hence the provisions of Section 125 of the Companies Act, 2013 do not apply for the year under review.

6. Subsidiary and Associate Companies

As at 31st March, 2023, your Company has two subsidiary per details given hereunder:

- a) STM Consulting Inc. USA
- b) STM Consulting Limited, U.K.

Above material subsidiary are inter-alia engaged in the business of providing personnel's, whether skilled, semi-skilled or unskilled.

7. Annual Audited Accounts of Material Subsidiary are available at the registered office of the Company and will be provided to the member(s), if interested, to obtain the same. Audited Annual Financial Statements of Material subsidiary company are also available on website of the Company i.e. www.stmpl.co.in.

7.1 Report on performance of Material Subsidiary and business details are given in the Management Discussion and Analysis Report.

7.2 During the year under review, there was no company (ies) which have become or ceased to be subsidiaries, associate and joint venture of the Company.

8. Public Deposits

During the Financial Year ended 31st March, 2023, the Company has not accepted any deposit falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

9. Conservation of energy, technology absorption and foreign exchange earnings and outgo

Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, were not applicable to the Company during the year under review.

Foreign Exchange Earnings and Outgo (Fig. in Millions)

Foreign exchange earnings: ₹ 2554.86/-

Foreign exchange outgo: ₹ 2.7/-

10. Changes in Capital Structure

1. Company has converted 47,50,000 6% Convertible Preference shares of ₹ 10/- (Rupees Ten) issued as Bonus to the existing shareholders of the Company, into 791,666 Equity Shares of ₹ 10/- (Rupees Ten) each in the ratio of 6:1 pursuant to a resolution of the shareholders dated December 19, 2022.

2. Authorised Share Capital of the Company from the existing Authorised Share Capital of ₹ 9,75,00,000/- (Rupees Nine Crores Seventy Five lakhs only) comprising of ₹ 9,75,00,000/- (Rupees Nine Crores Seventy Five lakhs only) divided into 97,50,000 (Ninety Seven Lakh Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten) each to ₹24,75,00,000/- (Rupees Twenty Four Crores Seventy Five lakhs only) comprising of ₹ 24,75,00,000/- (Rupees Twenty Four Crores Seventy Five lakhs only) divided into 2,47,50,000 (Two Crores Forty Seven Lakh Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten) each." pursuant to a resolution of the shareholders dated December 22, 2022.

10.1 The Company has only one class of equity shares.

10.2 The Company has not issued any equity shares with differential rights.

11. Related Party Transactions

All contracts / arrangements / transactions entered by the Company with related parties were in ordinary course of the business and at arm's length basis.

All transactions with related parties were reviewed and approved by the Audit Committee and the Board and are in accordance with the policy on related party transactions formulated by the Company

There are no material significant related party transactions that may have potential conflict of interest with interest of the Company at large. The details of related party transactions as per AS are set out in the notes of accounts of the Audited Annual Financial Statements of the Company forming part of this Annual Report.

Form AOC-2, as required under Section 134 (3) (h) of the Companies Act, 2013, containing the details of related party transactions is annexed (Annexure-2).

12. Annual Return

The Annual Return of the Company as prescribed under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 is available on website of the Company i.e. www.stmpl.co.in.

13. Directors and Key Managerial Personnel

- 13.1 Appointment and Resignation/Cessation of the directors
- 13.1.1 Resignation/Cessation of the directors
- There was no instance of resignation of any director taken place during the financial year 2022-23.
- 13.2.2 Appointment of directors/ Change in designation
- Several directors have been appointed and change in designation have taken place on the board of the Company during the financial year 2022-23 are as follows.
- Mr. Vidur Gupta (DIN: 05213073) has been appointed as Managing Director of the Company, for a period of 3 (three) years with effect from December 1st 2022.
 - Mr. Sidharth Agarwal (DIN: 05213023) has been appointed as the Whole-Time Director cum CFO of the Company, for a period of 3 (three) years with effect from 1st December 2022.
 - Mr. Rajeev Agarwal (DIN 00107401) has been appointed as non-executive Director of the Company, with effect from 22nd December 2022.
 - Mr. Rajesh Gupta (DIN 00295396) has been appointed as non-executive Director of the Company, with effect from 22nd December 2022.
 - Ms. Anubha Agarwal (DIN 09848960) has been appointed as an Independent Director (non-executive) of the Company, with effect from 4th January 2023.
 - Mr. Suresh Kumar Mehra (DIN 07680564) has been appointed as an Independent Director (non-executive) of

the Company, with effect from 4th January 2023.

7. Mr. Anup Kumar Jaiswal (DIN 09366466) has been appointed as an Independent Director (non-executive) of the Company, with effect from 4th January 2023.

13.2.3 There was no other change in the composition of Board of Directors of the Company, during the financial year under review.

13.2.4 Re-appointment / Confirmation of appointment of Directors retiring by rotation

In accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sidharth Agarwal (DIN: 05213023) and Mr. Rajesh Gupta (DIN 00295396), Directors of the Company, are retiring by rotation at the 11th Annual General Meeting and each being eligible, offers themselves for re-appointment.

Detailed profile of appointee Directors is given in note No.20 in the notes annexed with Notice of Annual General Meeting together with justification / rationale for such appointment / re-appointment.

Accordingly, your directors recommend the appointment/ re-appointment of aforesaid directors for approval of the members.

- 13.3 Key Managerial Personnel
- Mr. Vidur Gupta Managing Director, Mr. Sidharth Agarwal Whole-Time Director cum CFO and CS Ajit Singh, Company Secretary are the Key Managerial Personnels of the Company in accordance with the provisions of Section 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
- 13.4 Appointment and Resignation of the KMP
- Appointment
- Mr. Vidur Gupta (Managing Director)
- Mr. Sidharth Agarwal (Whole Time Director)
- Mr. Ajit Singh (Company Secretary & Compliance Officer)
- Resignation
- There was no instance of resignation of any KMP taken place during the financial year 2022-23.

14. Declaration by Independent Director(s)
- All Independent Directors have furnished declarations that they meet the criteria of independence and they are registered members of the Independent Directors' Databank as laid down under Section 149(6) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. Board Meetings

15.1. Number of Board Meetings

During the year under review, your Board of Directors met 18 (Eighteen) times, details of which along with attendance of the Directors in such meetings are given below:

S. no.	Date of Board Meeting	No. of Directors entitled to attend the meeting	No. of Directors attend the Meeting
1.	20.04.2022	2	2
2	12.07.2022	2	2
3	18.07.2022	2	2
4	20.07.2022	2	2
5	22.08.2022	2	2
6	03.09.2022	2	2
7	22.09.2022	2	2
8	26.09.2022	2	2
9	28.09.2022	2	2
10	26.10.2022	2	2
11	01.11.2022	2	2
12	17.12.2022	2	2
13	19.12.2022	2	2
14	22.12.2022	4	4
15	28.12.2022	4	4
16	04.01.2023	4	4
17	30.01.2023	7	4
18	08.02.2023	7	4

15.2. Annual Evaluation

Board of Directors of your Company has carried out its own annual performance evaluation and also of the directors individually, as well as that of working of the Committees, in accordance with the provisions of the Companies Act, 2013 read with applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. Directors' Responsibility Statement

In terms of Section 134(3) (c) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual financial statements for the year ended 31st March, 2023, all the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- they had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

Company at the end of the financial year and of the profit of the Company for that period;

- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

17. Auditors

18.1 Statutory Auditors

B. Chhawchharia & Co. Chartered, (Firm Regn No. 013163N), were appointed as Statutory Auditors of the Company for their first term of five years in the 7th Annual General Meeting, to hold office till the conclusion of 12th Annual General Meeting.

Statutory Auditors have confirmed their eligibility as required under Section 139 and 141 of the Companies Act, 2013 and the rules made thereunder, to continue and hold office as auditors.

18.2 Report of Auditors

Reports of Statutory Auditors on Audited Annual Financial Statements (Standalone and Consolidated) for the Financial Year ended on 31st March, 2023 are self-explanatory and do not contain any qualification(s), reservation(s) or adverse remark(s) or disclaimer, which call for any comment(s) from the Board of Directors as required under Section 134 of the Companies Act, 2013.

18.3 Fraud Reporting

During the year under review, no incidence of fraud has been reported by the Auditors to Audit Committee of the Board.

19. Report on Internal Financial Controls on Financial Reporting

In the opinion of Statutory Auditors, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial control systems over financial reporting were operating effectively as at 31st March, 2023. Reference may be made to the Independent Auditors Report.

20. Secretarial Auditors and their report

Your Board of Directors has appointed M/s Vijay K. Singhal & Associates, Company Secretaries, as Secretarial Auditors to carry out Secretarial Audit of the Company and for the Financial Year 2022-23. Based on the audit carried out by Secretarial Auditors, they have submitted their report(s), which are annexed herewith as (Annexure-3) and forms part of this Boards' Report. Report(s) of Secretarial Auditors are self-explanatory and do not contain any qualification, reservation or adverse remark.

21. Compliance with Secretarial Standards

Your Company has complied with the provisions of applicable Secretarial Standard I and Secretarial Standard II, issued and notified by the Institute of Company Secretaries of India (ICSI).

22. Adequacy of Internal Financial Controls

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, 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. The Company has adopted accounting policies, which are in line with the Accounting Standards and the Companies Act, 2013.

An extensive risk based programme of internal audit and management reviews provides assurance to the Board regarding the adequacy and efficacy of internal controls. The internal audit plan is also aligned to the business objectives of the Company. Mr. Bharat Arora, Chartered Accountants, are the Internal Auditor of the company. In addition they are also reporting in respect of Internal Financial Controls and certifying that such Financial Controls are adequate and are operating effectively.

23. Internal Control Systems

The Company has effective and adequate internal control systems covering all areas of operations. The Internal control system provides for well documented policies/guidelines, authorizations and approval procedures. The Internal control system provides a reasonable assurance with regard to maintaining of proper accounting controls, protecting assets from un-authorized use and compliance of statutes.

Such internal control system is also reviewed for its adequacy and effectiveness through internal audit carried out at various locations.

24. Internal Auditors and reporting

Mr. Bharat Arora Chartered Accountant, were appointed to conduct the internal audit for the Financial Year 2022-23. Internal audit ensures that the systems designed and implemented, provide reasonable assurances to the adequacy of the internal controls commensurate with the size and operations of the Company. The observations, arising out of audit, are periodically reviewed and compliances ensured.

25. Risk Management Framework

Pursuant to the requirement of the Companies Act, 2013 & rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has a well-defined Risk Management Policy. Your Company recognizes risk management as an integral component of good corporate governance and fundamental in achieving its strategic and operational objectives. The policy is intended to improve decision-making, define opportunities and to mitigate material events that may impact shareholder value. Your Company has taken adequate insurance to protect its assets.

26. Cost Audit

Since your Company is engaged in the business of supplying of manpower provisions regarding maintenance of cost records as specified by the Central Government under Section 148 of the Companies Act, 2013 and rules made thereunder, are not applicable.

27. Audit Committee

In accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a qualified and independent Audit Committee. All recommendations of the Audit Committee were accepted by the Board of Directors of the Company.

28. Vigil Mechanism

In accordance with Section 177 (10) of the Companies Act, 2013 and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Whistle Blower – cum - Vigil Mechanism Policy for the Directors and the Employees as adopted by the Board, is in place and implemented. Details of aforesaid policy are given in the Corporate Governance Report. Such policy has also been uploaded on the website of the Company vide link: www.stmpl.co.in

29. Particulars of loans, guarantee or investments under Section 186 of the Companies Act, 2013 & Rules made thereunder

Your Company has not given any loans, guarantees or made investments during the year under review. Investments in other body corporates made before the financial year 2022-23 were within the ambit of Section 186 of the Companies Act, 2013.

30. Nomination and Remuneration Policy

Your Company has Nomination and Remuneration Policy in place for selection, appointment and remuneration of the Directors, Key managerial personnel and senior management employees of the Company. The Company's remuneration policy is driven by the success and performance of the individual employee and growth of the Company. Such policy has also been uploaded on website of the Company www.stmpl.co.in

31. Management Discussion and Analysis Report

Management Discussion and Analysis Report is annexed (Annexure-4).

32. Corporate Social Responsibility Initiatives

During the Financial Year ended on 31st March, 2023, the Company has incurred CSR expenditure of ₹ 18.24 Lakhs. CSR initiatives taken were under the thrust areas of health & hygiene, education, skill enhancement, hunger management, welfare activities and promotion of nationally recognized sports. Annual Report on the CSR activities undertaken by the Company is annexed (Annexure 5) to this report

33. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

The Company's policy on prevention of sexual harassment at workplace is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. Pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder an Internal Complaint Committee has been set up to receive & redress the complaints regarding sexual harassment under the aforesaid Act. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

There was no complaint received from any employee during the Financial Year 2022-23 and hence, no complaint is outstanding as at the end of the year for redressal.

34. Human Resources

At the end of March 2023, the total employee strength of the Company was More than 21800 The Company's focus is to drive each employee to be more focused and productive. Regular training programs at various levels are in operation. Incentives are given wherever required to motivate staff to meet Company's overall objectives.

35. Remuneration Disclosures

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are annexed (Annexure-6) to this Report.

36. Orders passed by regulators / courts / tribunals

No significant or material orders have been passed by the regulators, courts, tribunals etc., against the Company, which adversely impact the financial position, going concern status of the Company and its future operations.

37. General

During the year under review:

- There was no proceeding pending under the Insolvency and Bankruptcy Code, 2016; and
- There was no instance of onetime settlement with any Bank or Financial Institution.

Acknowledgment

The Directors wish to convey their thanks to various Central and State Government departments, Organizations and Agencies for the continued help and co-operation extended by them.

The Directors would also like to thank the Shareholders, Customers, Bankers, Suppliers, Manufactures and all other stakeholders for their continuous support given by them to the Company and their confidence in its management. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board

Spectrum Talent Management Limited

Vidur Gupta
Managing Director

Sidharth Agarwal
Whole Time Directoe

Annexures to the Boards’ Report

Form AOC-1		
(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)		
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures		
Part “A”: Subsidiaries		
(₹in Lakhs)		
S. No.	Particulars	Details
1	Name of the subsidiary	STM Consulting Inc
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January 2022~December 2022
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	\$1= INR 82.7696
4	Share capital	12.42
5	Reserves & surplus	189.72
6	Total Assets	585.54
7	Total Liabilities	313.94
8	Investments	0
9	Turnover	1705.75
10	Profit before taxation	87.91
11	Provision for taxation	18.46
12	Profit after taxation	69.45
13	Dividend Paid	0
14	% of shareholding	100%
Names of subsidiaries which are yet to commence operations		Not Applicable
Names of subsidiaries which have been liquidated or sold during the year		Not Applicable

Part “A”: Subsidiaries

(₹in Lakhs)

S. No.	Particulars	Details
1	Name of the subsidiary	STM Consulting LTD
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	GBP1= INR 101.44
4	Share capital	45.65
5	Reserves & surplus	(7.58)
6	Total Assets	39.93
7	Total Liabilities	42.22
8	Investments	0
9	Turnover	0
10	Profit before taxation	(2.29)
11	Provision for taxation	0
12	Profit after taxation	(2.29)
13	Dividend Paid	0
14	% of shareholding	90%
Names of subsidiaries which are yet to commence operations		Not Applicable
Names of subsidiaries which have been liquidated or sold during the year		Not Applicable

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹in Lakhs)

Name of associates/Joint Ventures	NA	
Latest audited Balance Sheet Date	31st March, 2022	31st March, 2023
Shares of Associate/Joint Ventures held by the company on the year end		
a) No.;		
b) Amount of Investment in Associates/Joint Venture; and		
c) Extend of Holding%		
Description of how there is significant influence		
Reason why the associate/joint venture is not consolidated		
Net worth attributable to shareholding as per latest audited Balance Sheet		
Profit/Loss for the year		
i. Considered in Consolidation		
ii. Not Considered in Consolidation		
Names of associates or joint ventures which are yet to commence operations	Not Applicable	
Names of associates or joint ventures which have been liquidated or sold during the year	Not Applicable	

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

S . No.	Particulars	Details
1.	Details of contracts or arrangements or transactions not at arm's length basis	
a)	Name(s) of the related party and nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	
2.	Details of material contracts or arrangement or transactions at arm's length basis	
a)	Name(s) of the related party and nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts / arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Date(s) of approval by the Board, if any	
f)	Amount paid as advances, if any	
3.	Details of related party transactions which are in ordinary course of the business and also are at arm's length basis	
a)	Name(s) of the related party and nature of relationship	
b)	Nature of contracts/arrangements /transactions	-
c)	Duration of the contracts / arrangements/ transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	.
e)	Date(s) of approval by the Board, if any	
f)	Amount paid as advances, if any	N.A.

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members of
Spectrum Talent Management Limited
B-46, Retreat Apartments,
20, I.P.Extension, New Delhi – 110 092

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Spectrum Talent Management Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that-

- Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of the financial statements of the Company.
- Wherever required, we have obtained the Management Representation about the compliances of laws, rules, regulations and standards and happening of events etc.
- The compliance of the provisions of the corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 ("audit period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- The Companies Act, 2013 ('the Act') and the rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- Other laws as may be applicable specifically to the company - Nil

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, standards and guidelines mentioned herein above.

We further report that during the audit period,

- a) Company has Allotted 1,33,15,830 Equity Shares under Bonus issue on 22nd December 2022.
- b) The Authorized Share Capital of the Company has been re-classified from the existing capital of ₹ ₹ 9,75,00,000/- (Rupees Nine Crores Seventy Five lakhs only) comprising of 50,00,000 (Fifty Lakh) Equity Shares of Rupees.10/- each and 47,50,000 (Forty Seven Lakh Fifty Thousand) Preference Shares of ₹ 10/- each, be and is hereby reclassified to ₹ 9,75,00,000/- (Rupees Nine Crores Seventy Five lakhs only) comprising of 97,50,000 (Ninety Seven Lakh Fifty Thousand) Equity Shares of Rupees.10/- each, after cancelling the existing unissued Preference share capital comprising of 47,50,000 (Forty Seven Lakh Fifty Thousand) Preference Shares of ₹ 10/- each by way of shareholders resolution dated 22nd December, 2022.
- c) Increase in the Authorized Share Capital of the Company from ₹ 9,75,00,000/- (Rupees Nine Crores Seventy Five lakhs only) comprising of ₹ 9,75,00,000/- (Rupees Nine Crores Seventy Five lakhs only) divided into 97,50,000 (Ninety Seven Lakh Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten) each to ₹24,75,00,000/- (Rupees Twenty Four Crores Seventy Five lakhs only) comprising of ₹ 24,75,00,000/- (Rupees Twenty Four Crores Seventy Five lakhs only) divided into 2,47,50,000 (Two Crores Forty Seven Lakh Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten) each.” by way of shareholders resolution dated 22nd December, 2022.
- d) Company was converted into a Public Limited Company by way of shareholders resolution dated 26th December, 2022.
- e) Has passed the resolution for Increase in the borrowing limits of the company under section 180(1)(c) of companies act, 2013 for a sum of money not exceeding ₹ 120 Crores (Rupees One Hundred Twenty Crores Only), including the money already borrowed by the Company, on such terms and conditions as the Board may deem fit by way of shareholders resolution dated 4th January, 2023.

For Vijay K. Singhal & Associates
Company Secretary
Firm Registration No. S2013DE223300

Sd/-
(Vijay Kumar Singhal)
Proprietor
ACS- 21089, C.P. 10385
UDIN: A021089E000557933
Date: 12/07/2023
Place: Delhi

ANNUAL REPORT ON CSR INITIATIVES TAKEN BY THE COMPANY

I. A brief outline on CSR policy of the Company

Spectrum Talent Management Limited (‘the Company’) is committed to upholding the highest standards of Corporate Social Responsibility (‘CSR’).. The Company aims to carry out charitable objects and purpose wide enough for the extension of the benefit thereof to all, irrespective of class/ creed and includes relief to the poor, education, medical relief and advancement of any object of general and or public utility. The Company also believes in positively impacting the environment and supporting the communities it operates in, focusing on sustainability of its programmes and empowerment of its communities.

In line with the Companies Act, 2013 & rules made thereunder, the Company has formed a CSR Policy and the same is placed on the Company’s website & can be accessed on the web link <https://stmpl.co.in/pdf/investors/Committees.docx.pdf>

II. The Composition of the CSR Committee

S. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings held during the year*	Number of meetings attended during the year
1.	Shri Sidharth Agarwal	Whole Time Director-Chairperson	1	1
2.	Shri Vidur Gupta	Managing Director-Member	1	1
3.	Shri Anup Kumar Jaiswal	Independent Director- Member	1	0

*During the FY 2022-23, One (1) meeting of CSR Committee was held 09th August, 2022.

Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The web-links are as follows:

- A. Composition of CSR Committee: <https://stmpl.co.in/pdf/investors/Committees.docx.pdf>
- B. CSR Policy and CSR Projects approved by the Board of Directors
CSR Policy: <https://stmpl.co.in/pdf/investors/Committees.docx.pdf>
CSR Projects: Health & Hygiene, Education, Skill Enhancement, Hunger Management, Welfare Activities & promotion of nationally recognized sports

III. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report) : Not Applicable

IV. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Lakhs)	Amount required to be set- off for the financial year, if any (in Lakhs)
Not Applicable			

V. Average net profit of the company as per section 135(5): ₹ 912.48

VI. Amount (in Lakhs)

A.	Two percent of average net profit of the company as per section 135(5)	18.24
B.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	-
C.	Amount required to be set off for the financial year, if any	-
D.	Total CSR obligation for the financial year (7A+7B- 7C)	18.24

VII.

A. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Lakhs)	Amount Unspent (in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
18.25	-	-	-	-	-

B. Details of CSR amount spent against ongoing projects for the financial year:

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

C. Details of CSR amount spent against other than ongoing projects for the financial year:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in Lakhs)	(7) Mode of implementation- Direct (Yes/No)	(8) Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration number
1.	Manav Kalyan	Item no.ii Promoting education	Yes	Delhi	Delhi	18.25	Yes	MANAV KALYAN FOUNDATION	CSR00007224
TOTAL						18.25			

D. Amount spent in Administrative Overheads: Nil

E. Amount spent on Impact Assessment, if applicable: Not Applicable

F. Total amount spent for the Financial Year (8B+8C+8D+8E): ₹ 18.25 Lakhs

G. Excess amount for set off, if any - Nil

Sl. No.	Particular	Amount (in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	18.24
(ii)	Total amount spent for the Financial Year	18.25
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.01
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

VIII.

A. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Lakhs)	Amount spent in the reporting Financial Year (in Lakhs).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Lakhs)
				Name of the Fund	Amount (in Lakhs)	Date of transfer.	
Not Applicable							

B. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in Lakhs)	(7) Amount spent on the project in the reporting Financial Year (in Lakhs)	(8) Cumulative amount spent at the end of reporting Financial Year (in Lakhs)	(9) Status of the project- Completed / Ongoing
Not Applicable								

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

S. No.	Date of creation or acquisition of the capital asset(s)	Amount of CSR spent for creation or acquisition of capital asset	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)
Not Applicable				

X. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Date: 26.08.2023
Place: Delhi

Sd/-
Sidharth Agarwal
Chairman of CSR Committee

Sd/-
Vidur Gupta
Managing Director

Statement under Section 197 (12) of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2023

REMUNERATION DETAILS OF EXECUTIVE DIRECTORS (EDs)/ NON- EXECUTIVE DIRECTORS (NEDs)/ KEY MANAGERIAL PERSONNEL (KMPs)

Name of the Director/KMP	Designation	% increase in remuneration over last year	Ratio of Remuneration of Directors/KMP with Median Remuneration of employees
Shri Sidharth Agarwal	Whole Time Director & CFO	-	13.80
Shri Vidur Gupta	Managing Director	-	13.80
Shri Ajit Singh	Company Secretary	-	-

Other than above named director, all directors including Independent directors were paid sitting fee only.

MAJOR PRINCIPLES FOR DETERMINING REMUNERATION TO DIRECTORS INCLUDING VARIABLE COMPONENTS:

- i) Commission to Executive Directors: Not Applicable
- ii) Commission to Non-Executive Directors: Non-Executive Directors are not entitled to receive any sum by way of commission except sitting fee and payment of honorarium, wherever applicable, as per terms of appointment read with applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I. Total employees on the payroll of the Company: 14206

II. No employee has ever been posted outside India.

III. Percentage increase in the median remuneration of employees during FY 2022-23: 12.08%

IV. Remuneration of Managerial Personnel viz-a-viz other employees

a) Average percentile increase already made in the salaries of the employees other than the managerial personnel during the FY 2022-23 was 12.08%.

b) Average percentile increase in managerial remuneration during the FY 2022-23 was: NIL

V. Employment throughout the financial year with remuneration not less than ₹ 1.02 Crores per annum or (excluding MD, WTD and KMP's) : NIL

VI. Employees whose remuneration was not less than ₹ 8.50 Lakhs per month if employed part of the Financial Year (excluding top 10 employees given hereunder) : NIL

VII. Employees whose remuneration was in excess of that of MD/WTD/Manager and holding 2% of shares of the Company along with relatives (either employed throughout the financial year or part of the year) : NIL

VIII. Details of Top 10 Employees in terms of Remuneration withdrawn during the Financial Year 2022-23 except KMP employees: Details of employee remuneration as required under provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 shall be made available on inspection in electronic mode to any shareholder upon request sent at cs@stmpl.co.in.

IX. Affirmation that the remuneration is as per the Remuneration Policy of the Company: Remuneration is paid as per the Remuneration Policy of the Company.

Date: 26.08.2023
Place: Delhi

Sd/-
Sidharth Agarwal
Chairman of CSR Committee

Sd/-
Vidur Gupta
Managing Director

INDEPENDENT AUDITOR’S REPORT

To the Members of Spectrum Talent Management Limited (Formerly known as Spectrum Talent Management Private Limited)

Report on the Audit of the Standalone Financial Statements
OPINION

We have audited the accompanying financial statements of M/s SPECTRUM TALENT MANAGEMENT LIMITED (Formerly known as Spectrum Talent Management Private Limited) ('the Company'), which comprises the Standalone Balance Sheet as at 31 March 2023, the Standalone Statement of Profit and Loss, the Standalone Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs (financial position) of the Company as at March 31, 2023, its profit and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information

comprises the information included in the Company's annual report, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

MANAGEMENT’S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) and Cash flows of the Company in accordance with the accounting principles generally accepted in India. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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 the Board of Directors either intends

to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention

in our auditor's report to the related disclosures in the Standalone 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 Standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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 A", a statement on the matters specified in the paragraph 3 and 4 of the said order, to the extent applicable.

- (A) As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

- (c) The Standalone Financial Statements dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (B) 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 details of pending litigations have been disclosed in Note No. 28(3)- Contingent Liabilities;
 - ii. The Company does not have any material foreseeable losses on long term contracts including derivative contracts which would impact its financial position;
 - 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 person or entity, including foreign entity ("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 person or entity, including foreign entity ("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;
 - (c) Based on the audit procedures 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) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. As proviso to rule 3(1) of the Companies (Accounts), Rules, 2014 is applicable for the Company w.e.f. April 1, 2023, reporting under this clause is not applicable.
- (C) With respect to the matter to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date: 12th July, 2023
Place: New Delhi

Annexure - A to the Independent Auditors' Report

Based on the audit procedures performed for the purpose of reporting a true and fair view on the Standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best to our knowledge and belief, we report that:

- (i) (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (ii) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) According to the information and explanations given to us, all the Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties (other than properties where the company is lessee, and the lease agreements are duly executed in favours of the lessee) and hence

reporting under clause 3(i)(c) of the Order is not applicable.

- (d) The Company has not revalued its Property, Plant and Equipment and Intangible Assets during the year.
- (e) As represented to us by the Management, no proceeding has been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami Property under the benami Transactions (Prohibition) Act, 1988 and rules made thereunder:
- (ii) (a) According to the information and explanation given to us, the management has conducted the physical verification of inventory at reasonable intervals during the year which, in our opinion, is reasonable and appropriate having regard to the size of the company and nature of its business. No material discrepancies were noticed on such verification.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, during the year from bank on the basis of security of current assets. In our opinion and according to the information and explanations given to us, we have not found any material discrepancies in the quarterly statements filed by the company to the Bank with the books of account of the company, except for the following:

Quarter Ended	Sanctioned amount to which discrepancy relates (₹ million)	Nature of current asset	Details of discrepancies			Remarks
			Amount (₹ million)			
			As per quarterly statement	As per audited books of account	Difference	
March 2023	150	Trade Receivables	565.65	493.69	71.96	As explained to us by the management some of the invoices were not accounted for in the books of accounts at the time of submission of statement to the bank.
March 2023	150	Inventory	46.36	30.79	15.56	As explained to us by the management, due to some inadvertent error one lot of inventory has been wrongly classified as PPE.

- (iii) According to the information and explanations given to us, the Company has not made any investments in, provided any guarantees or given any security or granted any secured/unsecured loans to companies, firms, Limited Liability Partnerships or other parties during the year under review.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities made by the company, if any.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of and the Sections 73 to 76 of the Companies act, 2013 and the Companies (Acceptance of Deposits) Rules,2014 (as amended)
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for the business activities carried out by the Company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income-tax, GST, wealth tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, and no such statutory dues were outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of income-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess, as applicable which have not been deposited on account of any dispute.
- (viii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, there were no transaction relating to previously unrecorded income that have been surrendered or disclosed as income during the year by the Company in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us, the company has not been declared a

wilful defaulter by any bank or financial institution or government or any government authority.

- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the Standalone financial statements of the Company, fund raised on short term basis have, prima facie, not been used during the year for long term purpose by the Company.
- (e) On an overall examination of the Standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) In our opinion and according to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under review.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year under review.
- (xi) (a) As represented to us by the Management, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) The company is not required to establish whistle-blower mechanism as per the Companies Act, 2013. Hence, reporting under this clause is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting on clauses 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the

- Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) According to the information and explanations given to us, the company has an internal audit system, which in our opinion, is commensurate with the size of the company and the nature of its business.
- (b) We have considered the internal audits report for the year under audit, issued to the Company in determining the nature, timing and extent of our audit procedures.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934
- (b) According to the information and explanations given to us and on the basis of the examination of the records of the company, the Company has not conducted any Non-Banking Financial or Housing Finance activities.
- (c) In our opinion, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given to us, the Group does not have any CIC's as part of their Group.
- (xvii) On an overall examination of the Standalone financial statements of the Company, the Company has not incurred cash losses in the financial year under review and in the immediately preceding financial year.
- (xviii) There has not been any resignation of the statutory auditors during the year and hence reporting on clause 3(xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios disclosed in Note 28(16) to the Standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone financial statements, our knowledge of the Board of Directors and management plans and according to the information and explanations given to us, in our opinion, prima facie, no material uncertainty exists as on the date of the audit report regarding the company's capability to meet its liabilities existing as on the date of the balance sheet, as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to future viability of the Company. We further state that our reporting is based on the facts up to the date of 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, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to information and explanations given to us, there is no unspent amount towards company's Corporate Social Responsibility obligations in terms of Section 135 of the Companies Act, 2013 and hence, reporting on clauses 3(xx)(a) and 3(xx)(b) of the Order is not applicable

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
 Partner
 Membership No. 529082

Date: 12th July, 2023
 Place: New Delhi

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Spectrum Talent Management Limited (Formerly known as Spectrum Talent Management Private Limited) ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For **B. CHHAWCHHARIA & CO.**
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date: 12th July, 2023
Place: New Delhi

STANDALONE BALANCE SHEET
AS AT 31ST MARCH, 2023

(Amount in INR millions, except per share data)

Particulars	Notes	AS AT 31st MARCH 2023		AS AT 31st MARCH 2022	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share capital	1	179.07		85.50	
Reserves and surplus	2	367.30	546.37	190.63	276.13
Non-Current Liabilities		-			
Long Term Borrowings	3	1.13		3.43	
Long-term provisions	4	9.74	10.86	6.81	10.25
Current Liabilities					
Short Term Borrowings	5	36.43		99.25	
Trade Payables	6				
- Dues of Micro and Small Enterprises		-		-	
- Dues of other than Micro and Small Enterprises		3.17		9.02	
Other current liabilities	7	328.45		239.04	
Short-term provisions	8	0.72	368.77	0.19	347.51
Total Equity & Liabilities			926.00		633.88
ASSETS					
Non-Current Assets					
Fixed assets	9				
Property, Plant and Equipment		32.48		26.29	
Intangible Assets		0.62		0.93	
		33.09		27.22	
Non-Current Investments	10	18.89		27.00	
Deferred Tax Assets	11	70.36		5.50	
Other Non-Current Assets	12	3.53	125.87	2.55	62.27
Current Assets					
Inventories	13	46.36		20.04	
Trade receivables	14	565.65		391.94	
Cash and cash equivalents	15	36.27		34.12	
Short term loans & advances	16	68.86		52.70	
Other Current Assets	17	17.81		0.45	
Current tax Assets (Net)	18	65.18	800.13	72.36	571.61
Total Assets			926.00		633.88
SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS	29				

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO.
Chartered Accountants
Firm registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: New Delhi
Date: 12th July, 2023

For and on behalf of the Board of Directors of
Spectrum Talent Management Limited

Vidur Gupta
DIN No. 05213073
(Managing Director)

Sidharth Agarwal
DIN No. 05213023
(Whole Time Director cum CFO)

Ajit Singh
(Company Secretary)

STANDALONE STATEMENT OF PROFIT & LOSS
FOR THE YEAR ENDED 31ST MARCH, 2023

(Amount in INR millions, except per share data)

Particulars	Notes	2022-2023	2021-2022
Income:			
Revenue from operations	19	7,527.69	4,762.41
Other income	20	8.49	3.19
Total Income		7,536.18	4,765.60
Expenses:			
Purchases of Stock-in-Trade	21	2,569.83	1,015.56
Changes in Inventories	22	(26.32)	(20.04)
Employee Benefit Expenses	23	4,631.35	3,540.13
Other Operating Expenses	24	44.51	31.56
Selling & Distribution Expenses	25	36.36	13.50
		7,255.72	4,580.71
Finance costs	26	5.97	1.19
Depreciation and Amortization Expense		15.03	8.79
Other Expenses	27	47.40	24.65
Total Expenses		7,324.12	4,615.34
Profit Before Tax		212.06	150.26
Tax Expense:	28		
Current Tax		6.67	0.12
Deferred Tax		(64.86)	(1.29)
Profit for the year		270.24	151.44
Earnings per equity share			
(on shares of nominal value of ₹ 10/- each)			
Basic and Diluted		15.59	8.40

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO.
Chartered Accountants
Firm registration No. 305123E

For and on behalf of the Board of Directors of
Spectrum Talent Management Limited

Abhishek Gupta
Partner
Membership No. 529082

Vidur Gupta
DIN No. 05213073
(Managing Director)

Sidharth Agarwal
DIN No. 05213023
(Whole Time Director cum CFO)

Ajit Singh
(Company Secretary)

Place: New Delhi
Date: 12th July, 2023

STANDALONE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2023

(Amount in INR millions, except per share data)

Particulars	2022-2023	2021-2022
Cash Flows from Operating Activities:		
Net Profit before tax	212.06	150.26
Adjustments for :		
Finance Costs	5.97	1.19
Profit on Sale of Investments (Net)	(0.91)	(1.47)
Dividend Income	(0.04)	-
Interest on Loan	(0.80)	(0.76)
Property, Plant and Equipment Written off	-	0.03
Loss on Sale of Property, Plant and Equipment	0.00	0.01
Provision for Doubtful Debts	-	0.68
Provision for diminution in Investments	-	0.50
Depreciation and Amortization Expense	15.03	8.79
Operating Profit Before Working Capital Changes	231.30	159.23
Adjusted for :		
Inventories	(26.32)	(20.04)
Trade and other receivables	(208.21)	(180.54)
Trade Payables and other payable	87.01	3.24
Cash Generated From Operations	83.78	(38.10)
Direct Taxes paid / adjusted	0.51	(25.46)
Net Cash (used in)/ flow from Operating Activities	84.30	(63.56)
Cash Flows from Investing Activities:		
Purchase of Property, Plant & Equipment (Net)	(20.91)	(18.12)
Purchase of Investments (Net)	9.02	23.27
Dividend Income	0.04	0.05
Interest on Loan	0.80	0.76
Net Cash (used in)/ flow from Investing Activities	(11.04)	5.96
Cash Flows from Financing Activities:		
Buy-back of Equity Shares	-	(9.50)
Premium Paid on Buy- back	-	(47.50)
Tax on Buy-back of equity shares	-	(13.28)
Amount paid to Shareholders for Fractional Equity Shares	(0.00)	-
Proceeds/(Repayment) of borrowings	(65.13)	96.62
Finance Cost	(5.97)	(1.19)
Net Cash (used in)/ flow from Financing Activities	(71.10)	25.14
Net Increase / (decrease) in Cash & Cash Equivalents	2.15	(32.44)
Cash and Cash Equivalents at the beginning of the period	34.12	66.62
Cash and Cash Equivalents at the end of the period	36.27	34.12
01. Proceeds from long term and other borrowings are shown net of repayment.		
02. Cash and Cash equivalents represent cash and bank balances only.		

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO.
Chartered Accountants
Firm registration No. 305123E

For and on behalf of the Board of Directors of
Spectrum Talent Management Limited

Abhishek Gupta
Partner
Membership No. 529082

Vidur Gupta
DIN No. 05213073
(Managing Director)

Sidharth Agarwal
DIN No. 05213023
(Whole Time Director cum CFO)

Ajit Singh
(Company Secretary)

Place: New Delhi
Date: 12th July, 2023

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

1 SHARE CAPITAL

Table with 3 columns: Description, AS AT 31st March, 2023 (₹ in millions), and AS AT 31st March, 2022 (₹ in millions). Rows include Authorised shares (2,47,50,000 Equity, Nil Preference) and Issued/Subscription shares (1,79,07,496 Equity, Nil Preference).

a) Reconciliation of the number of shares outstanding is as follows:

Table with 5 columns: Description, As At 31st March 2023 (Equity/Preference Nos.), and As At 31st March 2022 (Equity/Preference Nos.). Rows show reconciliation from beginning of period to end of period.

b) Details of shareholders holding more than 5% shares in the company

Table with 5 columns: Name of Shareholders, As At 31st March 2023 (Nos./% holding), and As At 31st March 2022 (Nos./% holding). Rows list Equity and Preference shareholders.

c) Terms/rights attached to shares:

- Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- d) Out of the above, 37,50,000 Equity shares were allotted as Bonus Shares in Financial Year 2018-2019 and 1,33,15,830 Equity shares were allotted as Bonus Shares during the year by capitalisation of Free Reserves, without payment being received in cash.
- e) During the year, 47,50,000 Preference shares were converted into 7,91,666 Equity Shares in the ratio of 1:6. The fractional entitlement of shares has been paid in cash to the respective shareholders.
- f) During the F.Y. 2021-22, 9,50,000 Equity shares of ₹ 10/- each were bought back by the Company.
- g) Details of shareholding of promoters in the company:

Table: Equity Shares held by promoters as at 31.03.2023. Columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2022-2023. Rows list 7 promoters and a total.

Table: Equity Shares held by promoters as at 31.03.2022. Columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2021-2022. Rows list 2 promoters and a total.

Table: Preference Shares held by promoters as at 31.03.2023. Columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2022-2023. Rows list 2 promoters and a total.

Table: Preference Shares held by promoters as at 31.03.2022. Columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2021-2022. Rows list 2 promoters and a total.

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

2 RESERVES & SURPLUS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Capital Redemption Reserve (CRR)		
Balance as per last financial statements	9.50	-
Add :Transfer from Surplus in the statement of Profit and Loss	-	9.50
	9.50	9.50
Securities Premium Account		
Balance as per last financial statements	-	-
Add : Issue of Equity shares during the year	39.58	-
	39.58	-
General Reserve		
Balance as per last financial statements	50.00	50.00
Less: Issue of Bonus Equity Shares	(50.00)	-
	-	50.00
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	131.13	49.97
Add: Profit for the year	270.24	151.44
	401.37	201.40
Less : Transfer to CRR upon Buy back- Face Value	-	9.50
: Premium on Buy-Back	-	47.50
: Tax paid on Buy-Back	-	13.28
: Issue of Bonus Equity Shares	(83.16)	-
	318.21	131.13
	367.30	190.63

3 LONG-TERM BORROWINGS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
NON-CURRENT LIABILITIES		
Vehicle Loan - Secured		
From Banks		
- ICICI Bank Limited	1.09	2.37
Secured against hypothecation of vehicles financed by them		
Terms of Repayment for Amount Outstanding:		
- ₹ 10,89,142/- in 13 monthly installments	-	
- HDFC Bank Limited	-	0.72
Secured against hypothecation of vehicles financed by them		
From Others		
- Toyota Finance Services India Limited	2.34	3.56
Secured against hypothecation of vehicle financed by them		
Terms of Repayment for Amount Outstanding:		

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
- ₹ 23,44,574/- in 21 monthly installments		
	3.43	6.64
Less : Current Maturity of Long Term Borrowings (Refer Note No. 5)	2.31	3.21
	1.13	3.43

4 LONG TERM PROVISIONS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Provision for Employee Benefits:		
- For Gratuity	8.29	6.81
- For Leave Pay	1.45	-
	9.74	6.81

5 SHORT-TERM BORROWINGS:

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
CURRENT LIABILITIES		
Repayable on Demand		
Secured		
From ICICI Bank Limited		
- Cash Credit Facilities	34.13	23.09
The above borrowings are secured by:		
a) Hypothecation on all current assets of the company.		
b) Hypothecation on all moveable fixed assets of the company.		
c) Pledge on all fixed deposits of the company maintained with the bank.		
d) Personal guarantees from Mr. Vidur Gupta and Mr. Sidharth Agarwal.		
- Current Maturities of Long-Term Borrowings (Refer Note No.3)	2.31	3.21
Unsecured		
From Related parties (Interest Free)	-	72.95
	36.43	99.25

6 TRADE PAYABLES

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
- Dues of Micro and Small Enterprises	-	-
- Dues of Creditors other than Micro and Small Enterprises	3.17	9.02
	3.17	9.02

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

Table with 6 columns: Particulars, Outstanding for following periods from due date of payment (Less than 1 year, 1-2 years, 2-3 years, More than 3 years), Total as at 31st March 2023. Rows include (i) Undisputed Dues and (ii) Disputed Dues for MSME and Other than MSME.

Table with 6 columns: Particulars, Outstanding for following periods from due date of payment (Less than 1 year, 1-2 years, 2-3 years, More than 3 years), Total as at 31st March 2022. Rows include (i) Undisputed Dues and (ii) Disputed Dues for MSME and Other than MSME.

7 OTHER CURRENT LIABILITIES

Table with 3 columns: Particulars, AS AT 31st March, 2023 (₹ in millions), AS AT 31st March, 2022 (₹ in millions). Rows include Interest accrued but not due on borrowings, Advance from Customers, Statutory dues, and Other Liabilities.

8 SHORT-TERM PROVISIONS

Table with 3 columns: Particulars, AS AT 31st March, 2023 (₹ in millions), AS AT 31st March, 2022 (₹ in millions). Rows include Provision for Employee Benefits: For Gratuity and For Leave Pay.

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

9 PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

(Amount in INR millions)

Table with 9 columns: PARTICULARS, GROSS BLOCK (As at 01.04.2022, Additions / (Deductions), As at 31.03.2023), DEPRECIATION/ AMORTIZATION (Up to 31.03.2022, For the Year/ (Adjustments), Up to 31.03.2023), NET BLOCK (As at 31.03.2023, As at 31.03.2022). Rows include PROPERTY, PLANT AND EQUIPMENT (Computers, Electrical Installation, Furniture & Fixtures, Equipments and Facilities, Air Conditioners, Vehicles) and INTANGIBLE ASSETS (Software).

PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

(Amount in INR millions)

Table with 9 columns: PARTICULARS, GROSS BLOCK (As at 01.04.2021, Additions / (Deductions), As at 31.03.2022), DEPRECIATION/ AMORTIZATION (Up to 31.03.2021, For the Year/ (Adjustments), Up to 31.03.2022), NET BLOCK (As at 31.03.2022, As at 31.03.2021). Rows include TANGIBLE ASSETS (Computers, Electrical Installation, Furniture & Fixtures, Equipments and Facilities, Air Conditioners, Vehicles) and INTANGIBLE ASSETS (Software).

NOTES TO THE STANDALONE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

10 NON-CURRENT INVESTMENTS

	AS AT 31st March, 2023 (₹ in millions)		AS AT 31st March, 2022 (₹ in millions)	
A. In fully paid up Equity Shares of Companies				
Unquoted- Trade				
In Subsidiary Companies				
- STM Consulting Inc. - USA	USD 15,000	14.74	USD 15,000	14.74
- STM Consulting Ltd. - UK	GBP 45,000	4.66	GBP 45,000	4.66
		19.39		19.39
Quoted- Others		-		8.04
Total		19.39		27.43
Less: Provision for diminution in Investments		0.50		0.50
		18.89		26.93
B. In Limited Liability Partnership- Associate				
STM Enterprises LLP (*)				
- Capital Account		-		0.02
- Current Account		-		0.05
		-		0.07
(*) The company has retired from LLP w.e.f 01st January, 2023				
Grand Total (A+B)		18.89		27.00
Aggregate amount of Quoted Investments		-		8.04
Aggregate amount of Unquoted Investments		18.89		18.96
Market value of Quoted Investments		-		9.04

11 DEFERRED TAX ASSETS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Deferred Tax Assets on Fiscal allowances of :		
- Employee Benefits	2.63	3.71
- Property, Plant and Equipment & Intangible Assets	2.77	1.78
- Tax Incentive u/s 80JJAA	64.62	-
- Others	0.34	-
	70.36	5.50

12 OTHER NON-CURRENT ASSETS (Unsecured, Considered good)

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Security Deposits		
- To Others	3.53	2.55
	3.53	2.55

NOTES TO THE STANDALONE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

13 CURRENT ASSETS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
INVENTORIES		
(As taken, valued and certified by the management)		
Traded Goods- Electronic Goods	46.36	20.04
	46.36	20.04

14 TRADE RECEIVABLES

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Secured - Considered Good	-	-
Unsecured - Considered Good (*)	437.22	311.24
Doubtful	1.35	1.35
Unbilled Debtors	128.43	80.70
	567.01	393.29
Less: Provision for Doubtful Debts	1.35	1.35
	565.65	391.94
(*) Includes:		
- Due from a company in which director is a member	2.60	-

Trade Receivable Ageing Schedule

Particulars	Outstanding for following Periods from due date of payment					Total as at 31st March, 2023
	Less than 6 months	6 months -1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Trade Receivables:						
- Considered Good	425.21	3.58	6.97	0.27	1.19	437.22
- Considered Doubtful					1.35	1.35
(ii) Disputed Trade Receivables:						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

Particulars	Outstanding for following Periods from due date of payment					Total as at 31st March, 2022
	Less than 6 months	6 months -1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Trade Receivables:						
- Considered Good	304.71	5.09	0.47	0.97	-	311.24
- Considered Doubtful	-	-	-	-	1.35	1.35
(ii) Disputed Trade Receivables:						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

15 CASH AND CASH EQUIVALENTS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Cash on hand	0.06	0.02
Foreign Currency in hand	-	-
Balances with Scheduled Banks :		
In Current Account	14.53	3.09
In Fixed Deposit Account (*)	21.68	31.00
	36.27	34.12
Pledged	21.58	30.95
* Maturing after 12 months from close of the year	15.70	19.67

16 SHORT TERM LOANS AND ADVANCES

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
(Unsecured, considered good)		
Loans		
- To Wholly Owned Subsidiary	8.63	7.77
Advances recoverable in cash or in kind or for value to be received		
- Advance to Employees	3.86	4.03
- Advance to Suppliers	15.84	5.36
- Prepaid Expenses	14.65	8.50
- Other Advances	0.71	1.29
-Derivative Financial Instruments	-	1.07
Application for Allotment of Industrial Plot	-	7.25
Stipend Support Receivable	7.20	-
Export Licenses in Hand	0.09	-
Export Incentives Receivable	17.88	17.43
	68.86	52.70

17 OTHER CURRENT ASSETS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
(Unsecured, Considered good)		
Security Deposits		
- To Others	9.00	0.28
Other Current Asset	8.81	0.17
	17.81	0.45

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

18 CURRENT TAX ASSETS (NET)

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Taxation Advance and Refundable (Net of Provisions)	65.18	72.36
	65.18	72.36

19 REVENUE FROM OPERATIONS

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Sale of Products		
Traded Goods- Electronic Goods		
- Exports	2,534.07	1,006.42
- Domestic	0.02	0.01
Sale of Services (*)		
-Manpower supply, Recruitment and related services	4,880.63	3,720.16
	7,414.72	4,726.59
Other operating revenues:		
- Export Incentives	78.32	19.68
- Exchange Rate Variation Gain	34.66	16.13
	112.98	35.82
	7,527.69	4,762.41
(*) Includes revenue from export of services	19.98	13.86

20 OTHER INCOME

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Interest:		
- on Fixed Deposits	1.21	0.78
- on Income Tax refund	5.12	-
- on Loan	0.80	0.76
- on Others	-	0.00
Dividend Income	0.04	0.05
Profit on Sale of Investments (Net)	0.91	1.47
Liabilities Written back	0.21	0.08
Miscellaneous Income	0.18	0.05
	8.49	3.19

NOTES TO THE STANDALONE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

21 PURCHASE OF STOCK IN TRADE

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Traded Goods - Electronic Goods	2,569.83	1,015.56
	2,569.83	1,015.56

22 CHANGES IN INVENTORIES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Opening Stock:		
- Traded Goods - Electronic Goods	20.04	
	20.04	-
Less: Closing Stock:		
- Traded Goods - Electronic Goods	46.36	20.04
	46.36	20.04
	(26.32)	(20.04)

23 EMPLOYEE BENEFIT EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Salary, Allowances and Others (*)	3,997.57	3,032.24
Directors' Remuneration	9.00	9.00
Contribution to Provident & Other Funds	622.82	497.98
Staff Welfare expenses	1.96	0.91
	4,631.35	3,540.13
(*) Net off Stipend Support from Government	24.36	-

24 OTHER OPERATING EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Insurance	24.01	13.32
Contract expenses	3.82	3.93
Dues and Subscription	8.94	7.91
Professional & Consultancy Charges	6.02	5.35
Software Expenses	1.53	0.92
Other Expenses	0.20	0.13
	44.51	31.56

NOTES TO THE STANDALONE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

25 SELLING & DISTRIBUTION EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Freight & Other Charges	28.17	10.44
Clearing & Forwarding (Export)	4.81	2.02
Packing Charges	2.54	0.71
Insurance	0.84	0.32
	36.36	13.50

26 FINANCE COSTS

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Interest		
- to banks	5.45	0.80
- to others	0.36	0.08
Loan processing fees and other financial charges	0.16	0.31
	5.97	1.19

27 OTHER EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Rent	9.32	7.45
Rates & Taxes	0.03	0.02
Insurance	0.30	0.14
Travelling and Conveyance	5.96	1.57
Telephone & Internet Expenses	2.90	1.53
Utilities	2.11	1.22
Office & Housekeeping Expenses	2.41	0.42
Legal & Professional Expenses	4.49	3.06
Repairs and Maintenance - Others	1.98	1.49
Auditors' Remuneration :		
- For Statutory Audit	0.70	0.60
- For Tax Audit	0.15	0.15
- For Others Services	0.18	0.19
Business Promotion	2.06	1.94
Printing and Stationery	0.47	0.45
Property, Plant and Equipment Written Off	-	0.03
Irrecoverable Balances Written Off	0.42	0.04
Loss on Forward Contracts	8.18	-
Corporate Social Responsibility Expenses [Refer Note 28(14)]	1.83	1.28
Provision for Doubtful Debts	-	0.68
Provision for Diminution in Investments	-	0.50
Miscellaneous Expenses	3.91	1.90
	47.40	24.65

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

28 TAX EXPENSES

Table with 3 columns: Description, 2022-2023 (₹ in millions), and 2021-2022 (₹ in millions). Rows include Current tax (Income Tax, Tax Adjustment) and Deferred Tax.

29 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS :

1) CORPORATE INFORMATION

Spectrum Talent Management Limited (formerly known as "Spectrum Talent Management Private Limited") was originally incorporated as a private limited company on May 09th, 2012 with Company Identification No.: U51100DL2012PTC235573 and converted into a public company on January 04th, 2023 with Company Identification No.: U51100DL2012PLC235573.

The company is engaged in the business of "Manpower supply, Recruitment and related services" and " Trading of Electronic Goods". The company has its registered office at B-46, Retreat Apartments, 20 I P Extension, Delhi 110092 IN and Head office at C-142, Sector-63, Noida 201301 IN.

The Company has completed Initial Public Offering (IPO) of its Equity Shares and its equity shares got listed on SME platform of NSE Limited ("NSE Emerge") on 22nd June, 2023.

2) SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF ACCOUNTING:

The Financial Statements are prepared on accrual basis under historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards prescribed in the Companies (Accounting Standard) Rules, 2021 and provisions of the Companies Act, 2013. The financial statements are presented in Indian Rupees ("₹") and all amounts are rounded to the nearest millions, except as stated otherwise.

All assets and liabilities have been classified as current or non-current, wherever applicable, as per the normal operating cycle of the company as set out in the Schedule III to the Companies Act, 2013.

b) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates/ assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/ materialised.

c) PROPERTY PLANT & EQUIPMENT:

- i) Property, Plant & Equipment are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price and all other attributable cost of bringing the assets to working condition for intended use.
- ii) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

d) DEPRECIATION AND AMORTIZATION

- (i) Depreciation on Property, Plant and Equipment is accounted on Written Down Value at the rates determined based on the basis of the

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

useful life of the assets perscribed in Schedule II of the Companies Act, 2013.

- (ii) Intangible assets are amortized over the period of useful life of the assets as estimated by the management.

e) INVESTMENTS

Non Current investments are carried at acquisition cost and investments intended to be held for less than one year are classified as current investments and are carried at lower of cost and market value. Non-Current Investments which have attained the stage of permanent diminution in their value are revalued at their current value.

f) INVENTORIES :

Table with 3 columns: Item, Description, and Valuation. Rows include Traded Goods and Packaging Material.

g) REVENUE FROM OPERATION

- i) Revenue in respect of the Manpower supply, recruitment and related service provided is accounted on accrual basis except where the receipt of income is uncertain.
- ii) Sale (Export) of goods is recognised at the point of arrival at the destination port and Sale (domestic) of goods is recognised at the point of disptach to the buyer.
- iii) Revenue in respect of export incentives is recognised on accrual basis in the period in which related exports have been made.
- iv) Interest on Loan is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

v) Other Income is accounted on accrual basis.

h) EMPLOYEE BENEFITS

(i) Short Term Employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Such short term employee benefits are recognised at the undiscounted amounts due in the period in which the employee renders the related service.

(ii) Post Employee benefits

Defined Contribution Plans:

Payments made to defined contribution plans such as Provident and Other Funds are charged as an expense as they fall due.

Defined Benefit Plans:

Provision for Gratuity and Leave Pay is determined on the actuarial valuation carried out at the balance sheet date in accordance with the provisions of Accounting Standard 15. Actuarial gains and losses are recognised in the Statement of Profit & Loss.

i) TAXES ON INCOME

- a) Current Tax is determined as the amount of tax payable in respect of taxable income for the year.
- b) Deferred Tax is recognised, subject to consideration of prudence, in respect of deferred tax Assets/Liabilities arising on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period.

j) EARNINGS PER SHARE

The Basic earnings per share ("EPS") is computed by dividing the net profit or loss for the year attributable

NOTES TO THE STANDALONE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

k) FOREIGN CURRENCY TRANSACTIONS

- a) Transactions in foreign currency are recorded at the exchange rate prevailing at the time of transaction. All trade debtors and creditors related to foreign currency transaction outstanding at the year end are translated at exchange rates prevailing at the year end. The resultant translation differences are recognised in the Profit & Loss Account.
- b) In respect of Forward Exchange Contracts, the difference between the forward rate and the spot rate as on closing date will be recognised as income or expense in the Statement of Profit & Loss Account.

l) IMPAIRMENT OF ASSETS

Impairment Loss in the value of assets, as specified in Accounting Standard -28 is recognised whenever carrying value of such assets exceeds the market value or value in use, whichever is higher.

m) GOVERNMENT GRANTS

Government Grants available to the company are recognised in the books of accounts when:

- i) there is reasonable assurance that the company will comply with the conditions attached to them; and
- ii) where such benefits have been earned by the company, it is reasonably certain that the ultimate collection will be made.

Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss and are shown as net of expense incurred.

n) PROVISIONS AND CONTINGENT LIABILITIES :

A provision is recognised when the company has a present obligation as a result of past results and it is probable that an outflow of resourcecs embodying economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

- o) Borrowing cost are recognised as an expense in the Statement of Profit and Loss.

3) Contingent Liabilities

Contingent Liabilities (not provided for) in respect of :

Particulars	2022-2023	2021-2022
Performance Bank Guarantee	10.19	10.19
Income Tax (A.Y. 2018-19)	0.16	0.16

4) DUES TO MICRO AND SMALL ENTERPRISES

Disclosures pursuant to Schedule III of Companies Act, 2013 in relation to trade payables falling under the category of Micro and Small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

Particulars	31st March, 2023	31 March 2022
a) Principal amount due to such suppliers	NIL	NIL
b) interest accrued and due to such suppliers on above (a) amount	NIL	NIL
c) payment made to such suppliers(other than interest) beyond appointed day during the year	NIL	NIL

NOTES TO THE STANDALONE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars	31st March, 2023	31 March 2022
d) interest paid to such suppliers on above (c)	NIL	NIL
e) interest due and payable to such suppliers towards payment already made	NIL	NIL
f) interest accrued and remaining unpaid at the end of the accounting year	NIL	NIL

5) EARNINGS PER SHARE

The Earning per share has been calculated as specified in Accounting Standard 20 “Earnings Per Share” prescribed under companies (Accounting Standards) Rules, 2021 and other disclosures in this regard are:

(Amount in Million)

Particulars	Year ended 31st March, 2023	Year ended 31 March 2022
a) Amount used as numerator in calculating basic and diluted EPS :		
Profit after tax (₹)	270.24	151.44

a Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Leave Pay (Unfunded)		Gratuity (Unfunded)	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
a) Reconciliation of Defined Benefit obligation				
Obligation at the beginning of the year	-	-	7.01	5.63
Current/Past Service Cost	1.61	-	2.72	1.98
Interest Cost	-	-	0.51	0.41
Actuarial (gain)/loss	-	-	(0.78)	(0.52)
Benefits paid	-	-	(0.62)	(0.49)
Obligation at the end of year	1.61	-	8.84	7.01

Particulars	Year ended 31st March, 2023	Year ended 31 March 2022
b) Amount used as denominator for calculating Basic and Diluted EPS (In Nos.)		
For Basic and Diluted EPS (Nos) :		
Weighted average number of Equity shares	17.34	18.02

6) Particulars required to be disclosed in pursuance of Accounting Standard -15, Employees Benefit, notified in the Companies (Accounting Standard) Rules, 2021 are given below, based on the Actuarial Report certified by a Practicing Actuary:

	2022-2023	2021-2022
Defined Contribution Plan		
Employer's Contribution to Provident & Pension Fund	544.69	422.61
Employer's Contribution to ESIC Fund	69.47	61.21
Amount recognised in the Statement of Profit and Loss	614.16	483.82

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars		Leave Pay (Unfunded)		Gratuity (Unfunded)	
		As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
b)	Reconciliation of fair value of assets and obligations				
	Present value of obligation as at end of the year	1.61	-	8.84	7.01
	Amount recognised in Balance Sheet	1.61	-	8.84	7.01
c)	Expenses recognized in the Statement of Profit and Loss under Employee Benefit Expense				
	Current Service Cost	1.61	-	2.72	1.98
	Interest Cost	-	-	0.51	0.41
	Actuarial (gain) / loss	-	-	(0.78)	(0.52)
	Net expense recognised in Profit & Loss	1.61	-	2.45	1.87
d)	Actuarial Assumptions				
	Mortality Table (I.A.L.M. Ultimate)	2012-14	-	2012-14	2012-14
	Discount rate (per annum)	7.50%	-	7.50%	7.25%
	Rate of escalation in salary (per annum)	5.00%	-	5.00%	5.00%
	Withdrawal rate (per annum)	7.50%	-	7.50%	7.50%
e)	Current/Non-Current Bifurcation				
	Current Benefit Obligation	0.16	-	0.55	0.19
	Non-Current Benefit Obligation	1.45	-	8.29	6.81

Note: No provision is done in respect of contractual staff since the same will be borne by the respective clients.

7) SEGMENT INFORMATION

In accordance with Accounting Standard 17 “Segment Reporting” as prescribed under Companies (Accounting Standards) Rules, 2021, the company has identified the business of “Manpower supply, Recruitment and related services” and “Electronic Goods” business as reportable business segments. Accordingly, the disclosure requirements as required under AS- 17 ‘Segment Reporting’ are as follows:

Particulars		F.Y. 2022-23			F.Y. 2021-22		
		Manpower supply, Recruitment and related services	Electronic Goods	Total	Manpower supply, Recruitment and related services	Electronic Goods	Total
(i)	Revenue of Each Segment	4,881.46	2,646.23	7,527.69	3,717.38	1,041.84	4,759.22
(ii)	Revenue of Each Segment as a % of Total revenue of all segments	64.85%	35.15%	100.00%	78.11%	21.89%	100.00%
(iii)	Profit/(Loss) before tax for each segment	177.12	26.45	203.57	135.19	13.06	148.25
(iv)	Other income	-	-	8.49	-	-	3.19
(v)	Total Profit/(Loss) before tax for each segment (iii+iv)	177.12	26.45	212.06	135.19	13.06	151.44

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

Particulars		F.Y. 2022-23			F.Y. 2021-22		
		Manpower supply, Recruitment and related services	Electronic Goods	Total	Manpower supply, Recruitment and related services	Electronic Goods	Total
(vi)	Profit/(Loss) for each segment as a % of Total Profit/(Loss)	83.52%	12.47%	96.00%	89.27%	8.62%	97.89%
(vii)	Segment Assets	739.82	186.18	926.00	557.81	76.07	633.88
(viii)	Segment Assets as a % of Total Asset	79.89%	20.11%	100.00%	88.00%	12.00%	100.00%
(ix)	Segment Liabilities	924.34	1.66	926.00	628.39	5.50	633.88
(x)	Segment Liabilities as a % of Total Liabilities	99.82%	0.18%	100.00%	99.13%	0.87%	100.00%

Information about geographical segments (by location of customers) :

Particulars		2022-2023	2021-2022
(i)	Revenue-Sales (Net)		
	- Within India	4,860.67	3,706.31
	- Outside India	2,554.05	1,020.28
	Total	7,414.72	4,726.59
(ii)	Carrying Amount of Segment Assets (by location of assets)		
	- Within India	461.41	335.71
	- Outside India	105.59	57.59
	Total	567.01	393.29

8) RELATED PARTY DISCLOSURES

Related parties and transactions with them as specified in Accounting Standard 18 on “Related Parties Disclosure” prescribed under Companies (Accounting Standards) Rules, 2021, has been identified and given below on the basic of information available with the company.

a)	Enterprises where control exists	STM Consulting Inc. (Wholly-Owned Subsidiary) STM Consultancy Limited (Subsidiary)
b)	Associates and Joint Ventures	STM Enterprises LLP (Associate till 01.01.2023)
c)	Individual Owning an interest in the voting power of the company and their relatives	Deepika Gupta Veena Gupta Ankita Gupta Rajesh Gupta

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- d) Key Management Personnel and their relatives: Vidur Gupta, Managing Director; Sidharth Agarwal, Whole Time Director & Chief Financial Officer; Rajesh Gupta, Director (w.e.f 22.12.2022); Rajeev Agarwal, Director (w.e.f 22.12.2022); Suresh Mehra, Director (w.e.f 04.01.2023); Anup Kumar Jaiswal, Director (w.e.f 04.01.2023); Anubha Agarwal, Director (w.e.f 04.01.2023); Ajit Singh, Company Secretary (w.e.f 01.02.2023); Amita Agarwal (Relative of Director)
- e) Enterprises over which any person referred to in (c & d) above are able to exercise significant influence: Spectrum Talent Management, Partnership Firm; Adjectus Services Private Limited

Nature of Transactions	Enterprises where control exits		Individual Owning an interest in the voting power of the company and their relatives		Enterprise over which Key Management Personnel and their relatives are able to exercise significant influence		Key Management Personnel and their relatives	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Income								
-Manpower supply, Recruitment and related services	18.35	13.39	-	-	8.52	-	-	-
- Sale of Electronic Goods	-	-	-	-	-	0.01	-	-
-Interest Income	0.80	0.76	-	-	-	-	-	-
Expenses								
Salary	NA	NA	9.00	-	NA	NA	-	9.00
Directors' Remuneration	NA	NA	-	-	NA	NA	9.00	9.00
Interest Expense							0.13	-
Year End Payables								
Short Term Borrowings	-	-	-	-	-	-	-	72.95
Remuneration payable	-	-	-	-	-	-	0.54	0.53
Salary Payable	-	-	0.54	-	-	-	-	0.53
Trade Payables	-	-	-	-	-	0.84	-	-
Year End Receivables								
Trade Receivables	-	-	-	-	2.60	0.01	-	-
Loan and Advances	8.63	7.77	-	-	0.20	0.00	-	-
Investments	Refer Note 10	Refer Note 10	-	-	-	-	-	-

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- 9) During the year, the Company has recognised deferred tax asset of Rs 64.62 million relating to tax incentive u/s 80JJAA of Income Tax Act, 1961 that is considered to be able to fully utilise against the Company's taxable profits expected to arise in the future financial years. The management has prepared profitability estimates based on its existing/projected contracts with the customers and is of the opinion that Company would be able to fully utilise the benefit of Tax incentive available u/s 80JJAA of Income tax Act, 1961.
- 10) On the basis of physical verification of assets, as specified in Accounting Standard – 28 and cash generating capacity of those assets, in the management perception, there is no impairment of such assets as appearing in the balance sheet as on 31.03.23.
- 11) The disclosure pursuant to Section 186(4) of the Companies Act, 2013 in respect of the loans given by the Company is detailed below:

Particulars	Purpose	Loan including Interest
STM Consulting Inc. (Wholly Owned Subsidiary Co.)	General purpose Loan	8.63

- 12) The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

13) Earning in Foreign Exchange:

	2022-2023	2021-2022
FOB Value of Exports	2,534.07	1,006.42
Manpower supply, Recruitment and related services	19.98	13.86
Interest on Loan	0.80	0.76
	2,554.86	1,021.04
Dues & Subscription	1.93	1.50
Professional expense	0.24	-
Travelling Expense	-	0.03
	2.17	1.53

14) CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds required to be spent and funds spent during the year are explained below:

PARTICULARS	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
(i) Amount required to be spent as per Section 135 of the Act	1.82	1.27
(ii) Amount of expenditure incurred during the year	1.83	1.28
(iii) Shortfall at the end of the year,	-	-

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

Table with 3 columns: PARTICULARS, 2022-2023 (₹ in millions), and 2021-2022 (₹ in millions). Rows include: (iv) Total of previous years shortfall, (v) Reason for shortfall, (vi) Details of contribution to a trust established by the company in relation to CSR expenditure as per relevant Accounting Standard, (vii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately, and (viii) Nature of CSR activities: Promotion of Educational, Medical and Health Services.

15) Additional Regulatory Information as required by Schedule III of Companies Act, 2013

(A) Relationship with Struck off Companies:

No transactions has been made with any of the companies which have been struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(B) Compliance with number of layers of companies:

No layer of companies have been established beyond the limit prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on numbers of Layers) Rules, 2017.

(C) Details in respect of Utilization of Borrowed funds and share premium

- i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(D) Undisclosed income:

There are no transactions which have not been recorded in the books of accounts during the year that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

(E) Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(F) Details of Benami Property held:

No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder as at 31st March, 2023.

(G) Wilful Defaulter:

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

(H) Registration of charges or satisfaction with Registrar of Companies:

The Company does not have any charges or satisfaction of charges which is yet to be registered with ROC beyond the statutory period except as stated below:

- Charge Creation of Vehicle Loans from ICICI Bank having outstanding of ₹ 1.08 Millions as on 31.03.2023.
- Charge Creation of Vehicle Loan from Toyota Financial Services India Limited having outstanding of ₹ 2.34 Millions as on 31.03.2023.

I) Borrowings secured against current assets

The Company has borrowings from Bank on the basis of security of current assets, and quarterly statements of current assets filed by the Company with bank are generally in agreement with the books of accounts.

Table with 7 columns: Quarterly Statement, Name of the bank, Particulars of securities provided, Amount as per audited books of account, Amount as reported in the quarterly statement, Amount of difference, and Reason for material discrepancies. Rows include: March, 2023 (ICICI Bank, Trade Receivables) and March, 2023 (ICICI Bank, Inventory).

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

J) Loans granted to promoters, directors, KMPs and related parties (repayable on demand):

Type of Borrower	Amount of Loan outstanding	Percentage to the Total Loan
As at 31st March 2023		
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	8.63	100%
As at 31st March 2022		
Promoter	-	-
Directors	-	-
KMPs	-	-
Related Parties	7.77	100%

- K) Utilisation of borrowings availed from banks and financial institutions
- The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken.
- L) Valuation of Property, Plant & Equipment and Intangible Assets
- The Company has not revalued its Property, Plant and Equipment and Intangible Assets or both during the current or previous year.
- M) Title deeds of immovable properties not held in name of the company
- The Company does not have any immovable properties (other than properties where the company is lessee, and the lease agreements are duly executed in favours of the lessee).

16) Ratio Analysis and its elements

S No.	Particulars	Numerator	Denominator	Resulted ratio (March, 2023)	Resulted ratio (March, 2022)	Variance
1	Current Ratio	Current Assets	Current Liabilities	2.17	1.64	31.97%(1)
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.07	0.37	-81.52%(2)
3	Debt Service Coverage Ratio	Earnings for debt service = Net profit before interest & taxes + Non-Cash operating expenses	Debt service = Interest + Principal Repayments	25.82	35.80	-27.88%(3)
4	Return on Equity	Net Profits after taxes	Average Shareholder's Equity	65.71%	64.29%	2.21%

NOTES TO THE STANDALONE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

S No.	Particulars	Numerator	Denominator	Resulted ratio (March, 2023)	Resulted ratio (March, 2022)	Variance
5	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	Refer Note 4	Refer Note 4	Refer Note 4
6	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	15.72	15.02	4.69%
7	Trade Payables Turnover Ratio	Purchases	Average Trade Payables	Refer Note 4	Refer Note 4	Refer Note 4
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working capital	17.45	24.19	-27.86%(5)
9	Net Profit Ratio	Net Profit before taxes	Revenue from Operations	2.82%	3.16%	-10.72%
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Assets	42.42%	40.57%	4.56%
11	Return on Investment	Net Return on Investment	Average Investment	NA	NA	NA

- 1) During the current year, Trade Receivables have been increased significantly which leads to increase in Current Ratio.
- 2) During the current year, company has repaid its borrowings while at the same time shareholders equity has been increased significantly, thereby leading to decrease in debt-equity ratio.
- 3) During the current year, company has repaid its borrowings, thereby leading to decrease in debt- service coverage ratio.
- 4) The above ratios are not comparable to previous year, as the trading business of Electronic goods has been started in the mid way of previous year.
- 5) During the current year, Trade Receivables have been increased significantly which leads to decrease in Net capital turnover ratio.
- 17) 1) Previous year figures have been rearranged/regrouped wherever considered necessary.

In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO.
Chartered Accountants
Firm registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: New Delhi
Date: 12th July, 2023

For and on behalf of the Board of Directors of
Spectrum Talent Management Limited

Vidur Gupta
DIN No. 05213073
(Managing Director)

Sidharth Agarwal
DIN No. 05213023
(Whole Time Director cum CFO)

Ajit Singh
(Company Secretary)

INDEPENDENT AUDITOR’S REPORT

To the Members of Spectrum Talent Management Limited (Formerly known as Spectrum Talent Management Private Limited)

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying financial statements of M/s SPECTRUM TALENT MANAGEMENT LIMITED (Formerly known as Spectrum Talent Management Private Limited) (‘the Parent’) and its Subsidiaries (the Parent and its subsidiaries together referred to as “the Group”), which comprises the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (‘Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs (financial position) of the Group as at March 31, 2023, its profit and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (‘ICAI’) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

OTHER MATTERS

- The Consolidated Financial Statement includes the Financial Statements of M/s STM Consulting INC (U.S.A

subsidiary) for the period from 1st January 2022 to 31st December 2022, while Financial Statement for M/s STM Consulting Limited (U.K subsidiary) is for the period from 1st April 2022 to 31st March, 2023.

- We did not audit/review the financial statements of subsidiaries included in the consolidated financial statements. Both the subsidiaries are located outside India whose financial statements has been prepared by the management in accordance with International Financial Reporting Standards. As informed to us, there is no mandatory requirement of audit of accounts of such subsidiaries in accordance with the laws of the country of such subsidiaries.

The Holding Company’s management has converted these unaudited financial statements of the aforesaid subsidiaries from International Financial Reporting Standards to the accounting principles generally accepted in India. We have reviewed the conversion adjustments made by the Holding Company’s management. Our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, is based on our review of the conversion adjustments prepared by the Management of the Holding Company.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR’S REPORT THEREON

The Holding Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Group’s annual report, but does not include the Consolidated financial statements and our auditor’s report thereon.

Our opinion on the Consolidated 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 Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we

are required to report that fact. We have nothing to report in this regard.

MANAGEMENT’S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these Consolidated financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance) and Cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, management is responsible for assessing the Group’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 the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Group’s financial reporting process.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group has adequate internal financial control system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;
- (c) The Consolidated Financial Statements dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2023 and taken on record by the Board of Directors of the Holding Company, none of the directors of the Group Company is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"; and

(B) 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 details of pending litigations have been disclosed in Note No. 28(3)- Contingent Liabilities;

- ii. The Group does not have any material foreseeable losses on long term contracts including derivative contracts which would impact its financial position;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.
- iv. (a) The Holding Company's 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 Group to or in any other person or entity, including foreign entity ("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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Holding Company's Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group 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;
- (c) Based on the audit procedures 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) above, contain any material misstatement.
- v. The Group has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. As proviso to rule 3(1) of the Companies (Accounts), Rules, 2014 is applicable for the Group w.e.f. April 1, 2023, reporting under this clause is not applicable.

(C) With respect to the matter to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the

remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (D) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date: 12th July, 2023
Place: New Delhi

Annexure - A to the Auditors' Report

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 over financial reporting of Spectrum Talent Management Limited ("the Holding Company")(Formerly known as Spectrum Talent Management Private Limited) and its subsidiaries and joint ventures as of 31 March 2023 in conjunction with our audit of the Consolidated financial statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal 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 group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting

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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Holding 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2023, based on the internal control over financial reporting criteria established by the Group 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.

For B. CHHAWCHHARIA & CO.
Chartered Accountants
Firm Registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Date: 12th July, 2023
Place: New Delhi

CONSOLIDATED BALANCE SHEET

AS AT 31ST MARCH, 2023

(Amount in INR millions, except per share data)

Particulars	Notes	AS AT 31st March, 2023		AS AT 31st March, 2022	
EQUITY AND LIABILITIES					
Shareholders' Funds					
Share capital	1	179.07		85.50	
Reserves and surplus	2	378.99	558.07	193.49	278.99
Minority Interest			0.39		0.41
Non-Current Liabilities					
Long Term Borrowings	3	1.13		3.43	
Long-term provisions	4	9.74	10.86	6.81	10.25
Current Liabilities					
Short Term Borrowings	5	36.43		99.25	
Trade Payables	6				
- Dues of Micro and Small Enterprises		-		-	
- Dues of other than Micro and Small Enterprises		21.23		14.96	
Other current liabilities	7	333.31		240.13	
Short-term provisions	8	0.72	391.69	0.19	354.53
Total Equity & Liabilities			961.01		644.19
ASSETS					
Non-Current Assets					
Fixed assets	9				
Property, Plant and Equipment		32.48		26.29	
Intangible Assets		0.62		0.93	
		33.09		27.22	
Non-Current Investments	10	-		8.11	
Deferred Tax Assets	11	70.36		5.50	
Other Non Current Assets	12	3.53	106.98	2.55	43.38
Current Assets					
Inventories	13	46.36		20.04	
Trade receivables	14	601.49		408.26	
Cash and cash equivalents	15	62.24		54.27	
Short term loans & advances	16	60.21		45.43	
Other Current Assets	17	18.54		0.45	
Current Tax Assets (Net)	18	65.18	854.03	72.36	600.81
Total Assets			961.01		644.19
SIGNIFICANT ACCOUNTING POLICIES					
AND OTHER NOTES TO THE ACCOUNTS					
	29				

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO.
Chartered Accountants
Firm registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: New Delhi
Date: 12th July, 2023

For and on behalf of the Board of Directors of
Spectrum Talent Management Limited

Vidur Gupta
DIN No. 05213073
(Managing Director)

Sidharth Agarwal
DIN No. 05213023
(Whole Time Director cum CFO)

Ajit Singh
(Company Secretary)

CONSOLIDATED STATEMENT OF PROFIT & LOSS

FOR THE YEAR ENDED 31ST MARCH, 2023

(Amount in INR millions, except per share data)

Particulars	Notes	2022-2023	2021-2022
Income:			
Revenue from operations	19	7,680.37	4,832.21
Other income	20	7.68	2.45
Total Income		7,688.05	4,834.66
Expenses:			
Purchases of Stock-in-Trade	21	2,569.83	1,015.56
Changes in Inventories	22	(26.32)	(20.04)
Employee Benefit Expenses	23	4,749.54	3,589.99
Other Operating Expenses	24	65.25	47.46
Selling & Distribution Expenses	25	36.36	13.50
		7,394.66	4,646.47
Finance costs	26	6.59	1.19
Depreciation and Amortization Expense		15.03	8.79
Other Expenses	27	49.98	26.47
Total Expenses		7,466.26	4,682.93
Profit Before Tax		221.79	151.73
Tax Expense:			
	28		
Current Tax		8.52	0.57
Deferred Tax		(64.86)	(1.29)
Profit after tax		278.13	152.46
Less: Profit/(Loss) attributable to minority interest		(0.02)	(0.09)
Profit for the year		278.15	152.54
Earnings per equity share			
(on shares of nominal value of ₹ 10/- each)			
Basic and Diluted		16.04	8.46

The Notes referred above form an integral part of the accounts.
In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO.
Chartered Accountants
Firm registration No. 305123E

Abhishek Gupta
Partner
Membership No. 529082

Place: New Delhi
Date: 12th July, 2023

For and on behalf of the Board of Directors of
Spectrum Talent Management Limited

Vidur Gupta
DIN No. 05213073
(Managing Director)

Sidharth Agarwal
DIN No. 05213023
(Whole Time Director cum CFO)

Ajit Singh
(Company Secretary)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH, 2023

(Amount in INR millions, except per share data)

Particulars	2022-2023	2021-2022
Cash Flows from Operating Activities:		
Net Profit before tax	221.79	151.73
Adjustments for :		
Finance Costs	6.59	1.19
Profit on Sale of Investments (Net)	(0.91)	(1.47)
Dividend Income	(0.04)	(0.05)
Interest on Loan	-	-
Property, Plant and Equipment Written off	-	0.03
Loss on Sale of Property, Plant and Equipment	0.00	0.01
Provision for Doubtful Debts	-	0.68
Provision for diminution in Investments	-	-
Unrealised Currency Translation Gain	0.92	0.11
Depreciation and Amortization Expense	15.03	8.79
Operating Profit Before Working Capital Changes	243.37	161.02
Adjusted for :		
Inventories	(26.32)	(20.04)
Trade and other receivables	(227.08)	(190.85)
Trade and other payable	102.90	2.69
Cash Generated From Operations	92.87	(47.18)
Direct Taxes paid / adjusted	(1.33)	(25.91)
Net Cash (used in)/ flow from Operating Activities	91.54	(73.08)
Cash Flows from Investing Activities:		
Purchase of Property, Plant & Equipment (Net)	(20.91)	(18.12)
Purchase of Investments (Net)	9.02	42.28
Dividend Income	0.04	0.05
Net Cash (used in)/ flow from Investing Activities	(11.84)	24.21
Cash Flows from Financing Activities:		
Buy-back of Equity Shares	-	(9.50)
Premium Paid on Buy- back	-	(47.50)
Tax on Buy-back of equity shares	-	(13.28)
Amount paid to Shareholders for Fractional Equity Shares	(0.00)	-
Minority Interest	0.00	0.50
Proceeds/(Repayment) of borrowings	(65.13)	96.62
Finance Cost	(6.59)	(1.19)
Net Cash (used in)/ flow from Financing Activities	(71.72)	25.64
Net Increase / (decrease) in Cash & Cash Equivalents	7.97	(23.22)
Cash and Cash Equivalents at the beginning of the period	54.27	77.50
Cash and Cash Equivalents at the end of the period	62.24	54.27
01. Proceeds from long term and other borrowings are shown net of repayment.		
02. Cash and Cash equivalents represent cash and bank balances only.		

The Notes referred above form an integral part of the accounts. In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO.
Chartered Accountants
Firm registration No. 305123E

For and on behalf of the Board of Directors of
Spectrum Talent Management Limited

Abhishek Gupta
Partner
Membership No. 529082

Vidur Gupta
DIN No. 05213073
(Managing Director)

Sidharth Agarwal
DIN No. 05213023
(Whole Time Director cum CFO)

Ajit Singh
(Company Secretary)

Place: New Delhi
Date: 12th July, 2023

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

1 SHARE CAPITAL

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Authorised :		
2,47,50,000 (P.Y. 50,00,000) Equity Shares of ₹ 10/- each	247.50	50.00
Nil (P.Y. 47,50,000) Preference Shares of Rs 10/- each	-	47.50
	247.50	97.50
Issued, Subscribed and Fully Paid up :		
1,79,07,496 (P.Y. 38,00,000) Equity Shares of ₹ 10/- each	179.07	38.00
Nil (P.Y. 47,50,000) Preference Shares of ₹ 10/- each	-	47.50
	179.07	85.50

a) Reconciliation of the number of shares outstanding is as follows:

	As At 31st March 2023		As At 31st March 2022	
	No.s		No.s	
	Equity Shares	Preference Shares	Equity Shares	Preference Shares
At the beginning of the period	3,800,000	4,750,000	4,750,000	4,750,000
Add : Conversion of Preference shares into Equity Shares	791,666	(4,750,000)	-	-
Add : Bonus shares allotted during the period	13,315,830	-	-	-
Less: Extinguishment of Shares upon Buy Back	-	-	(950,000)	-
At the end of the period	17,907,496	-	3,800,000	4,750,000

b) Details of shareholders holding more than 5% shares in the company

Name of Shareholders	As At 31st March 2023		As At 31st March 2022	
	Nos.	% holding	Nos.	% holding
- Equity Shares				
Sidharth Agarwal	8,506,060	47.50%	1,900,000	50%
Vidur Gupta	8,506,060	47.50%	1,900,000	50%
-Preference Shares				
Sidharth Agarwal	-	-	2,375,000	50%
Vidur Gupta	-	-	2,375,000	50%

c) Terms/rights attached to shares:

- Equity Shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- d) Out of the above, 37,50,000 Equity shares were allotted as Bonus Shares in Financial Year 2018-2019 and 1,33,15,830 Equity shares were allotted as Bonus Shares during the year by capitalisation of Free Reserves, without payment being received in cash.
- e) During the year, 47,50,000 Preference shares were converted into 7,91,666 Equity Shares in the ratio of 1:6. The fractional entitlement of shares has been paid in cash to the respective shareholders.
- f) During the F.Y. 2021-22, 9,50,000 Equity shares of ₹ 10/- each were bought back by the Company.
- g) Details of shareholding of promoters in the company:

Table with 5 columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2022-2023. Rows include Sidharth Agarwal, Vidur Gupta, Rajesh Gupta, Veena Gupta, Deepika Gupta, Ankita Gupta, and Sidharth Agarwal HUF.

Table with 5 columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2021-2022. Rows include Sidharth Agarwal, Vidur Gupta, and a Total row.

Table with 5 columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2022-2023. Rows include Sidharth Agarwal, Vidur Gupta, and a Total row.

Table with 5 columns: S. No, Name of Promoters, No. of Shares, % of Total Shares, % Change during the year 2021-2022. Rows include Sidharth Agarwal, Vidur Gupta, and a Total row.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

2 RESERVES & SURPLUS

Table with 3 columns: Description, AS AT 31st March, 2023 (₹ in millions), AS AT 31st March, 2022 (₹ in millions). Rows include Capital Redemption Reserve (CRR), Securities Premium Account, Foreign Currency Translation Reserve, General Reserve, and Surplus in the Statement of Profit and Loss.

3 LONG-TERM BORROWINGS

Table with 3 columns: Description, AS AT 31st March, 2023 (₹ in millions), AS AT 31st March, 2022 (₹ in millions). Rows include NON-CURRENT LIABILITIES, Vehicle Loan - Secured, and various bank loans.

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
- Toyota Finance Services India Limited	2.34	3.56
Secured against hypothecation of vehicle financed by them		
Terms of Repayment for Amount Outstanding:		
- ₹ 23,44,574/- in 21 monthly installments		
	3.43	6.64
Less : Current Maturity of Long Term Borrowings (Refer Note No. 5)	2.31	3.21
	1.13	3.43

4 LONG TERM PROVISIONS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Provision for Employee Benefits:		
- For Gratuity	8.29	6.81
- For Leave Pay	1.45	-
	9.74	6.81

5 SHORT-TERM BORROWINGS:

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
CURRENT LIABILITIES		
Repayable on Demand		
Secured		
From ICICI Bank Limited		
- Cash Credit Facilities	34.13	23.09
The above borrowings are secured by:		
a) Hypothecation on all current assets of the company.		
b) Hypothecation on all moveable fixed assets of the company.		
c) Pledge on all fixed deposits of the company maintained with the bank.		
d) Personal guarantees from Mr. Vidur Gupta and Mr. Sidharth Agarwal.		
- Current Maturities of Long-Term Borrowings (Refer Note No.3)	2.31	3.21
Unsecured		
From Related parties (Interest Free)	-	72.95
	36.43	99.25

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

6 TRADE PAYABLES

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
- Dues of Micro and Small Enterprises	-	-
- Dues of Creditors other than Micro and Small Enterprises	21.23	14.96
	21.23	14.96

Particulars	Outstanding for following periods from due date of payment				Total as at 31st March 2023
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	20.92	0.30	-	-	21.23
(ii) Disputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	-	-	-	-	-
- Other than MSME	-	-	-	-	-

Particulars	Outstanding for following periods from due date of payment				Total as at 31st March 2022
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	14.96	-	-	-	14.96
(ii) Disputed Dues					
- MSME	-	-	-	-	-
- Other than MSME	-	-	-	-	-

7 OTHER CURRENT LIABILITIES

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Interest accrued but not due on borrowings	0.38	0.02
Advance from Customers	12.83	0.39
Statutory dues	106.48	78.40
Other Liabilities	213.62	161.32
	333.31	240.13

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

8 SHORT-TERM PROVISIONS

Table with 3 columns: Description, AS AT 31st March, 2023 (₹ in millions), and AS AT 31st March, 2022 (₹ in millions). Rows include Provision for Employee Benefits, For Gratuity, For Leave Pay, and a total of 0.72 for 2023 and 0.19 for 2022.

9 PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

(Amount in INR millions)

Table with 9 columns: PARTICULARS, GROSS BLOCK (As at 01.04.2022, Additions / (Deductions), As at 31.03.2023), DEPRECIATION/ AMORTIZATION (Up to 31.03.2022, For the Year/ 0, Up to 31.03.2023), and NET BLOCK (As at 31.03.2023, As at 31.03.2022). Rows include Property, Plant and Equipment (Computers, Electrical Installation, Furniture & Fixtures, Equipments and Facilities, Air Conditioners, Vehicles), Intangible Assets (Software), and Grand Total (A+B) of 55.44 for 2023 and 27.22 for 2022.

PROPERTY, PLANT & EQUIPMENTS & INTANGIBLE ASSETS

(Amount in INR millions)

Table with 9 columns: PARTICULARS, GROSS BLOCK (As at 01.04.2021, Additions / (Deductions), As at 31.03.2022), DEPRECIATION/ AMORTIZATION (Up to 31.03.2021, For the Year/ (Adjustments), Up to 31.03.2022), and NET BLOCK (As at 31.03.2022, As at 31.03.2021). Rows include Tangible Assets (Computers, Electrical Installation, Furniture & Fixtures, Equipments and Facilities, Air Conditioners, Vehicles), Intangible Assets (Software), and Grand Total (A+B) of 37.61 for 2023 and 17.92 for 2022.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

10 NON-CURRENT INVESTMENTS

Table with 4 columns: Description, AS AT 31st March, 2023 (₹ in millions), and AS AT 31st March, 2022 (₹ in millions). Rows include Others, A. In fully paid up Equity Shares of Companies (Quoted- Others, B. In Limited Liability Partnership- Associate STM Enterprises LLP (*)), and Grand Total (A+B) of 8.11 for 2023 and 26.93 for 2022.

11 DEFERRED TAX ASSETS

Table with 3 columns: Description, AS AT 31st March, 2023 (₹ in millions), and AS AT 31st March, 2022 (₹ in millions). Rows include Deferred Tax Assets on Fiscal allowances of (Employee Benefits, Property, Plant and Equipment & Intangible Assets, Tax Incentive u/s 80JJAA, Others) and a total of 70.36 for 2023 and 5.50 for 2022.

12 OTHER NON-CURRENT ASSETS
(Unsecured, Considered good)

Table with 3 columns: Description, AS AT 31st March, 2023 (₹ in millions), and AS AT 31st March, 2022 (₹ in millions). Rows include Security Deposits (To Others) and a total of 3.53 for 2023 and 2.55 for 2022.

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

13 CURRENT ASSETS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
INVENTORIES		
(As taken, valued and certified by the management)		
Traded Goods- Electronic Goods	46.36	20.04
	46.36	20.04

14 TRADE RECEIVABLES

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Secured - Considered Good	-	-
Unsecured - Considered Good (*)	473.06	327.55
Doubtful	1.35	1.35
Unbilled Debtors	128.43	80.70
	602.85	409.61
Less: Provision for Doubtful Debts	1.35	1.35
	601.49	408.26
(*) Includes:		
- Due from a company in which director is a member	2.60	-

Trade Receivable Ageing Schedule

Particulars	Outstanding for following Periods from due date of payment					Total as at 31st March, 2023
	Less than 6 months	6 months -1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Trade Receivables:						
- Considered Good	461.05	3.58	6.97	0.27	1.19	473.06
- Considered Doubtful					1.35	1.35
(ii) Disputed Trade Receivables:						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

Particulars	Outstanding for following Periods from due date of payment					Total as at 31st March, 2022
	Less than 6 months	6 months -1 year	1 - 2 Years	2 - 3 Years	More than 3 years	
(i) Undisputed Trade Receivables:						
- Considered Good	321.02	5.09	0.47	0.97	-	327.55
- Considered Doubtful	-	-	-	-	1.35	1.35
(ii) Disputed Trade Receivables:						
- Considered Good	-	-	-	-	-	-
- Considered Doubtful	-	-	-	-	-	-

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

15 CASH AND CASH EQUIVALENTS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Cash on hand	0.18	16.08
Foreign Currency in hand	-	-
Balances with Scheduled Banks :		
In Current Account	40.39	7.19
In Fixed Deposit Account (*)	21.68	31.00
	62.24	54.27
Pledged	21.58	30.95
* Maturing after 12 months from close of the year	15.70	19.67

16 SHORT TERM LOANS AND ADVANCES

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Advances recoverable in cash or in kind or for value to be received		
- Advance to Employees	3.84	4.03
- Advance to Suppliers	15.34	5.36
- Prepaid Expenses	14.65	8.73
- Other Advances	1.21	1.57
-Derivative Financial Instruments	-	1.07
Application for Allotment of Industrial Plot	-	7.25
Stipend Support Receivable	7.20	-
Export Licenses in Hand	0.09	-
Export Incentives Receivable	17.88	17.43
	60.21	45.43

17 OTHER CURRENT ASSETS

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
(Unsecured, Considered good)		
Security Deposits		
- To Others	9.00	0.28
Other Current Asset	9.54	0.17
	18.54	0.45

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

18 CURRENT TAX ASSETS (NET)

	AS AT 31st March, 2023 (₹ in millions)	AS AT 31st March, 2022 (₹ in millions)
Taxation Advance and Refundable (Net of Provisions)	65.18	72.36
	65.18	72.36

19 REVENUE FROM OPERATIONS

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Sale of Products		
Traded Goods- Electronic Goods		
- Exports	2,534.07	1,006.42
- Domestic	0.02	0.01
Sale of Services (*)		
-Manpower supply, Recruitment and related services	5,033.42	3,789.96
	7,567.51	4,796.39
Other operating revenues:		
- Export Incentives	78.32	19.68
- Exchange Rate Variation Gain	34.54	16.13
	112.86	35.82
	7,680.37	4,832.21
(*) Includes revenue from export of services	2.19	0.46

20 OTHER INCOME

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Interest:		
- on Fixed Deposits	1.21	0.78
- on Income Tax refund	5.12	-
- on Loan	-	-
- on Others	-	0.00
Dividend Income	0.04	0.05
Profit on Sale of Investments (Net)	0.91	1.47
Liabilities Written back	0.21	0.08
Miscellaneous Income	0.18	0.06
	7.68	2.45

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

21 PURCHASE OF STOCK IN TRADE

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Traded Goods - Electronic Goods	2,569.83	1,015.56
	2,569.83	1,015.56

22 CHANGES IN INVENTORIES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Opening Stock:		
- Traded Goods - Electronic Goods	20.04	
	20.04	-
Less: Closing Stock:		
- Traded Goods - Electronic Goods	46.36	20.04
	46.36	20.04
	(26.32)	(20.04)

23 EMPLOYEE BENEFIT EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Salary, Allowances and Others (*)	4,115.76	3,082.10
Directors' Remuneration	9.00	9.00
Contribution to Provident & Other Funds	622.82	497.98
Staff Welfare expenses	1.97	0.91
	4,749.54	3,589.99
(*) Net off Stipend Support from Government	24.36	-

24 OTHER OPERATING EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Insurance	25.11	13.93
Contract expenses	3.90	4.06
Dues and Subscription	11.68	9.98
Professional & Consultancy Charges	6.81	17.88
Software Expenses	1.53	0.92
Other Expenses	16.21	0.13
Training & Education	-	0.56
	65.25	47.46

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

25 SELLING & DISTRIBUTION EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Freight & Other Charges	28.17	10.44
Clearing & Forwarding (Export)	4.81	2.02
Packing Charges	2.54	0.71
Insurance	0.84	0.32
	36.36	13.50

26 FINANCE COSTS

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Interest		
- to banks	5.45	0.80
- to others	0.97	0.08
Loan processing fees and other financial charges	0.16	0.31
	6.59	1.19

27 OTHER EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Rent	9.42	7.61
Rates & Taxes	1.75	1.01
Insurance	0.30	0.14
Travelling and Conveyance	6.44	1.57
Telephone & Internet Expenses	2.90	1.58
Utilities	2.11	1.22
Office & Housekeeping Expenses	2.42	0.43
Legal & Professional Expenses	4.49	4.16
Repairs and Maintenance - Others	1.98	1.49
Auditors' Remuneration :		
- For Statutory Audit	0.70	0.60
- For Tax Audit	0.15	0.15
- For Others Services	0.18	0.19
Business Promotion	2.06	1.94
Printing and Stationery	0.47	0.45
Property, Plant and Equipment Written Off	-	0.03
IPO related expenses	0.01	
Irrecoverable Balances Written Off	0.42	0.04
Loss on Forward Contracts	8.18	-
Corporate Social Responsibility Expenses [Refer Note 29(15)]	1.83	1.28
Provision for Doubtful Debts	-	0.68
Provision for Diminution in Investments	-	-
Miscellaneous Expenses	4.17	1.92
	49.98	26.47

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH, 2023

28 TAX EXPENSES

	2022-2023 (₹ in millions)	2021-2022 (₹ in millions)
Current tax		
Income Tax	8.52	0.56
Tax Adjustment	-	0.00
	8.52	0.57
Deferred Tax		
Deferred Tax	(64.86)	(1.29)
	(56.34)	(0.73)

29 SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES TO THE ACCOUNTS :

1) CORPORATE INFORMATION

Spectrum Talent Management Limited (formerly known as "Spectrum Talent Management Private Limited") was originally incorporated as a private limited company on May 09th, 2012 with Company Identification No.: U51100DL2012PTC235573 and converted into a public company on January 04th, 2023 with Company Identification No.: U51100DL2012PLC235573.

The company is engaged in the business of "Manpower supply, Recruitment and related services" and " Trading of Electronic Goods". The company has its registered office at B-46, Retreat Apartments, 20 I P Extension, Delhi 110092 IN and Head office at C-142, Sector-63, Noida 201301 IN.

The Company has completed Initial Public Offering (IPO) of its Equity Shares and its equity shares got listed on SME platform of NSE Limited ("NSE Emerge") on 22nd June, 2023.

2) SIGNIFICANT ACCOUNTING POLICIES

a) PRINCIPLES OF CONSOLIDATION:

The Consolidated Financial Statements include the financial statements of Spectrum Talent Management Limited and its subsidiaries (hereinafter referred to as "the Group"). The Consolidated Financial Statements of the Group have been prepared pursuant to Section 129(3) of the Companies Act, 2013 and explanation thereto, which has been made as per Accounting Standard AS – 21

'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India ('ICAI') and notified pursuant to the Companies (Accounting Standards) Rules, 2006. The Consolidated Financial Statements are prepared on the following basis:

- Consolidated Financial Statements normally include Consolidated Balance Sheet, Consolidated Statement of Profit & Loss, Consolidated Statement of Cash flows and notes to the Consolidated Financial Statements and explanatory statements that form an integral part thereof. The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent for standalone financial statements.
- The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries.
- Investment in Subsidiaries have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating inter-group balances / transactions and resulting elimination of unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent Company and its share in the post-acquisition increase in the relevant reserves of the entity to be consolidated.
- Notes to the Consolidated Financial Statements represents notes involving items which are considered material and are accordingly

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the Consolidated Financial Statements.

b) BASIS OF ACCOUNTING:

The Financial Statements are prepared on accrual basis under historical cost convention in accordance with the generally accepted accounting principles in India, the Accounting Standards prescribed in the Companies (Accounting Standard) Rules, 2021 and provisions of the Companies Act, 2013. The financial statements are presented in Indian Rupees ("Rs.") and all amounts are rounded to the nearest millions, except as stated otherwise.

All assets and liabilities have been classified as current or non-current, wherever applicable, as per the normal operating cycle of the company as set out in the Schedule III to the Companies Act, 2013.

c) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates/ assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognised in the period in which the results are known/ materialised.

d) PROPERTY PLANT & EQUIPMENT:

- i) Property, Plant & Equipment are stated at cost of acquisition or construction less accumulated depreciation. Cost includes purchase price and all other attributable cost of bringing the assets to working condition for intended use.
- ii) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

e) DEPRECIATION AND AMORTIZATION

- (i) Depreciation on Property, Plant and Equipment is accounted on Written Down Value at the rates determined based on the basis of the useful life of the assets perscribed in Schedule II of the Companies Act, 2013.
- (ii) Intangible assets are amortized over the period of useful life of the assets as estimated by the management.

f) INVESTMENTS

Non Current investments are carried at acquisition cost and investments intended to be held for less than one year are classified as current investments and are carried at lower of cost and market value. Non-Current Investments which have attained the stage of permanent diminution in their value are revalued at their current value.

g) INVENTORIES :

a) Traded Goods

At Lower of cost and Net realizable value. The cost of inventories comprise all cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

b) Packaging Material

Packaging material is expensed off in Statement of Profit and Loss as and when it has been purchased.

h) REVENUE FROM OPERATION

- i) Revenue in respect of the Manpower supply, recruitment and related service provided is accounted on accrual basis except where the receipt of income is uncertain.
- ii) Sale (Export) of goods is recognised at the point of arrival at the destination port and Sale (domestic) of goods is recognised at the point of disptach to the buyer.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- iii) Revenue in respect of export incentives is recognised on accrual basis in the period in which related exports have been made.
- iv) Interest on Loan is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.
- v) Other Income is accounted on accrual basis.

i) EMPLOYEE BENEFITS

(i) Short Term Employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Such short term employee benefits are recognised at the undiscounted amounts due in the period in which the employee renders the related service.

(ii) Post Employee benefits

Defined Contribution Plans:

Payments made to defined contribution plans such as Provident and Other Funds are charged as an expense as they fall due.

Defined Benefit Plans:

Provision for Gratuity and Leave Pay is determined on the actuarial valuation carried out at the balance sheet date in accordance with the provisions of Accounting Standard 15. Actuarial gains and losses are recognised in the Statement of Profit & Loss.

j) TAXES ON INCOME

- a) Current Tax is determined as the amount of tax payable in respect of taxable income for the year.
- b) Deferred Tax is recognised, subject to consideration of prudence, in respect of deferred tax Assets/Liabilities arising on timing differences, being the difference between taxable income and accounting income that

originate in one period and are capable of reversal in one or more subsequent period.

k) EARNINGS PER SHARE

The Basic earnings per share ("EPS") is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

l) FOREIGN CURRENCY TRANSACTIONS

- a) Transactions in foreign currency are recorded at the exchange rate prevailing at the time of transaction. All trade debtors and creditors related to foreign currency transaction outstanding at the year end are translated at exchange rates prevailing at the year end. The resultant translation differences are recognised in the Profit & Loss Account.
- b) In respect of Forward Exchange Contracts, the difference between the forward rate and the spot rate as on closing date will be recognised as income or expense in the Statement of Profit & Loss Account.

m) IMPAIRMENT OF ASSETS

Impairment Loss in the value of assets, as specified in Accounting Standard -28 is recognised whenever carrying value of such assets exceeds the market value or value in use, whichever is higher.

n) GOVERNMENT GRANTS

Government Grants available to the company are recognised in the books of accounts when:

- i) there is reasonable assurance that the company will comply with the conditions attached to them; and

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- ii) where such benefits have been earned by the company, it is reasonably certain that the ultimate collection will be made.
- Government grants related to revenue are recognized on a systematic basis in the statement of profit and loss and are shown as net of expense incurred.
- o) PROVISIONS AND CONTINGENT LIABILITIES :
A provision is recognised when the company has a present obligation as a result of past results and it is probable that an outflow of resourcecs embodying economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.
A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.
- p) Borrowing cost are recognised as an expense in the Statement of Profit and Loss.

3) Contingent Liabilities

Contingent Liabilities (not provided for) in respect of :

Table with 3 columns: Particulars, 2022-2023, 2021-2022. Rows include Performance Bank Guarantee and Income Tax (A.Y.2018-19).

4) DUES TO MICRO AND SMALL ENTERPRISES

Disclosures pursuant to Schedule III of Companies Act, 2013 in relation to trade payables falling under the category of Micro and Small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

Table with 3 columns: Particulars, 31st March, 2023, 31 March 2022. Rows include Principal amount due to such suppliers and interest accrued and due to such suppliers on above (a) amount.

Table with 3 columns: Particulars, 31st March, 2023, 31 March 2022. Rows include payment made to such suppliers, interest paid to such suppliers, interest due and payable to such suppliers, and interest accrued and remaining unpaid at the end of the accounting year.

5) EARNINGS PER SHARE

The Earning per share has been calculated as specified in Accounting Standard 20 "Earnings Per Share" prescribed under companies (Accounting Standards) Rules, 2021 and other disclosures in this regard are:
(Amount in Million)

Table with 3 columns: Particulars, Year ended 31st March, 2023, Year ended 31 March 2022. Rows include calculation of EPS using numerator and denominator, Profit after tax, and Weighted average number of Equity shares.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- 6) Particulars required to be disclosed in pursuance of Accounting Standard -15, Employees Benefit, notified in the Companies (Accounting Standard) Rules, 2021 are given below, based on the Actuarial Report certified by a Practicing Actuary:

Table with 3 columns: Defined Contribution Plan, 2022-2023, 2021-2022. Rows include Employer's Contribution to Provident & Pension Fund, Employer's Contribution to ESIC Fund, and Amount recognised in the Statement of Profit and Loss.

a Defined Benefit Plan

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Table with 5 columns: Particulars, Leave Pay (Unfunded) As at 31st March, 2023, As at 31st March, 2022, Gratuity (Unfunded) As at 31st March, 2023, As at 31st March, 2022. Rows include Reconciliation of Defined Benefit obligation, Reconciliation of fair value of assets and obligations, Expenses recognized in the Statement of Profit and Loss under Employee Benefit Expense, Actuarial Assumptions, and Current/Non-Current Bifurcation.

Note: No provision is done in respect of contractual staff since the same will be borne by the respective clients.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

7) SEGMENT INFORMATION

In accordance with Accounting Standard 17 "Segment Reporting" as prescribed under Companies (Accounting Standards) Rules, 2021, the company has identified the business of "Manpower supply, Recruitment and related services" and "Electronic Goods" business as reportable business segments. Accordingly, the disclosure requirements as required under AS- 17 'Segment Reporting' are as follows:

Particulars		F.Y. 2022-23			F.Y. 2021-22		
		Manpower supply, Recruitment and related services	Electronic Goods	Total	Manpower supply, Recruitment and related services	Electronic Goods	Total
(i)	Revenue of Each Segment	5,034.14	2,646.23	7,680.37	3,790.37	1,041.84	4,832.21
(ii)	Revenue of Each Segment as a % of Total revenue of all segments	65.55%	34.45%	100.00%	78.44%	21.56%	100.00%
(iii)	Profit/(Loss) before tax for each segment	187.66	26.45	214.11	136.23	13.06	149.29
(iv)	Other Income	-	-	7.68	-	-	2.45
(v)	Total Profit/(Loss) before tax for each segment (iii+iv)	187.66	26.45	221.79	136.23	13.06	151.73
(vi)	Profit/(Loss) for each segment as a % of Total Profit/(Loss)	84.61%	11.93%	96.54%	89.78%	8.60%	98.39%
(vii)	Segment Assets	774.83	186.18	961.01	568.12	76.07	644.19
(viii)	Segment Assets as a % of Total Asset	80.63%	19.37%	100.00%	88.19%	11.81%	100.00%
(ix)	Segment Liabilities	959.35	1.66	961.01	638.70	5.50	644.19
(x)	Segment Liabilities as a % of Total Liabilities	99.83%	0.17%	100.00%	99.15%	0.85%	100.00%

Information about geographical segments (by location of customers) :

Particulars		2022-2023	2021-2022
(i)	Revenue-Sales (Net)		
	- Within India	5,013.45	3,706.31
	- Outside India	2,554.05	1,020.28
	Total	7,567.51	4,726.59
(ii)	Carrying Amount of Segment Assets (by location of assets)		
	- Within India	497.25	335.71
	- Outside India	105.59	57.59
	Total	602.85	393.29

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

8) RELATED PARTY DISCLOSURES

Related parties and transactions with them as specified in Accounting Standard 18 on "Related Parties Disclosure" prescribed under Companies (Accounting Standards) Rules, 2021, has been identified and given below on the basic of information available with the company.

a)	Enterprises where control exits	NA
b)	Associates and Joint Ventures	STM Enterprises LLP (Associate till 01.01.2023)
c)	Individual Owning an interest in the voting power of the company and their relatives	Deepika Gupta Veena Gupta Ankita Gupta Rajesh Gupta
d)	Key Management Personnel and their relatives	Vidur Gupta, Managing Director Sidharth Agarwal, Whole Time Director & Chief Financial Officer Rajesh Gupta, Director (w.e.f 22.12.2022) Rajeev Agarwal, Director (w.e.f 22.12.2022) Suresh Mehra, Independent Director (w.e.f 04.01.2023) Anup Kumar Jaiswal, Independent Director (w.e.f 04.01.2023) Anubha Agarwal, Independent Director (w.e.f 04.01.2023) Ajit Singh, Company Secretary & Compliance officer (w.e.f 01.02.2023) Amita Agarwal (Relative of Director)
e)	Enterprises over which any person referred to in (c & d) above are able to exercise significant influence	Spectrum Talent Management, Partnership Firm Adjectus Services Private Limited

Nature of Transactions	Enterprises where control exits		Individual Owning an interest in the voting power of the company and their relatives		Enterprise over which Key Management Personnel and their relatives are able to exercise significant influence		Key Management Personnel and their relatives	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Income								
-Manpower supply, Recruitment and related services	-	-	-	-	8.52	-	-	-
- Sale of Electronic Goods	-	-	-	-	-	0.01	-	-
-Interest Income	-	-	-	-	-	-	-	-
Expenses								
Salary	NA	NA	9.00	-	NA	NA	-	9.00
Directors' Remuneration	NA	NA	-	-	NA	NA	9.00	9.00
Interest Expense							0.13	-

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

Nature of Transactions	Enterprises where control exits		Individual Owning an interest in the voting power of the company and their relatives		Enterprise over which Key Management Personnel and their relatives are able to exercise significant influence		Key Management Personnel and their relatives	
	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022	2022-2023	2021-2022
Year End Payables								
Short Term Borrowings	-	-	-	-	-	-	-	72.95
Remuneration payable	-	-	-	-	-	-	0.54	0.53
Salary Payable	-	-	0.54	-	-	-	-	0.53
Trade Payables	-	-	-	-	-	0.84	-	-
Year End Receivables								
Trade Receivables	-	-	-	-	2.60	0.01	-	-
Loan and Advances	-	-	-	-	0.20	0.00	-	-

- 9) During the year, the Company has recognised deferred tax asset of Rs 64.62 million relating to tax incentive u/s 80JJAA of Income Tax Act, 1961 that is considered to be able to fully utilise against the Company's taxable profits expected to arise in the future financial years. The management has prepared profitability estimates based on its existing/projected contracts with the customers and is of the opinion that Company would be able to fully utilise the benefit of Tax incentive available u/s 80JJAA of Income tax Act, 1961.
- 10) On the basis of physical verification of assets, as specified in Accounting Standard – 28 and cash generating capacity of those assets, in the management perception, there is no impairment of such assets as appearing in the balance sheet as on 31.03.23.
- 11) The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 12) Earning in Foreign Exchange:

	2022-2023	2021-2022
FOB Value of Exports	2,537.20	1,006.42
Manpower supply, Recruitment and related services	(16.16)	0.46
Interest on Loan	-	-
	2,521.04	1,006.89
Dues & Subscription	1.93	1.50
Professional expense	0.24	-
Travelling Expense	-	0.03
	2.17	1.53

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- 13) The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 - "Consolidated Financial Statements" issued by The Institute of Chartered Accountants of India. The subsidiaries (which along with Spectrum Talent Management Limited, the parent, constitute the Group) considered in the preparation of these consolidated financial statements is:

Name of the Subsidiaries	Country of Incorporation/ Formation	Percentage of Voting Power/ Profit Sharing as at 31st March, 2023 (%)	Percentage of Voting Power/ Profit Sharing as at 31st March, 2022 (%)
Subsidiaries:			
STM Consulting INC	U.S.A	100.00	100.00
STM Consultancy Limited	U.K	90.00	90.00

- 14) Additional information as required by Paragraph 2 of the General Instructions to Schedule III of the Companies Act, 2013 for Preparation of Consolidated Financial Statements are as follows:

Name of the Entity	Net Assets, i.e. total assets minus total liabilities		Share in Profit or (Loss)	
	As % of consolidated Net assets	Amount	As % of consolidated profit or loss	Amount
Parent - Indian :				
Spectrum Talent Management Limited	95.61%	533.93	97.59%	271.46
Subsidiaries- Foreign				
STM Consulting INC	3.62%	20.21	2.50%	6.95
STM Consultancy Limited	0.70%	3.92	-0.08%	(0.23)
Minority Interest	0.07%	0.39	-0.01%	(0.02)
Total	100.00%	558.46	100.00%	278.15

15) CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds required to be spent and funds spent during the year are explained below:

PARTICULARS	2022-2023 (Rs. in millions)	2021-2022 (Rs. in millions)
(i) Amount required to be spent as per Section 135 of the Act	1.82	1.27
(ii) Amount of expenditure incurred during the year	1.83	1.28
(iii) Shortfall at the end of the year,	-	-
(iv) Total of previous years shortfall,	-	-
(v) Reason for shortfall,	N.A.	N.A.
(vi) Details of contribution to a trust established by the company in relation to CSR expenditure as per relevant Accounting Standard,	-	-
(vii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.
(viii) Nature of CSR activities: Promotion of Educational, Medical and Health Services		

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

16) Additional Regulatory Information as required by Schedule III of Companies Act, 2013

(A) Relationship with Struck off Companies:

No transactions has been made with any of the companies which have been struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(B) Compliance with number of layers of companies:

No layer of companies have been established beyond the limit prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on numbers of Layers) Rules, 2017.

(C) Details in respect of Utilization of Borrowed funds and share premium

- i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(D) Undisclosed income:

There are no transactions which have not been recorded in the books of accounts during the year that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(E) Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(F) Details of Benami Property held:

No proceedings have been initiated or pending against the company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder as at 31st March, 2023.

(G) Wilful Defaulter:

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

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

(H) Registration of charges or satisfaction with Registrar of Companies:

The Company does not have any charges or satisfaction of charges which is yet to be registered with ROC beyond the statutory period except as stated below:

- Charge Creation of Vehicle Loans from ICICI Bank having outstanding of Rs. 1.08 Millions as on 31.03.2023.
- Charge Creation of Vehicle Loan from Toyota Financial Services India Limited having outstanding of Rs. 2.34 Millions as on 31.03.2023.

I) Borrowings secured against current assets

The Company has borrowings from Bank on the basis of security of current assets, and quarterly statements of current assets filed by the Company with bank are generally in agreement with the books of accounts except for the following.

Table with 7 columns: Quarterly Statement, Name of the bank, Particulars of securities provided, Amount as per audited books of account, Amount as reported in the quarterly statement, Amount of difference, Reason for material discrepancies. It contains two rows of data for March 2023 regarding ICICI Bank loans for Trade Receivables and Inventory.

J) Loans granted to promoters, directors, KMPs and related parties (repayable on demand):

Table with 3 columns: Type of Borrower, Amount of Loan outstanding, Percentage to the Total Loan. It shows loan details for As at 31st December 2022 and As at 31st March 2022, categorized by Promoter, Directors, KMPs, and Related Parties.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

- K) Utilisation of borrowings availed from banks and financial institutions
The borrowings obtained by the company from banks have been applied for the purposes for which such loans were taken.
- L) Valuation of Property, Plant & Equipment and Intangible Assets
The Company has not revalued its Property, Plant and Equipment and Intangible Assets or both during the current or previous year.
- M) Title deeds of immovable properties not held in name of the company
The Company does not have any immovable properties (other than properties where the company is lessee, and the lease agreements are duly executed in favours of the lessee).

16) Ratio Analysis and its elements

S No.	Particulars	Numerator	Denominator	Resulted ratio (March, 2023)	Resulted ratio (March, 2022)	Variance
1	Current Ratio	Current Assets	Current Liabilities	2.18	1.69	29.02%(1)
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.07	0.37	-81.90%(2)
3	Debt Service Coverage Ratio	Earnings for debt service = Net profit before interest & taxes + Non-Cash operating expenses	Debt service = Interest + Principal Repayments	25.25	36.15	-30.16%(3)
4	Return on Equity	Net Profits after taxes	Average Shareholder's Equity	66.46%	64.17%	-3.57%
5	Inventory Turnover Ratio	Revenue from Operations	Average Inventory	Refer Note 4 below	Refer Note 4 below	NA
6	Trade Receivable Turnover Ratio	Revenue from Operations	Average Trade Receivable	15.21	14.71	3.42%
7	Trade Payables Turnover Ratio	Purchases	Average Trade Payables	Refer Note 4 below	Refer Note 4 below	NA
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working capital	16.61	23.12	-28.15%(5)
9	Net Profit Ratio	Net Profit before taxes	Revenue from Operations	2.89%	3.14%	-8.03%

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2023

S No.	Particulars	Numerator	Denominator	Resulted ratio (March, 2023)	Resulted ratio (March, 2022)	Variance
10	Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Assets	43.45%	40.69%	6.77%
11	Return on Investment	Net Return on Investment	Average Investment	NA	NA	NA

- 1) During the current year, Trade Receivables have been increased significantly which leads to increase in Current Ratio.
- 2) During the current year, company has repaid its borrowings while at the same time shareholders equity has been increased significantly, thereby leading to decrease in debt-equity ratio.
- 3) During the current year, company has repaid its borrowings, thereby leading to decrease in debt- service coverage ratio.
- 4) The above ratios are not comparable to previous year, as the trading business of Electronic goods has been started in the mid way of previous year.
- 5) During the current year, Trade Receivables have been increased significantly which leads to decrease in Net capital turnover ratio.
- 17) 1) Previous year figures have been rearranged/regrouped wherever considered necessary.

In terms of our report of even date attached herewith.

For B.CHHAWCHHARIA & CO. Chartered Accountants Firm registration No. 305123E
For and on behalf of the Board of Directors of Spectrum Talent Management Limited
Abhishek Gupta Partner Membership No. 529082
Vidur Gupta DIN No. 05213073 (Managing Director)
Sidharth Agarwal DIN No. 05213023 (Whole Time Director cum CFO)
Ajit Singh (Company Secretary)
Place: New Delhi Date: 12th July, 2023

Note

[illegible]

Note

[illegible]



Spectrum Talent Management

Spectrum Talent Management Limited

C-142 Sector 63 Noida, Uttar Pradesh – 201301

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