

**Independent Auditor's Examination Report on Restated Financial Information of  
HAPPY SQUARE OUTSOURCING SERVICES LIMITED  
(Formerly Known as HAPPY SQUARE OUTSOURCING SERVICES PRIVATE LIMITED)**

To,  
The Board of Directors  
**HAPPY SQUARE OUTSOURCING SERVICES LIMITED**  
(Formerly Known as HAPPY SQUARE OUTSOURCING SERVICES PRIVATE LIMITED)  
240, Nagpur Road, Madan Mahal,  
Jabalpur - 482008, Madhya Pradesh, India.

Dear Sirs,

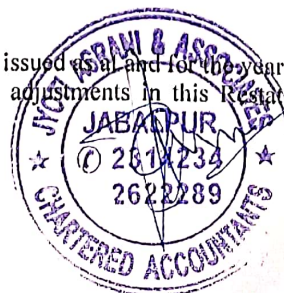
1. We have examined the attached Restated Standalone Financial Information of HAPPY SQUARE OUTSOURCING SERVICES LIMITED (Formerly Known as HAPPY SQUARE OUTSOURCING SERVICES PRIVATE LIMITED) (the "Company") comprising the Restated Standalone Statement of Assets and Liabilities as at July 31 2024, March 31 2024, 2023 and 2022, the Restated Standalone Statements of Profit and Loss and the Restated Standalone Cash Flow Statement for the period/years ended July 31, 2024, March 31 2024, 2023 and 2022 the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively referred to as, the "Restated Standalone Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 27th September 2024 for the purpose of inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") on Emerge Platform of National Stock Exchange of India Limited ("NSE").

These restated Summary Statement have been prepared in terms of the requirements of:

- a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules");
  - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Chennai, and the Stock Exchange in connection with the proposed IPO. The Restated Standalone Financial Information has been prepared by the management of the Company on the basis of preparation stated in **Annexure 4** to the Restated Standalone Financial Information. The responsibilities of the Board of Directors of the Company include designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration



- a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 21st August 2024 in connection with the proposed IPO of equity shares of **HAPPY SQUARE OUTSOURCING SERVICES LIMITED** (the "Issuer Company") on SME platform of National Stock exchange of India Limited ("NSE EMERGE")/Emerge platform of NSE;
- b. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
- d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Financial Information have been compiled by the management from:
- a. Audited special purpose interim financial statements of the Company for the period ended on July 31, 2024 prepared in accordance with Accounting Standard as prescribed under section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 6<sup>th</sup> September, 2024
- b. Audited Financial Statements of the Company for the period ended on March 31, 2024 prepared in accordance with Accounting Standard as prescribed under section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which has been approved by the Board of Directors at their meeting held on 02<sup>nd</sup> September, 2024
- c. Audited Financial Statements of the Company for the years ended on March 31, 2023, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 27, 2023.
- d. Audited Financial Statements of the Company for the years ended on March 31, 2022, prepared in accordance with the Accounting Standards as prescribed under Section 133 of the Act read with Companies (Accounting Standards) Rules as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on September 25, 2022.
5. For the purpose of our examination, we have relied on:
- a. Auditor's Report issued by us dated 06<sup>th</sup> September and 02<sup>nd</sup> September, 2024, on the Financial Statement of the Company for the period ended on July 31<sup>st</sup> 2024 and March 31<sup>st</sup> 2024 respectively.
- b. Auditors' Report issued by the previous auditor dated September 27<sup>th</sup> 2023 and September 25<sup>th</sup> 2022 on the financial statements of the Company as at and for the years ended March 31<sup>st</sup> 2023 and 2022 respectively as referred in Paragraph 4(c) above.
- c. The audit for the financial years ended March 31<sup>st</sup>, 2023, and 2022 were conducted by the previous auditors CA Trishala Koshta, Chartered Accountant and N Patel & Associates, Chartered Accountants ("The previous auditors"), having Membership no. 437719 and Firm registration number 029315C respectively. The previous auditor is not in the position to examine the Restated statement of assets and liabilities and Restated Statement of Profit and Loss Accounts and Restated Cash Flow statements, the summary statement of significant accounting policies, and other explanatory information (collectively, the audited financial information). We have performed adequate procedures to restate the financial information for the said years. The examination report included for the said years is based solely on the report submitted by the previous auditor.
6. There were no qualifications in the Audit Reports issued for the years ended on July 31<sup>st</sup> 2024, March 31<sup>st</sup> 2024, 2023 and 2022 which would require adjustments in this Restated Financial Information of the Company.



7. Based on our examination and according to the information and explanations given to us, we report that:
- The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - The Restated Summary Statements do not require any adjustments for the matter(s) giving rise to modifications mentioned in paragraph 6 above.
  - The Restated Summary Statements have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
  - The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years to which they relate, if any;
  - There was no change in accounting policies, which need to be adjusted in the Restated Summary Statement. The details of Prior period Adjustments are given in **Annexure 5** of the Restated Financial Statements.
  - From Financial Years 2021-22 to 2023-24 and for the period ended July 31, 2024, i.e. the years covered in the Restatement, the Company has not declared and paid any dividend.
8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company as at and for the period / years ended on July 31<sup>st</sup> 2024, March 31<sup>st</sup> 2024, 2023 and 2022 proposed to be included in the Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus.

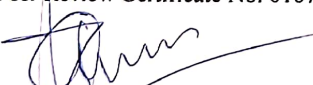
Annexure No.	Particulars
1	Financial Statement of Assets & Liabilities as Restated
2	Financial Statement of Profit & Loss as Restated
3	Financial Statement of Cash Flow as Restated
4	Significant Accounting Policy and Notes to the Restated Summary Statements
5	Adjustments made in Restated Financial Statements / Regrouping Notes
6	Statement of Share Capital as restated
7	Statement of Reserves & Surplus as Restated
8	Statement of Long-Term Borrowings as Restated
9	Statement of Long-Term Provisions as Restated
10	Statement of Short-Term Borrowings as Restated
11	Statement of Trade Payable as Restated
12	Statement of Other Current Liabilities as Restated
13	Statement of Short-Term Provisions as Restated
14	Statement of Property, Plant & Equipment and Depreciation as Restated
15	Statement of Non-Current Investments as Restated
16	Statement of Long-Term Loans and Advances
17	Statement of Deferred Tax Assets as Restated
18	Statement of Trade Receivables as Restated
18	Statement of Inventories as Restated
19	Statement of Cash & Bank Balances as Restated
20	Statement of Short-Term Loans and Advances as Restated
21	Statement of Other Current Assets as Restated
22	Statement of Revenue from Operations as Restated
23	Statement of Other Income as Restated
24	Statement of Cost of Services Consumed as Restated



25	Statement of Employees Benefit Expenses as Restated
26	Statement of Finance Costs as restated
27	Statement of Depreciation & Amortisation Expenses as Restated
28	Statement of Other Expenses as Restated
29	Statement of Summary of Accounting Ratios as Restated
30	Statement of Tax Shelter as Restated
31	Statement of Related Parties Transaction as Restated
32	Statement of Provision for Gratuity as Restated
33	Statement of Contingent Liability as Restated
34	Additional Disclosures with respect to Amendments to Schedule III as Restated
35	Statement of Capitalisation Statement as Restated

9. We, M/s. **Jyoti Asrani & Associates**, Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "**Peer Review Board**" of the ICAI.
10. The Restated Standalone Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Standalone Financial Statements and Audited Standalone Financial Statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus to be filed with Securities and Exchange Board of India, the Stock Exchanges and Registrar of Companies- Chennai in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For **Jyoti Asrani & Associates**,  
Chartered Accountants,  
Firm Reg No: 010126C,  
Peer Review Certificate No. 016774,

  
CA **Jyoti Asrani**  
(Partner)

Membership No. : 079966  
UDIN:25079966BMIIFA7945



Place : Jabalpur  
Date : 10/01/2025

**Happy Square Outsourcing Services Limited**  
(Formerly Known as Happy Square Outsourcing Services Private Limited)  
CIN : U80904MP2017PLC043153  
240, Nagpur Road, Madan Mahal, Jabalpur, Madhya Pradesh - 482008

ANNEXURE - 1

**STATEMENT OF ASSETS & LIABILITIES, AS RESTATED**

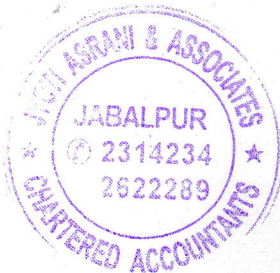
(Rs. In lakhs)

Particulars	Annexure No.	As at			
		July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>I. EQUITY &amp; LIABILITIES</b>					
<b>(1) Shareholders Fund</b>					
a) Share Capital	6	1.00	1.00	1.00	1.00
b) Reserves and Surplus	7	849.58	652.33	213.00	34.22
<b>Total Shareholder's Fund</b>		<b>850.58</b>	<b>653.33</b>	<b>214.00</b>	<b>35.22</b>
<b>(2) Non-Current Liabilities</b>					
a) Long-Term Borrowings	8	345.41	308.57	267.23	297.47
b) Long Term Provisions	9	18.79	16.22	9.28	5.10
<b>Total Non Current Liabilities</b>		<b>364.20</b>	<b>324.79</b>	<b>276.51</b>	<b>302.57</b>
<b>(3) Current Liabilities</b>					
a) Short Term Borrowings	10	1,086.01	789.63	389.93	87.82
b) Trade Payables					
- Total Outstanding Dues of Micro and Small Enterprises	11	0.33	0.12	-	-
- Total Outstanding Dues Other than Micro and Small Enterprises		166.94	145.32	254.54	190.61
c) Other Current Liabilities	12	1,055.45	924.87	297.00	250.58
d) Short Term Provisions	13	20.53	0.03	0.02	0.01
<b>Total Current Liabilities</b>		<b>2,329.25</b>	<b>1,859.95</b>	<b>941.49</b>	<b>529.02</b>
<b>TOTAL EQUITIES &amp; LIABILITIES</b>		<b>3,544.04</b>	<b>2,838.07</b>	<b>1,432.00</b>	<b>866.81</b>
<b>II. ASSETS</b>					
<b>(1) Non-Current Assets</b>					
<b>a) Fixed Assets</b>					
a) Property, Plant & Equipment and Intangible Assets					
(i) Property, Plant & Equipment	14	117.02	115.85	42.73	38.97
(ii) Intangible Assets		91.07	98.14	-	-
(iii) Capital Work in Progress		0.50	-	-	-
(iv) Intangible Assets under Development		14.53	-	-	-
<b>Total Fixed Assets</b>		<b>223.13</b>	<b>213.99</b>	<b>42.73</b>	<b>38.97</b>
b) Non - Current Investments	15	2.09	1.04	-	-
c) Long Term Loans and Advances	16	235.82	226.58	209.26	104.94
d) Deferred Tax Assets	17	3.73	6.50	5.81	3.04
<b>Total Non Current Assets</b>		<b>241.64</b>	<b>234.13</b>	<b>215.07</b>	<b>107.98</b>
<b>(2) Current Assets</b>					
a) Trade Receivables	18	1,826.80	1,517.08	762.20	600.66
b) Cash and Cash Equivalents	19	33.02	22.49	22.75	49.41
c) Short Term Loans and Advances	20	888.73	605.85	254.57	8.11
d) Other Current Assets	21	330.71	244.54	134.69	61.68
<b>Total Current Assets</b>		<b>3,079.27</b>	<b>2,389.95</b>	<b>1,174.20</b>	<b>719.87</b>
<b>TOTAL ASSETS</b>		<b>3,544.04</b>	<b>2,838.07</b>	<b>1,432.00</b>	<b>866.81</b>

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As per our report of even date attached  
For JYOTI ASRANI & ASSOCIATES  
Chartered Accountants  
Firm Registration No:- 010126C  
Peer Review Certificate No. 016774

CA. JYOTI ASRANI  
Partner  
M. No.: 079966  
UDIN:25079966BMMIFA7945



Place: Jabalpur  
Date: 10.01.2025

For and on behalf of the Board of Directors of  
Happy Square Outsourcing Services Limited  
(formerly known as Happy Square Outsourcing Services Private Limited)

Poonam  
Poonam Rajpal  
Managing Director  
DIN: 08693498

Kanchan Patel  
Kanchan Patel  
Chief Financial officer



Deepika Ondela  
Whole Time Director  
DIN : 10885553

Angha Ambalkar  
Company Secretary cum Compliance Officer  
M. No. ACS 66821

Place: Jabalpur  
Date: 10.01.2025

**Happy Square Outsourcing Services Limited**  
(Formerly Known as Happy Square Outsourcing Services Private Limited)  
CIN : U80904MP2017PLC043153  
240, Nagpur Road, Madan Mahal, Jabalpur, Madhya Pradesh - 482008

ANNEXURE - 2

**STATEMENT OF PROFIT & LOSS, AS RESTATED**

(Rs. In lakhs)

Particulars	Annexure No.	For the period ended	For the year ended		
		July 31, 2024	March 31, 2024	March 31, 2023	March 31, 2022
<b>Income</b>					
Revenue from Operations	22	3,292.77	6,928.87	5,269.92	2,823.00
Other Income	23	8.27	25.43	10.20	1.63
<b>Total Income</b>		<b>3,301.03</b>	<b>6,954.31</b>	<b>5,280.11</b>	<b>2,824.63</b>
<b>Expenditure</b>					
(a) Cost of Services Consumed	24	2,883.88	6,113.34	4,741.08	2,664.88
(b) Employee Benefits Expenses	25	71.43	104.94	138.08	29.58
(c) Finance Costs	26	34.77	65.68	39.59	5.35
(d) Depreciation and Amortisation Expenses	27	12.76	18.28	15.63	9.55
(e) Other Expenses	28	27.89	66.15	106.82	82.46
<b>Total Expenses</b>		<b>3,030.73</b>	<b>6,368.37</b>	<b>5,041.21</b>	<b>2,791.82</b>
<b>Profit before exceptional and extraordinary item and tax</b>		<b>270.30306</b>	<b>585.93</b>	<b>238.91</b>	<b>32.81</b>
<b>Exceptional Items</b>					
<b>Profit before extraordinary item and tax</b>		<b>270.30</b>	<b>585.93</b>	<b>238.91</b>	<b>32.81</b>
<b>Extraordinary Items</b>		-	-	-	-
<b>Profit Before Tax [PBT]</b>		<b>270.30</b>	<b>585.93</b>	<b>238.91</b>	<b>32.81</b>
<b>Tax Expense:</b>					
(a) Current tax expense		70.27	147.30	62.90	10.20
(b) Deferred tax		2.78	(0.69)	(2.78)	(1.97)
<b>Total Tax Expense</b>		<b>73.05</b>	<b>146.61</b>	<b>60.12</b>	<b>8.23</b>
<b>Profit / (Loss) for the period from continuing operations</b>		<b>197.26</b>	<b>439.32</b>	<b>178.78</b>	<b>24.59</b>
<b>Profit / (Loss) from discontinuing operations</b>		-	-	-	-
<b>Profit / (Loss) for the Period After Tax [PAT]</b>		<b>197.26</b>	<b>439.32</b>	<b>178.78</b>	<b>24.59</b>
<b>Net Profit Transferred to Balance Sheet</b>		<b>197.26</b>	<b>439.32</b>	<b>178.78</b>	<b>24.59</b>
<b>Earnings per Equity Share of Rs.10/- each</b>					
-Basic & Diluted (Pre Bonus Issue)- Rs.		<b>1,972.57</b>	<b>4,393.23</b>	<b>1,787.84</b>	<b>245.89</b>
-Basic & Diluted (Post Bonus Issue)- Rs.		<b>2.35</b>	<b>5.22</b>	<b>2.13</b>	<b>0.29</b>

As per our report of even date attached

For JYOTI ASRANI & ASSOCIATES

Chartered Accountants

Firm Registration No:- 010126C

Peer Review Certificate No. 016774

CA. JYOTI ASRANI

Partner

M. No.: 079966

UDIN:25079966BMIIFA7945

Place: Jabalpur

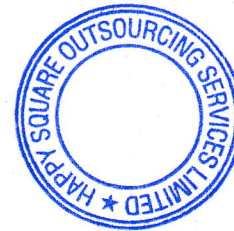
Date: 10.01.2025



Poonam Rajpal  
Managing Director  
DIN: 08693498

Kanchan Patel  
Chief Financial officer

For and on behalf of the Board of Directors of  
Happy Square Outsourcing Services Limited  
(formerly known as Happy Square Outsourcing Services Private Limited)



Deepika Ondela  
Whole Time Director  
DIN : 10885553

Angha Ambalkar  
Company Secretary cum Compliance Officer  
M. No. ACS 66821

Place: Jabalpur  
Date: 10.01.2025

STATEMENT OF CASH FLOW, AS RESTATED

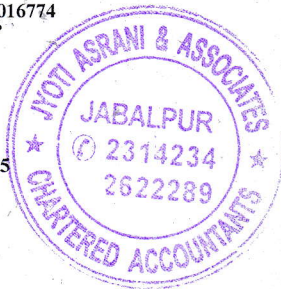
(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Profit Before Tax as per Profit & Loss A/c	270.30	585.93	238.91	32.81
Adjusted for :				
a. Depreciation	12.76	18.28	15.63	9.55
b. Interest Expenses & Finance Cost	34.77	65.68	39.59	5.35
c. Gratuity Expense	3.53	6.94	4.19	3.08
d. Interest & Other Income	(4.63)	(20.38)	(7.30)	(1.63)
<b>Operating profit before working capital changes</b>	<b>316.73</b>	<b>656.45</b>	<b>291.02</b>	<b>49.15</b>
Adjusted for :				
a. Decrease / ( Increase ) in trade receivable	(309.72)	(754.88)	(161.53)	(174.54)
b. ( Increase ) / Decrease in Short term loans and advances	(282.89)	(351.28)	(246.46)	(5.50)
c. ( Increase ) / Decrease in Other Current Assets	(86.17)	(109.85)	(73.01)	(46.52)
d. Increase / ( Decrease ) in Trade Payables	21.84	(109.11)	63.93	159.17
e. Increase / ( Decrease ) in Other current liabilities	130.58	627.87	46.42	38.01
<b>Cash generated from operations</b>	<b>(209.63)</b>	<b>(40.79)</b>	<b>(79.62)</b>	<b>19.76</b>
Net Income Tax (Paid)/Refund	(50.72)	(147.30)	(62.91)	(23.70)
<b>Net Cash Generated/(Used) From Operating Activities (A)</b>	<b>(260.35)</b>	<b>(188.10)</b>	<b>(142.53)</b>	<b>(3.94)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
a. (Purchase) Sale of Fixed Assets	(21.89)	(189.54)	(19.39)	(23.33)
b. ( Purchase ) / Sale of non-current investment	(1.05)	(1.04)	-	-
c. ( Increase ) / Decrease in Long term loans and advances	(9.24)	(17.32)	(104.32)	(104.94)
d. ( Increase ) / Decrease in Other Non Current Assets	-	-	-	4.37
e. Interest & Other Income	4.63	20.38	7.30	1.63
<b>Net Cash Generated/(Used) From Investing Activities (B)</b>	<b>(27.55)</b>	<b>(187.53)</b>	<b>(116.41)</b>	<b>(122.26)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
a. Interest & Finance Cost	(34.77)	(65.68)	(39.59)	(5.35)
b. ( Repayments ) / proceeds of long term borrowings	36.84	41.34	(30.24)	9.32
c. ( Repayments ) / proceeds of short term borrowings	296.38	399.70	302.11	84.91
<b>Net Cash Generated/(Used) From Financing Activities (C)</b>	<b>298.45</b>	<b>375.36</b>	<b>232.27</b>	<b>88.89</b>
<b>Net Increase / ( Decrease ) in Cash and Cash Equivalents</b>	<b>10.53</b>	<b>(0.26)</b>	<b>(26.66)</b>	<b>(37.32)</b>
<b>Cash and Cash Equivalents at the Beginning of the year</b>	<b>22.49</b>	<b>22.75</b>	<b>49.41</b>	<b>86.73</b>
<b>Cash and Cash Equivalents at the End of the year</b>	<b>33.02</b>	<b>22.49</b>	<b>22.75</b>	<b>49.41</b>
<b>Balance as per Books</b>	<b>33.02</b>	<b>22.49</b>	<b>22.75</b>	<b>49.41</b>

As per our report of even date attached  
For JYOTI ASRANI & ASSOCIATES  
Chartered Accountants  
Firm Registration No:- 010126C  
Peer Review Certificate No. 016774

CA. JYOTI ASRANI  
Partner  
M. No.: 079966  
UDIN:25079966BMHFA7945

Place: Jabalpur  
Date: 10.01.2025



Poonam  
Poonam Rajpal  
Managing Director  
DIN: 08693498

Kanchan Patel  
Kanchan Patel  
Chief Financial officer



For and on behalf of the Board of Directors of  
Happy Square Outsourcing Services Limited  
(formerly known as Happy Square Outsourcing Services Private Limited)

Deepika Ondela  
Whole Time Director  
DIN : 10885553

Angha Ambalkar  
Company Secretary cum Compliance  
Officer  
M. No. ACS 66821

Place: Jabalpur  
Date: 10.01.2025

**SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS**

ANNEXURE-4

**A. BACKGROUND**

Happy Square Outsourcing Service Limited (formerly known as "Happy Square Outsourcing Service Private Limited") was originally incorporated as a private limited company on April 20th, 2017 with CIN: U80904MP2017PTC043153 under the provisions of The Companies Act, 2013. The company has its registered office at 240, Nagpur Road, Madan Mahal, Jabalpur, Madhya Pradesh, India - 482008 and the company name Changed from Splendid Academy Private Limited to Happy Square Outsourcing Service Private Limited vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 17th January, 2020.

Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 26th June, 2024 and the name of the Company was changed to Happy Square Outsourcing Service Limited (the "Company" or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 01st August, 2024 Registrar of Companies, Gwalior with CIN: U80904MP2017PLC043153.

The company is engaged in the business of "Manpower supply, Recruitment and related services".

1) To carry on the business of human resources consultancy including providing manpower placement and recruiting, selecting, interviewing, training and employing all types of executives, middle management staff, junior level staff, workers, labourers who are highly skilled, semi-skilled, unskilled, managerial personnel required by various industries and organizations including but not limited to manpower for civil maintenance and all type of civil construction work, IT & computers related Industries, call centres, construction work, factory work, warehouse & logistics work and providing human resources for office management and to provide consultancy and any other services in connection with requirements of persons and manpower supply in India and outside India.

(2) To carry on the business, profession of consultant, suppliers, providers of all types of manpower such as contractual, highly skilled, semi-skilled, skilled, unskilled, trained labour, staff, managerial personnel, security services, house-keeping services, gardening services, provide training to security personnel, guards, industrial labour, manpower in all sectors whether private or government.

(3) To provide facility management services and implement a tailored solution that best suits as per the client requirements.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**1 Basis of Preparation:**

The summary statement of restated assets and liabilities of the Company as at 31st July, 2024, 31st March 2024, 31st March, 2023, and 31st March, 2022 and the related summary statement of restated profit and loss and cash flows for the period ended 31st July, 2024, 31st March 2024, and for the year ended 31st March 2023 & 2022 (collectively referred to as the "Restated summary of financial information") have been prepared specifically for the purpose of inclusion in the offer document to be filed by the Company in connection with the proposed Initial Public Offering (hereinafter referred to as 'IPO').

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"), as applicable and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) regulations 2018, as amended (the "Regulations"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

**2 Use of Estimates:**

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, and the useful lives of Property Plant and Equipments and intangible assets.

**3 Revenue Recognition:**

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.

**Interest income** is recognized on accrual basis, adopting a time proportion method, taking into account the amount outstanding and the rate applicable. Dividend income on investments is accounted for when the right to receive the income is established. Export incentives are recognised on accrual basis to the extent the management is certain of the income.

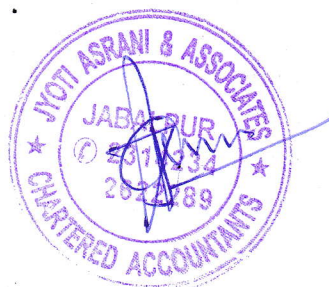
**Other Income** : Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

**4 Property, Plant and Equipment including Intangible Assets:**

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition.

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Depreciation is provided under the 'Written Down Value' method as per the useful life specified in Schedule II to the Companies Act, 2013. Residual values of assets are measured at not more than 5% of their original cost. For assets added or disposed during the year, depreciation is charged on pro-rata basis from the date of addition or till the date of disposal.



**5 Depreciation & Amortisation:**

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation based on useful life of assets. Depreciation on new assets acquired during the year is provided from the date of acquisition to the end of the financial year. In respect of the assets sold during the year, depreciation is provided from the beginning of the year till the date of its disposal.

The estimated useful lives of assets are as follows:

Useful life of Property, Plant and Equipments

Asset Classification	Rate of Depreciation	Schedule II Part 'C'	Useful Life - No of Years
Plant and Machinery	18.10%	IV(a)(i)	15 Years
Computers and Accessories	63.16%	XII(b)	3 Years
Office Equipment	45.07%	XI	5 Years
Furniture and Fittings	25.89%	V(a)	10 Years
Software	25.00%	XII	4 Years

**6 Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. Net selling price is the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal.

**7 Foreign Currency Transactions:**

**Domestic Operation:**

**I. Initial Recognition :**

A foreign currency transactions are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**II. Measurement :**

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**III. Treatment of Foreign Exchange :**

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expenses in the Statement of Profit and Loss

**8 Employee Benefits:**

**Post-Employment Benefits:**

**Defined Benefit Plan:**

**Short-term employee Benefits**

Benefits such as salaries, wages and performance incentives are charged to the statement of profit and loss at the actual amounts due in the period in which the employee renders the related service.

**Defined Contribution Plans**

Payments made to defined contribution plans such as provident and pension fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees.

**Defined Benefit Plans**

All defined benefit plans obligations are determined based on valuations, as at the Balance Sheet date, made by independent actuary using the projected unit credit method. Actuarial gains and losses are recognised immediately in the statement of profit and loss. The fair value of the plan assets is reduced from the gross obligation under the defined benefit plan, to recognise the obligation on net basis.

**Other Long-term Employee Benefits**

Other long-term employee benefits include leave encashment. Leave encashment is recognised as an expense in the statement of profit and loss as and when it accrues on actuarial basis.

**9 Taxes on Income:**

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

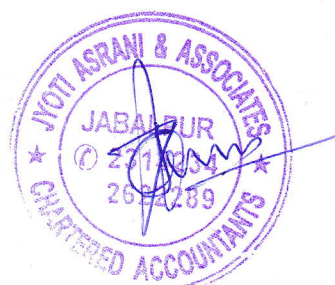
**A. Current Tax:**

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

**B. Deferred Tax:**

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.



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**10 Provisions**

A provision is recognized when there exists a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**11 Contingent liabilities:**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably, the Company does not recognize a contingent liability but discloses its existence in the financial statements.

**12 Earnings Per Share:**

In determining earnings per share, the Company considers the net profit after tax attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of equity shares outstanding during the year. The number of equity shares used in computing diluted earnings per share comprises weighted average number of equity shares considered for deriving basic earnings per share and also weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Particulars	As at July 2024-25	As at March 2023-24	As at March 2022-23	As at March 2021-22
Profit after Tax (in Lakhs)	197.26	439.32	178.78	24.59
The weighted average share outstanding the year (Nos.)	84,10,000	84,10,000	84,10,000	84,10,000
Equity Share at the end of year/period (in Nos.)	10,000	10,000	10,000	10,000
Basic & diluted earnings per share -Pre Bonus Issue (Rs.)	1,972.57	4,393.23	1,787.84	245.89
Basic & diluted earnings per share -Post Bonus Issue (Rs.)	2.35	5.22	2.13	0.29
share face value per share (Rs.)	10.00	10.00	10.00	10.00

**13 Cash and Cash Equivalents:**

Cash and cash equivalents comprise Cash-in-hand, Current Accounts, Fixed Deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Other Bank Balances are short-term balance (with original maturity is more than three months but less than twelve months).

**14 Cash Flow Statement:**

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

**15 Investments:**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as Non current 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

**ADJUSTMENTS MADE IN RESTATED FINANCIAL STATEMENTS / REGRUPING NOTES**

**ANNEXURE-5**

**Adjustments having no impact on Profit Material Regrouping**

Appropriate adjustments have been made in the restated summary statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**Reconciliation of Profit:**

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(Rs. In lakhs)				
<b>Net profit After Tax as per Audited Accounts But Before Adjustments for Restated Accounts :</b>	197.26	405.69	200.87	28.04
Provision for Gratuity recognized	-	-	(4.19)	(3.08)
Prior period exp	-	23.04	(23.04)	-
Provision for Deferred Tax	-	-	1.05	0.79
Provision for Current Tax	-	10.58	4.09	(1.17)
<b>Net adjustment in Profit and loss Account</b>	-	33.62	(22.09)	(3.45)
Adjusted Profit after Tax	197.26	439.32	178.78	24.59
<b>Net Profit after Tax as per Restated Accounts</b>	197.26	439.32	178.78	24.59

**Reconciliation of Equity:**

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(Rs. In lakhs)				
<b>Equity as per Audited Financial Statements</b>	850.58	653.32	254.58	53.72
Opening balance of adjusted network	-	(40.58)	(18.50)	-
Changes in P/L account due to adjustments	-	33.62	(22.09)	(3.45)
Opening deferred tax adjustment	-	-2.34	-	0.49
Opening provision of gratuity adjustment	-	9.30	-	(2.04)
Opening provision of taxation adjustment	-	-	-	(13.50)
<b>Net Adjustment in Equity</b>	-	-	(40.58)	(18.50)
Adjusted Equity	850.58	653.32	214.00	35.22
<b>Equity as Restated</b>	850.58	653.33	214.00	35.22



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**STATEMENT OF SHARE CAPITAL AS RESTATED**

ANNEXURE – 6

(Rs. In lakhs)				
Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Authorised Capital #</b>				
25,00,000 Equity shares of ₹10/- each (Refer Note #)	250.00	250.00	1.00	1.00
<b>Issued, Subscribed &amp; Fully Paid-up</b>				
10,000 Equity shares of ₹10/- each (Refer Note @@)	1.00	1.00	1.00	1.00
<b>Total</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>

**Note #**

Authorised capital was increased from 1,00,000 equity shares to 2,50,00,000 equity shares vide members resolution and approval on 04-03-2024.

**Note @@**

The Company has declared bonus Shares at the Members Meeting held on 13/09/2024 and allotted Bonus shares at the Board Meeting held on 17th September, 2024 at the ratio of 840 Equity shares of Rs 10/- Each for every 1 Equity shares of Rs 10/- each held, resulting in the issuance of bonus shares in the proportion of 840:1 i.e. 840 (Eight Hundred and forty) new equity shares of Rs. 10 each for every 1 (one) existing equity share of Rs. 10/- each fully paid up held by the shareholders, by capitalization of a sum of Rs.8,40,00,000/- (Rupee Eight Crores forty lakhs only) from the Reserves and Surplus based on audited Financial Statements for the period ended 31st July, 2024 of the Financial Year 2024-25.

**Reconciliation of No. of Shares Outstanding at the end of the year**

(No. of Equity Shares)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Shares outstanding at the beginning of the year	10,000	10,000	10,000	10,000
Shares issued during the year	-	-	-	-
Bonus Shares Issued during the year (# Refer note below)	-	-	-	-
<b>Share outstanding at the end of the year</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>

**# Refer Note**

The Company has declared bonus Shares at the Members Meeting held on 13/09/2024 and allotted Bonus shares at the Board Meeting held on 17th September, 2024 at the ratio of 840 Equity shares of Rs 10/- Each for every 1 Equity shares of Rs 10/- each held, resulting in the issuance of bonus shares in the proportion of 840:1 i.e. 840 (Eight Hundred and forty) new equity shares of Rs. 10 each for every 1 (one) existing equity share of Rs. 10/- each fully paid up held by the shareholders, by capitalization of a sum of Rs.8,40,00,000/- (Rupee Eight Crores forty lakhs only) from the Reserves and Surplus based on audited Financial Statements for the period ended 31st July, 2024 of the Financial Year 2024-25.

**Details of Shareholding more than 5% of the aggregate shares in the company**

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Shraddha Rajpal</b>				
No. of Shares	5,000	5,000	5,000	5,000
% Holding	50.00%	50.00%	50.00%	50.00%
<b>Nalini Rajpal</b>				
No. of Shares	2,500	3,000	5,000	5,000
% Holding	25.00%	30.00%	50.00%	50.00%
<b>Lalit Dua</b>				
No. of Shares	1,330.00	1,330.00	-	-
% Holding	13.30%	13.30%	0.00%	0.00%
<b>Shishir Rajpal</b>				
No. of Shares	650	650	-	-
% Holding	6.50%	6.50%	0.00%	0.00%



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**Details of Shareholding of Promoters**

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Shraddha Rajpal</b>				
No. of Shares	5,000	5,000	5,000	5,000
% Holding	50.00%	50.00%	50.00%	50.00%
% change during the year	0.00%	0.00%	0.00%	0.00%
<b>Nalini Rajpal</b>				
No. of Shares	2,500	3,000	5,000	5,000
% Holding	25.00%	30.00%	50.00%	50.00%
% change during the year	-16.67%	-40.00%	0.00%	0.00%

**STATEMENT OF RESERVE & SURPLUS AS RESTATED**

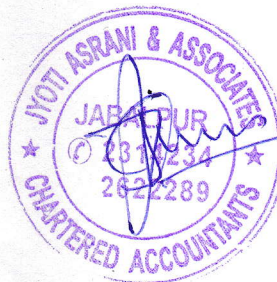
ANNEXURE – 7

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>(a) General/ Free Reserves</b>				
Opening Balance	-	-	-	-
Add: Additions during the year	840.00	-	-	-
Less: Bonus Shares issued (Refer Note below #)	-	-	-	-
<b>Closing Balance</b>	<b>840.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Statement of Profit &amp; Loss</b>				
Opening balance	652.33	213.00	34.22	24.68
Add: Profit for the year	197.26	439.32	178.78	24.59
<b>Total</b>	<b>849.58</b>	<b>652.33</b>	<b>213.00</b>	<b>49.26</b>
Add :Adjustment due to Carrying Value of Fixed Assets	-	-	-	-
Add: Gratuity provision	-	-	-	-
Add :Bonus Provision	-	-	-	-
Add : Adjustment due to Deferred tax Calculation	-	-	-	0.49
Less: Opening Tax Adjusment	-	-	-	(13.50)
Less:- Gratuity exp of previous years	-	-	-	(2.04)
Less : Transferred to General Reserves	840.00	-	-	-
<b>Balance as at the end of the year for Profit &amp; Loss</b>	<b>9.58</b>	<b>652.33</b>	<b>213.00</b>	<b>34.22</b>
<b>Total Reserve &amp; Surplus</b>	<b>849.58</b>	<b>652.33</b>	<b>213.00</b>	<b>34.22</b>

**Refer note #**

The Company has declared bonus Shares at the Members Meeting held on 13/09/2024 and allotted Bonus shares at the Board Meeting held on 17th September, 2024 at the ratio of 840 Equity shares of Rs 10/- Each for every 1 Equity shares of Rs 10/- each held, resulting in the issuance of bonus shares in the proportion of 840:1 i.e. 840 (Eight Hundred and forty) new equity shares of Rs. 10 each for every 1 (one) existing equity share of Rs. 10/- each fully paid up held by the shareholders, by capitalization of a sum of Rs.8,40,00,000/- (Rupee Eight Crores forty lakhs only) from the Reserves and Surplus based on audited Financial Statements for the period ended 31st July, 2024 of the Financial Year 2024-25.



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**STATEMENT OF LONG TERM BORROWINGS AS RESTATED**

**ANNEXURE – 8**

*(Rs. In lakhs)*

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Secured Loans from Banks/ Financial Institutions *</b>				
i. From banks	-	-	-	-
ii. From other Financial Institutions	-	-	-	-
<b>Total of Secured Loans from Banks/ Financial Institutions</b>	-	-	-	-
<b>Unsecured Loans from Related Parties</b>				
From Directors	256.78	265.03	267.23	297.47
Inter-corporate entity	88.63	43.54		
<b>Total of Unsecured Loans from Related Parties</b>	<b>345.41</b>	<b>308.57</b>	<b>267.23</b>	<b>297.47</b>
<b>Total Long Term Borrowings</b>	<b>345.41</b>	<b>308.57</b>	<b>267.23</b>	<b>297.47</b>
* Note the details of loans are attached seperately				

**STATEMENT OF LONG TERM PROVISIONS AS RESTATED**

**ANNEXURE – 9**

*(Rs. In lakhs)*

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for Gratuity	18.79	16.22	9.28	5.10
<b>Total</b>	<b>18.79</b>	<b>16.22</b>	<b>9.28</b>	<b>5.10</b>



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**STATEMENT OF SHORT TERM BORROWINGS AS RESTATED**

ANNEXURE – 10

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Secured Loans from Bank/Fls</b>				
From Banks	1,086.01	789.63	389.93	87.82
Other Financial Institutions				
<b>Total of Secured Loans from Bank/Fls</b>	<b>1,086.01</b>	<b>789.63</b>	<b>389.93</b>	<b>87.82</b>
<b>Unsecured Loans</b>				
From other Body Corporates	-	-	-	-
<b>Total of Unsecured Loans</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Short Term Borrowings</b>	<b>1,086.01</b>	<b>789.63</b>	<b>389.93</b>	<b>87.82</b>

**Notes\***

(Rs. In lakhs)

Loan from Axis bank & ICICI Bank	Rate of Interest	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023
Cash credit facility with sanctioned limit of Rs 1,170.00 Lakhs	Repo Rate+2.75%	981.21	653.95	400.10
Overdraft	7.05%+0.75% Spread	104.79	135.68	(10.17)

**#Property 1:** House No.-223 measuring to the extent of 3816 Sq.ft, Mouza Gorakhpur , NB- 605 , 0, PH No- 29 , Khasra No- 261, Dist-Jabalpur , Madhya Pradesh - 482001

**#Property 2:** Mouza Gwarighat Nb 603 measuring to the extent of 833.4 sq.ft, Ph 27 (Old45),0,Part Of Kh No. 17/1 & 25/1 Kha/4 & 25/1 Kha/5 Sahib Town Gwarighat Ward district: Jabalpur, State: Madhya Pradesh, Pincode: 482001, India

**#Property 3:** Mouza Maheshpur, Nb No 662 measuring to the extent of 1600 sq.ft, Ph No.28,Old ,0,New No 32 Part Of Plot 19/1B Serve No 30/1 Prem Nagar Post Office, Madan Mahal, District: Jabalpur, State: Madhya Pradesh, Pincode : 482001, India

**#Property 4:** Mouza Maheshpur Nb No 662 measuring to the extent of 709.60 sq.ft, Ph No 28, Rnm Jbp-1 Rajul Apartment Flat No. 401,0,C- Block 4 Th Floor, Part Of Khasra No 11, Div Plot No 07, Part Of Sheet No 2& Khasra Bno 1/7,2/6, District: Jabalpur, State: Madhya Pradesh, Pincode : 482001, India

**#Property 5:** Mouza Tilahari Ph No . 16, Ri Circle Jbp-2, Srs Habitat , Settlement 9 No 24, Part Of Plot No 17 measuring to the extent of 892.60 sq.ft, Part Of Kh No 315, Chaggar Farm , 0 , Viranganan Rani Awanti Bai Ward, District: Jabalpur, State: Madhya Pradesh, Pincode : 482001, India

**#Property 6:** Open Plot@Mouza Gwarighat Nb 603 , Sahib Town Gwarighat Ward measuring to the extent of 1666.6 sq.ft,Ph 27 (Old 45) Part Of Kh No. 17/1 & 25/1 Kha/4 & 25/1 Kha/5, District: Jabalpur, State: Madhya Pradesh, Pincode: 482001, India

**#Property 7:** Plot No-197 In Jda Scheme No.2-A, 0 measuring to the extent of 2400 Sq.ft , Gupteshwar Ward, Rnm : Jabalpur, District: Jabalpur, State: Madhya Pradesh, Pincode : 482001, India

Personal guarantee of Directors and other related parties. Overdraft account is secured against Fixed Deposit

**STATEMENT OF TRADE PAYABLES AS RESTATED**

ANNEXURE – 11

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Total Outstanding Dues of Micro, Small and Medium Enterprises	0.33	0.12	-	-
Total Outstanding Dues Other than Micro, Small and Medium Enterprises	166.94	145.32	254.54	190.61
<b>Total</b>	<b>167.27</b>	<b>145.43</b>	<b>254.54</b>	<b>190.61</b>

Note: Trade Payable Ageing schdeule



**Happy Square Outsourcing Services Limited**  
(Formerly Known as Happy Square Outsourcing Services Private Limited)  
CIN : U80904MP2017PLC043153  
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(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>For MSME Creditors</b>				
Not Due	-	-	-	-
Less Than 1 Years	0.33	0.12	-	-
1 - 2 Years	-	-	-	-
2 - 3 Years	-	-	-	-
More Than 3 Years	-	-	-	-
<b>Total</b>	<b>0.33</b>	<b>0.12</b>	<b>-</b>	<b>-</b>
<b>For Other than MSME Creditors</b>				
Not Due	-	-	-	-
Less Than 1 Years	77.38	107.28	254.54	190.61
1 - 2 Years	82.92	38.01	-	-
2 - 3 Years	6.64	0.03	-	-
More Than 3 Years	-	-	-	-
<b>Total</b>	<b>166.94</b>	<b>145.32</b>	<b>254.54</b>	<b>190.61</b>

**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:

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
(a) Dues remaining unpaid to any supplier at the end of each accounting year				
-Principal	0.33	0.12	-	-
-Interest on the above				
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-	-	-
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-	-	-

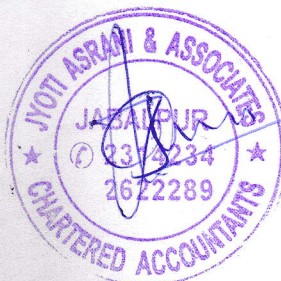
Note : Based on the information available with the Company, there are no dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

**STATEMENT OF OTHER CURRENT LIABILITIES AS RESTATED**

ANNEXURE - 12

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Salary Payable	643.96	500.54	191.65	102.58
Statutory Dues	216.94	195.38	78.80	142.18
Advance from Customers	176.51	209.47	-	-
Audit Fees Payable	1.33	1.08	0.30	-
Other Payable	16.70	18.39	26.26	5.82
<b>Total</b>	<b>1,055.45</b>	<b>924.87</b>	<b>297.00</b>	<b>250.58</b>



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**STATEMENT OF SHORT TERM PROVISION AS RESTATED**

ANNEXURE – 13

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Provision for Taxation	19.55	-	-	-
Provision for Gratuity	0.98	0.03	0.02	0.01
<b>Total</b>	<b>20.53</b>	<b>0.03</b>	<b>0.02</b>	<b>0.01</b>

**STATEMENT OF NON - CURRENT INVESTMENTS AS RESTATED**

ANNEXURE – 15

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Other Non Current Investment	2.09	1.04	-	-
<b>Total</b>	<b>2.09</b>	<b>1.04</b>	<b>-</b>	<b>-</b>

**STATEMENT OF LONG TERM LOANS & ADVANCES AS RESTATED**

ANNEXURE – 16

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Capital Advances	-	1.00	-	-
Fixed Deposit	231.91	221.67	106.98	47.31
Income Tax Refund	3.91	3.91	102.28	57.63
<b>Total</b>	<b>235.82</b>	<b>226.58</b>	<b>209.26</b>	<b>104.94</b>

**STATEMENT OF DEFERRED TAX ASSETS AS RESTATED**

ANNEXURE – 17

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
<b>Deferred Tax Assets/Liabilities Provision</b>				
On Account of Depreciation	(2.84)	(2.42)	(3.47)	(1.75)
<b>(DTA)/DTL</b>	<b>(2.84)</b>	<b>(2.42)</b>	<b>(3.47)</b>	<b>(1.75)</b>
<b>Deferred Tax Liability Provision</b>				
On Account of Provision for Gratuity	(0.89)	(4.09)	(2.34)	(1.29)
On Account of Provision for MSME	-	-	-	-
<b>Closing Balance of (DTA)/DTL</b>	<b>(3.73)</b>	<b>(6.50)</b>	<b>(5.81)</b>	<b>(3.04)</b>

**STATEMENT OF TRADE RECEIVABLES AS RESTATED**

ANNEXURE – 18

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Undisputed Trade receivables – considered good	1,105.01	1,075.46	762.20	600.66
Considered doubtful	-	-	-	-
Unbilled Revenue / Debtors	721.79	441.62	-	-
<b>Total</b>	<b>1,826.80</b>	<b>1,517.08</b>	<b>762.20</b>	<b>600.66</b>



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*Note: Trade Receivable Ageing schdeule*

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Not Due	721.79	441.62	-	-
Less Than 6 Months	965.22	919.83	454.83	579.13
6 Months - 1 Years	72.75	62.21	256.40	15.74
1 - 2 Years *	18.77	40.18	50.96	5.80
2 - 3 Years *	27.13	27.99	-	-
More Than 3 Years	21.14	25.25	-	-
<b>Total</b>	<b>1,826.80</b>	<b>1,517.08</b>	<b>762.20</b>	<b>600.66</b>

**STATEMENT OF CASH AND CASH EQUIVALENTS AS RESTATED**

ANNEXURE – 19

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Cash In Hand	14.00	8.87	7.63	1.21
Balance With Bank	19.02	12.56	15.11	48.20
<b>Bank balances other than cash and cash equivalents</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
In deposit accounts (maturity within 12 months from the reporting date)*	-	1.05	-	-
<b>Total</b>	<b>33.02</b>	<b>22.49</b>	<b>22.75</b>	<b>49.41</b>

**STATEMENT OF SHORT TERM LOANS AND ADVANCES AS RESTATED**

ANNEXURE – 20

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Loans to employees	12.28	7.22	149.73	0.93
Advance to Suppliers	20.55	-	9.69	3.30
Other Advances	855.90	584.69	95.15	3.88
<b>Total</b>	<b>888.73</b>	<b>591.91</b>	<b>254.57</b>	<b>8.11</b>

**STATEMENT OF OTHER CURRENT ASSETS AS RESTATED**

ANNEXURE – 21

(Rs. In lakhs)

Particulars	As at July 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Pre-paid Expenses	24.03	31.82	7.30	-
Security deposits	138.04	108.52	126.51	61.68
Other current assets	155.22	77.90	0.88	-
Other Deposits	13.42	26.30	-	-
<b>Total</b>	<b>330.71</b>	<b>244.54</b>	<b>134.69</b>	<b>61.68</b>



PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

ANNEXURE - 14

April 2024- 31 July 2024

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2024	Additions for the Year	Deletions for the year	July 31, 2024	April 1, 2024	Depreciation for the year	Depreciation on deletion	July 31, 2024	July 31, 2024	March 31, 2024
Computer & Accessories	11.77	1.91	-	13.68	8.40	0.93	-	9.33	4.35	3.37
Furniture & Fittings	54.33	1.75	-	56.08	29.77	2.22	-	31.99	24.09	24.55
Plant & Machinery	8.29	0.88	-	9.17	0.45	0.56	-	1.00	8.17	7.84
Office Equipments	13.95	0.72	-	14.67	7.83	0.88	-	8.71	5.96	6.12
Land	73.96	0.50	-	74.46	-	-	-	-	74.46	73.96
<b>TOTAL (A)</b>	<b>162.30</b>	<b>5.76</b>	<b>-</b>	<b>168.06</b>	<b>46.45</b>	<b>4.59</b>	<b>-</b>	<b>51.04</b>	<b>117.02</b>	<b>115.85</b>
<b>INTANGIBLE ASSETS</b>										
Software	99.99	1.10	-	101.10	1.85	8.17	-	10.02	91.07	98.14
<b>TOTAL (B)</b>	<b>99.99</b>	<b>1.10</b>	<b>-</b>	<b>101.10</b>	<b>1.85</b>	<b>8.17</b>	<b>-</b>	<b>10.02</b>	<b>91.07</b>	<b>98.14</b>
<b>GRAND TOTAL (A+B)</b>	<b>262.29</b>	<b>6.86</b>	<b>-</b>	<b>269.16</b>	<b>48.30</b>	<b>12.76</b>	<b>-</b>	<b>61.06</b>	<b>208.09</b>	<b>213.99</b>

Intangible assets under development ageing schedule

Intangible assets under development	Amount in CWIP for a period of					Rs. in 'Lakhs'
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total	
Projects in Progress	14.53	-	-	-	14.53	
Projects temporarily suspended	-	-	-	-	-	
<b>Total</b>	<b>14.53</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.53</b>	

CWIP ageing schedule

CWIP	Amount in CWIP for a period of				Rs. in 'Lakhs'
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	0.50	-	-	-	0.50
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.50</b>

FY 2023-2024

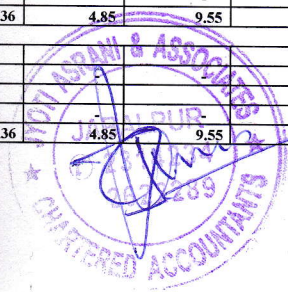
Particulars	Gross Block				Accumulated Depreciation				Net Block		₹ in 'Lakhs'
	April 1, 2023	Additions for the Year	Deletions for the year	March 31, 2024	April 1, 2023	Depreciation for the year	Depreciation on deletion	March 31, 2024	March 31, 2024	March 31, 2023	
Computer & Accessories	8.56	3.21	-	11.77	3.96	4.44	-	8.40	3.37	4.60	
Furniture & Fittings	52.64	1.69	-	54.33	21.35	8.42	-	29.77	24.55	31.29	
Plant & Machinery	-	8.29	-	8.29	-	0.45	-	0.45	7.84	-	
Office Equipments	11.56	2.39	-	13.95	4.71	3.11	-	7.83	6.12	6.84	
Land	-	73.96	-	73.96	-	-	-	-	73.96	-	
<b>TOTAL (A)</b>	<b>72.75</b>	<b>89.55</b>	<b>-</b>	<b>162.30</b>	<b>30.03</b>	<b>16.43</b>	<b>-</b>	<b>46.45</b>	<b>115.85</b>	<b>42.73</b>	
<b>INTANGIBLE ASSETS</b>											
Software	-	99.99	-	99.99	-	1.85	-	1.85	98.14	-	
<b>TOTAL (B)</b>	<b>-</b>	<b>99.99</b>	<b>-</b>	<b>99.99</b>	<b>-</b>	<b>1.85</b>	<b>-</b>	<b>1.85</b>	<b>98.14</b>	<b>-</b>	
<b>GRAND TOTAL (A+B)</b>	<b>72.75</b>	<b>189.54</b>	<b>-</b>	<b>262.29</b>	<b>30.03</b>	<b>18.28</b>	<b>-</b>	<b>48.30</b>	<b>213.99</b>	<b>42.73</b>	

FY 2022-2023

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2022	Additions for the Year	Deletions for the year	March 31, 2023	April 1, 2022	Depreciation for the year	Depreciation on deletion	March 31, 2023	March 31, 2023	March 31, 2022
Computer & Accessories	1.63	6.93	-	8.56	0.53	3.43	-	3.96	4.60	1.10
Furniture & Fittings	46.15	6.49	-	52.64	11.74	9.61	-	21.35	31.29	34.41
Plant & Machinery	-	-	-	-	-	-	-	-	-	-
Office Equipments	5.58	5.97	-	11.56	2.13	2.59	-	4.71	6.84	3.46
Land	-	-	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	<b>53.36</b>	<b>19.39</b>	<b>-</b>	<b>72.75</b>	<b>14.40</b>	<b>15.63</b>	<b>-</b>	<b>30.03</b>	<b>42.73</b>	<b>38.97</b>
<b>INTANGIBLE ASSETS</b>										
Software	-	-	-	-	-	-	-	-	-	-
<b>TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL (A+B)</b>	<b>53.36</b>	<b>19.39</b>	<b>-</b>	<b>72.75</b>	<b>14.40</b>	<b>15.63</b>	<b>-</b>	<b>30.03</b>	<b>42.73</b>	<b>38.97</b>

FY 2021-2022

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	April 1, 2021	Additions for the Year	Deletions for the year	March 31, 2022	April 1, 2021	Depreciation for the year	Depreciation on deletion	March 31, 2022	March 31, 2022	March 31, 2021
Computer & Accessories	0.38	1.25	-	1.63	0.08	0.45	-	0.53	1.10	0.30
Furniture & Fittings	26.50	19.65	-	46.15	4.13	7.61	-	11.74	34.41	22.37
Plant & Machinery	-	0.00	-	-	-	-	-	-	-	-
Office Equipments	3.16	2.42	-	5.58	0.64	1.49	-	2.13	3.46	2.52
Land	-	0.00	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	<b>30.04</b>	<b>23.32</b>	<b>-</b>	<b>53.36</b>	<b>4.85</b>	<b>9.55</b>	<b>-</b>	<b>14.40</b>	<b>38.97</b>	<b>25.19</b>
<b>INTANGIBLE ASSETS</b>										
Software	-	-	-	-	-	-	-	-	-	-
<b>TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL (A+B)</b>	<b>30.04</b>	<b>23.32</b>	<b>-</b>	<b>53.36</b>	<b>4.85</b>	<b>9.55</b>	<b>-</b>	<b>14.40</b>	<b>38.97</b>	<b>25.19</b>



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**STATEMENT OF REVENUE FROM OPERATIONS AS RESTATED**

ANNEXURE – 22

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Sale from service Activities</b>				
- Receipt from Outsourcing	3,207.29	6,760.71	5,005.69	2,646.09
- Agency Fees	85.48	168.16	123.56	76.21
- Recruitment Charges	-	-	140.15	98.10
- Consumable Items	-	-	0.52	2.60
<b>Total Sale from Service Activities</b>	<b>3,292.77</b>	<b>6,928.87</b>	<b>5,269.92</b>	<b>2,823.00</b>
<b>Total Revenue from Operations</b>	<b>3,292.77</b>	<b>6,928.87</b>	<b>5,269.92</b>	<b>2,823.00</b>

**STATEMENT OF OTHER INCOME AS RESTATED**

ANNEXURE – 23

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income	4.63	20.38	7.30	1.63
Agency Fees	3.16	4.61	2.77	-
Miscellaneous Income	0.48	0.45	0.13	-
<b>Total</b>	<b>8.27</b>	<b>25.43</b>	<b>10.20</b>	<b>1.63</b>

**STATEMENT OF COST OF SERVICES CONSUMED AS RESTATED**

ANNEXURE – 24

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Direct Expenses</b>				
-Cost of Services	2,883.88	6,113.34	4,741.08	2,664.88
<b>Total of Other Direct Expenses</b>	<b>2,883.88</b>	<b>6,113.34</b>	<b>4,741.08</b>	<b>2,664.88</b>



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**STATEMENT OF EMPLOYEES BENEFIT EXPENSES AS RESTATED**

ANNEXURE – 25

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries, Wages & Bonus	59.68	86.72	124.46	26.13
Directors Remuneration	6.25	5.00	4.51	-
Provision for Gratuity	3.53	6.94	4.19	3.08
Staff Welfare Expenses	1.97	6.27	4.92	0.37
<b>Total</b>	<b>71.43</b>	<b>104.94</b>	<b>138.08</b>	<b>29.58</b>

**STATEMENT OF FINANCE COSTS AS RESTATED**

ANNEXURE – 26

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Expenses	29.39	60.26	29.97	3.09
Bank Charges	5.38	5.42	9.62	2.26
<b>Total</b>	<b>34.77</b>	<b>65.68</b>	<b>39.59</b>	<b>5.35</b>

**STATEMENT OF DEPRECIATION & AMORTIZATION EXPENSES AS RESTATED**

ANNEXURE – 27

(Rs. In lakhs)

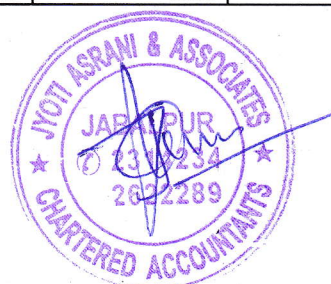
Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on Tangible Assets	4.59	16.43	15.63	9.55
Depreciation on InTangible Assets	8.17	1.85	-	-
<b>Total</b>	<b>12.76</b>	<b>18.28</b>	<b>15.63</b>	<b>9.55</b>

**STATEMENT OF OTHER EXPENSES AS RESTATED**

ANNEXURE – 28

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Audit Fee	0.25	1.20	0.60	0.20
Printing & Stationery	1.51	9.37	15.86	11.93
Professional & Consulting fee	0.23	8.04	37.62	28.47
Travelling & Conveyance Expense	0.35	2.27	3.58	2.66
Telephone & Internet Expenses	2.95	8.91	7.63	5.87
Advertisement Expenses	6.93	3.98	6.93	3.78
Repairs & Maintenance	4.12	7.32	6.06	12.59
Duties & Taxes	3.64	6.23	13.26	9.01
Insurance Expenses	4.82	8.06	3.01	0.15
Electricity Charges	0.63	5.26	5.54	0.68
Bad Debts	-	1.47	0.63	-
Subscription Fees	0.08	0.26	1.18	-
Other admin expenses	2.39	3.78	4.93	7.10
<b>Total Other Expenses</b>	<b>27.89</b>	<b>66.15</b>	<b>106.82</b>	<b>82.46</b>



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STATEMENT OF SUMMARY OF ACCOUNTING RATIOS AS RESTATED

ANNEXURE – 29

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Total Revenue from Operations (A)	3,292.77	6,928.87	5,269.92	2,823.00
Net Profit as Restated (B)	197.26	439.32	178.78	24.59
Add: Depreciation	12.76	18.28	15.63	9.55
Add: Interest on Loan	29.39	60.26	29.97	3.09
Add: Income Tax	70.27	147.30	62.90	10.20
Add: Deferred Tax	2.78	(0.69)	(2.78)	(1.97)
EBITDA (C)	312.46	664.47	284.51	45.45
EBITDA Margin (in %) (C/A)	9.49%	9.59%	5.40%	1.61%
Net Worth as Restated (D)	850.58	653.33	214.00	35.22
Average Networth €	751.95	433.66	124.61	29.43
Return on Avrage Net worth (in %) as Restated (B/D)	26.23%	101.31%	143.47%	83.56%
Equity Share at the end of year/period (in Nos.) (E)	10,000	10,000	10,000	10,000
Weighted No. of Equity Shares ( after Bonus Issue) (G)	84,10,000	84,10,000	84,10,000	84,10,000
Earnings per Equity Share as Restated (B/E) - Basic & Diluted (Pre Bonus)	1,972.57	4,393.23	1,787.84	245.89
Earnings per Equity Share (B/G) - Basic & Diluted (Post Bonus after restated period)	2.35	5.22	2.13	0.29
Net Asset Value per Equity share as Restated (D/E) (Pre-Bonus)	8,505.82	6,533.25	2,140.02	352.18
Net Asset Value per Equity share as Restated (D/F) (Post Bonus after restated period) *	10.11	7.77	2.54	0.42
Current Assets	3,079.27	2,389.95	1,174.20	719.87
Current Liabilities	2,329.25	1,859.95	941.49	529.02
Current Ratio - in times	1.32	1.28	1.25	1.36

Note:-

EBITDA Margin = EBITDA / Total Revenues from operations

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended.

Companies (Accounting Standards) Rules 2006, as amended.

Return on Net worth (%) = Restated Profit after taxation / Average Net worth x 100

Net Worth = Equity Share Capital + Reserve and Surplus (including P&L surplus) - Revaluation Reserve, If any

Net asset value/Book value per share (₹) = Net worth / No. of equity shares outstanding at the end of FY

The Company does not have any revaluation reserves or extra-ordinary items.

The figures disclosed above are based on the Restated Financial Statements of the Company

**Notes to Bonus Issue of shares:**

The Company allotted 84,00,000 bonus shares out of free reserves as on 31/07/2024. The Company has allotted bonus shares vide EGM dated 17/09/2024 in the ratio of 840 shares for every 1 share held after the financial year ended but before signing the restated financials.



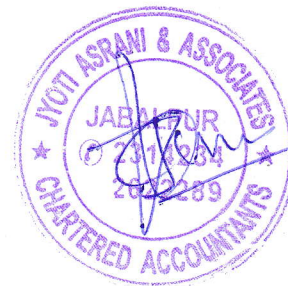
**Happy Square Outsourcing Services Limited**  
(Formerly Known as Happy Square Outsourcing Services Private Limited)  
CIN : U80904MP2017PLC043153  
240, Nagpur Road, Madan Mahal, Jabalpur, Madhya Pradesh - 482008

**STATEMENT OF TAX SHELTER, AS RESTATED**

**ANNEXURE – 30**

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	As At		
		For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit Before Tax as per books of accounts (A)</b>	<b>270.30</b>	<b>585.93</b>	<b>238.91</b>	<b>32.81</b>
-- Normal Tax rate	25.17%	25.17%	25.17%	25.17%
-- Minimum Alternative Tax rate				
<b>Permanent differences</b>				
Employee Gratuity	3.53	6.94	4.19	3.08
Statutory Bonus	-	-	-	-
DA u/s 43B	3.19	1.50	-	-
DA u/s 37	-	-	-	-
Interest provision on MSME outstanding	-	-	-	-
MSME outstanding beyond time-limit 43B	-	-	-	-
<b>Total (B)</b>	<b>6.71</b>	<b>8.44</b>	<b>4.19</b>	<b>3.08</b>
<b>Timing Differences</b>				
Depreciation as per Books of Accounts	12.76	18.28	15.63	9.55
Depreciation as per Income Tax	10.58	22.48	8.79	4.78
Difference between tax depreciation and book depreciation	2.18	(4.20)	6.84	4.76
Other adjustments	-	-	-	-
Foreign income included in the statement	-	-	-	-
<b>Total (C)</b>	<b>2.18</b>	<b>(4.20)</b>	<b>6.84</b>	<b>4.76</b>
<b>Net Adjustments (D = B+C)</b>	<b>8.89</b>	<b>4.24</b>	<b>11.03</b>	<b>7.84</b>
<b>Total Income (E = A+D)</b>	<b>279.20</b>	<b>590.18</b>	<b>249.93</b>	<b>40.65</b>
Brought forward losses set off (Depreciation)	-	-	-	-
Tax effect on the above (F)	-	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>279.20</b>	<b>590.18</b>	<b>249.93</b>	<b>40.65</b>
<b>Deduction 80JJAA</b>	<b>-</b>	<b>4.90</b>	<b>-</b>	<b>-</b>
Tax Payable for the year	70.27	147.30	62.90	10.20
<b>Tax expense recognised</b>	<b>70.27</b>	<b>147.30</b>	<b>62.90</b>	<b>10.20</b>



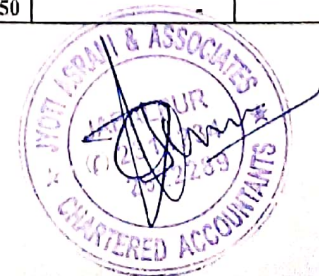
**Happy Square Outsourcing Services Limited**  
(Formerly Known as Happy Square Outsourcing Services Private Limited)  
CIN: U80904MP2017PTC043153  
240, Nagpur Road, Madan Mahal, Jabalpur, Madhya Pradesh - 482008

**STATEMENT OF RELATED PARTIES TRANSACTIONS AS RESTATED**

**ANNEXURE -31**

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per accounting standard 18 issued by Institute of Chartered Accountants of India.

Name of the key managerial personnel/Entity	Relationship			
Mrs. Nalini Rajpal	Whole Time Director			
Mrs. Shraddha Rajpal	Managing Director			
Mrs. Rani Mathya	Non Executive Director			
Mr. Shishir Rajpal	Promoter Group			
Ms. Kanchan Patel	Chief Financial Officer			
Ms. Angha Ambalkar	Company Secretary			
Ms. Talluri Jayanthi	Independent Director			
Ms. Prasanna Kumar Pavithra	Independent Director			
Ms. Gurpreet Kaur Dhanjal	Independent Director			
Whiteforce Outsourcing Services Private Limited	Group Concern			
Happiest Resume Services Private Limited	Entities in which KMP/ Relatives of KMP can exercise significant influence			
Omezyo Ecom Solution Private Limited	Entities in which KMP/ Relatives of KMP can exercise significant influence			
Transactions with Related Parties:				
	(Rs. In lakhs)			
Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Remuneration paid to Directors				
Mrs. Nalini Rajpal	3.13	2.50	2.40	-
Mrs. Shraddha Rajpal	3.13	2.50	2.11	-
Total	6.25	5.00	4.51	-
Salary				
Ms. Angha Ambalkar	1.00	-	-	-
Ms. Kanchan Patel	2.00	-	-	-
Total	3.00	-	-	-
Outstanding as on 31st				
Payable to				
Whiteforce Outsourcing Services Private Limited	88.63	43.54	-	-
Mr. Shishir Rajpal	-	0.42	-	-
Total	88.63	43.96	-	-
Receivable From				
Mr. Shishir Rajpal	1.24	-	2.51	1.90
Whiteforce Outsourcing Services Private Limited	-	-	9.69	1.41
Happiest Resume Services Private Limited	0.25	0.25	0.08	-
Total	1.49	0.25	12.28	3.31
Loans from Director				
Mrs. Nalini Rajpal	125.24	128.48	122.40	135.79
Mrs. Shraddha Rajpal	131.55	136.55	147.34	161.68
Total	256.79	265.03	269.74	297.47
Reimbursement for expenses				
Shirshir Rajpal	0.42	5.69	0.01	1.15
White-force Outsourcing services Private limited	0.35	2.77	1.28	-
Total	0.77	8.46	1.29	1.15
Loans & Advances Given				
Shirshir Rajpal	1.24	2.76	0.62	3.05
White-force Outsourcing services Private limited	-	4.50	7.00	-
Total	1.24	7.26	7.62	3.05
Loans Received by the Company				
Shirshir Rajpal	-	-	-	-
White-force Outsourcing services Private limited	45.43	60.50	-	-
Total	45.43	60.50	-	-



**STATEMENT OF PROVISION FOR GRATUITY AS RESTATED**

**ANNEXURE-32**

**Gratuity** - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

**Interest cost:** It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

**Current Service Cost:** is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

**Actuarial Gain or Loss:** occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

**(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:**

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the period ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Net Liability as at the Beginning of the Period	16.24	9.30	5.11	2.04
Net Expenses in P/L A/c	3.53	6.94	4.19	3.08
Benefits Paid	-	-	-	-
Net Liability as at the End of the Period	19.77	16.24	9.30	5.11
<b>Present Value of Gratuity Obligation (Closing)</b>	<b>19.77</b>	<b>16.24</b>	<b>9.30</b>	<b>5.11</b>

**(ii) Expenses recognised in Statement of Profit and Loss during the year:**

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the period ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Cost	0.39	0.70	0.39	0.15
Current Service Cost	1.84	5.55	3.87	2.80
Past Service Cost	-	-	-	-
Expected Return on Plan Assets	-	-	-	-
Curtailment Cost (Credit)	-	-	-	-
Settlement Cost (Credit)	-	-	-	-
Net Actuarial (gain) / loss	1.30	0.69	(0.07)	0.13
Net Expenses to be recognized in P&L	3.53	6.94	4.19	3.08
<b>Total</b>	<b>3.53</b>	<b>6.94</b>	<b>4.19</b>	<b>3.08</b>

**(iii) Changes in Benefit Obligations:**

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the period ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Defined benefit Obligation	16.24	9.30	5.11	2.04
Current Service Cost	1.84	5.55	3.87	2.80
Interest Cost for the Year	0.39	0.70	0.39	0.15
Actuarial losses (gains)	1.30	0.69	-0.07	0.13
Benefits Paid	-	-	-	-
Closing Defined Benefit Obligation	19.77	16.24	9.30	5.11
<b>Total</b>	<b>19.77</b>	<b>16.24</b>	<b>9.30</b>	<b>5.11</b>

**(iv) Actuarial assumptions:**

Particulars	For the period ended July 31, 2024	For the period ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Rate of Discounting	7.16%	7.22%	7.52%	7.56%
Salary Escalation	7%	7%	7%	7%
Attrition Rate	10%	10%	10%	10%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.



**STATEMENT OF CONTINGENT LIABILITY AS RESTATED**

**ANNEXURE-33**

**A. Contingent Liabilities**

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the period ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
GST Act, 2017	99.41	99.41	NIL	NIL
TDS Demand	0.46	0.46	NIL	NIL
Claims against the Company not Acknowledged as Debt	NIL	NIL	NIL	NIL
Other money for which the company may be contingently liable*	NIL	NIL	NIL	NIL
<b>Total</b>	<b>99.87</b>	<b>99.87</b>	<b>-</b>	<b>-</b>

**Note:**

1. Demand of Rs.9,95,266/- vide notice dated 30-09-2022 in respect of mismatch in invoice value as per GSTR 2A & the outward supply submitted for the FY2020-21, reply is submitted by the Company & awaiting for the response from the Tax Authority and there is a excess claim of ITC amounts to Rs.62,715/-.
2. Demand of Rs.88,83,342/- vide notice dated 30-09-2022 in respect of mismatch in invoice value as per GSTR 2A & the outward supply submitted for the FY2021-22, reply is submitted by the Company & awaiting for the response from the Tax Authority.
3. Traces Demand of Rs.45,840/-

**B. Commitments**

(Rs. In lakhs)

Particulars	For the period ended July 31, 2024	For the period ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil	Nil	Nil
Uncalled liability on shares and other investments partly paid	Nil	Nil	Nil	Nil
Other commitments	Nil	Nil	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**ADDITIONAL DISCLOSURES WITH RESPECT TO AMENDMENTS TO SCHEDULE III AS RESTATED**

**ANNEXURE-34**

(i) The Company have no immovable property whose title deeds are not held in the name of the company.

(ii) The Company has not revalued its Property, Plant and Equipment during the reporting years.

(iii) Loans and Advances granted to Promoters, Directors, KMP and Related Parties:

There are no Loans and Advances in the nature of loans that are granted to promoters, directors, KMP's and the related parties either severally or jointly with any other person, that are repayable on demand.

(iv) There are no proceedings initiated or pending against the Parent for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

(v) The Company has made borrowing from the banks or financial institutions on the basis of security of Book Debt, Personal guarantee of Director and other related party, Immoveable Property of Director and other related party and Overdraft account is secured against Fixed Deposit as required to be filed by the Company with any the banks or financial institutions are done periodically.

(vi) The Company is not declared as wilful defaulter by any bank or financial institution or other lender.

(vii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

(viii) The Company do not have any charge to be registered with Registrar of Companies beyond the statutory period.

(ix) The Company has no subsidiaries with one layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(x) No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(xi) Utilisation of Borrowed funds and share premium:

A. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

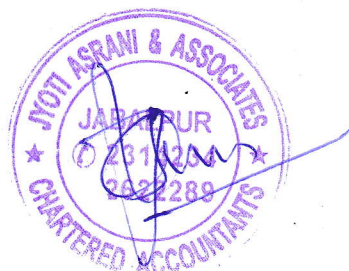
(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. 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:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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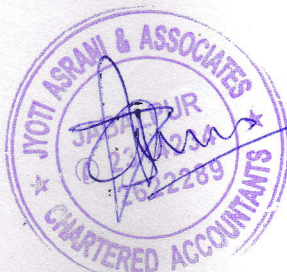
(xii) Ratios

**Statement of Other Accounting Ratios, as per Companies Act, 2013**

Particulars	For the period ended July 31, 2024	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current Ratio</b> Current Assets / Current liabilities	1.32	1.28	1.25	1.36
<b>Debt-Equity Ratio</b> Total Outside Liabilities / Total Shareholder's Equity	1.68	1.68	3.07	10.94
<b>Return on Equity Ratio</b> (Net Profit After Taxes - Preference Dividend if any) / Net Worth	0.26	1.01	1.43	0.84
<b>Inventories Turnover Ratio</b> Average Inventories/ Average Trade Receivables	NA	NA	NA	NA
<b>Trade Receivables Turnover Ratio</b> Credit Sales / Average Trade Receivables	1.97	6.08	7.73	5.50
<b>Trade Payable Ratio (in times)</b> Credit Purchase/Average Trade Payables	18.60	30.85	21.72	24.66
<b>Net Capital Turnover Ratio</b> Sales / Avg Net Assets	5.14	18.17	24.88	11.90
<b>Debt Service Coverage ratio (in times)</b> (EBITDA/(Interest + Principal))	10.63	11.03	9.49	14.71
<b>Net Profit (after tax) Ratio</b> Net Profit (after tax) / Total Sales * 100	5.99%	6.34%	3.39%	0.87%
<b>Return on Capital Employed</b> (EBIT / Capital Employed) * 100	24.67%	66.62%	56.78%	11.30%



Variance				
RATIOS	As at March 31, 2024		As at March 31, 2023	
	Variance	Reason for Variance	Variance	Reason for Variance
<b>Current Ratio</b> Current Assets / Current liabilities	3.03%	The working capital has slightly increased in line with increase in revenue and the internal accruals are reinvested for the conduct of the business thus increasing the current ratio	(8.35%)	The slight dip in current ratio is due to continuous investments in long term investments. However the variation is minimal and no stress observed to meet working capital needs
<b>Debt-Equity Ratio</b> Total Outside Liabilities / Total Shareholder's Equity	-45.26%	The leverage has improved due to less outside debt in the capital structure and better management of loans availed from the banks	(71.93%)	The leverage has improved due to less outside debt in the capital structure and better management of loans availed from the banks
<b>Return on Equity Ratio</b> (Net Profit After Taxes - Preference Dividend if any) / Net Worth	-29.39%	The ratio has decreased comparing the previous years. However the ratio is sufficient as the returns has increased with the invested capital	71.71%	The improvement in ROE is due to increase in PAT margin evidencing the optimum utilization of the funds invested
<b>Inventories Turnover Ratio</b> Average Inventories/ Average Trade Receivables	NA		NA	
<b>Trade Receivables Turnover Ratio</b> Credit Sales / Average Trade Receivables	-21.38%	Though the ratio has decreased comparing the previous year. The ratio is sufficient indicating prompt realisation of receivables	40.64%	The postive variance is due to the prompt and timely realisation of debtors comparing the early year
<b>Trade Payable Ratio (in times)</b> Credit Purchase/Average Trade Payables	42.09%	The ratio has increased due to the effective system in place to meet the timely creditor payments comparing the previous years	(11.94%)	There is a slight decrease however the company have a proper system in order to settle the trade payables
<b>Net Capital Turnover Ratio</b> Sales / Net Assets	-26.98%	The negative variance is due to investment in long term assets during the year which is part of the expansion of the business.	109.15%	The Optimum utilisation of funds in the company improved the overall ratio comparing the previous years
<b>Debt Service Coverage ratio (in times)</b> (EBITDA/(Interest + Principal))	16.16%	The DSCR is high due to less fixed portion of debt in the capital structure and increase in EBITDA	(35.47%)	Eventhough negative variance can be observed, the ratio is sufficient to meet the repayment of interest and principal
<b>Net Profit (after tax) Ratio</b> Net Profit (after tax)/ Total Sales * 100	86.89%	PAT has increased in line with the increased topline comparing the previous years with effective management of direct and indirect costs	289.49%	The profit margin has increased marginally comparing the previous years due to increased topline and effective management of available resources
<b>Return on Capital Employed</b> (EBIT / Capital Employed) * 100	17.33%	Operating margin improved due to optimum utilisation of resources during the financial year comparing the previous years	402.60%	Operating margin improved due to optimum utilisation of resources during the financial year comparing the previous years



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**STATEMENT OF CAPITALIZATION, AS RESTATED**

**ANNEXURE-35**

Particulars	Pre-Issue	Post Issue*
	July 31,2024	
<b>Debt :</b>		
Short Term Debt	1,086.01	[•]
Long Term Debt	345.41	
<b>Total Debt</b>	<b>1,431.42</b>	
<b>Shareholders Funds</b>		
Equity Share Capital	1.00	[•]
Reserves and Surplus	849.58	[•]
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>850.58</b>	[•]
<b>Long Term Debt/ Shareholders' Funds</b>	<b>0.41</b>	[•/]
<b>Total Debt / Shareholders Fund</b>	<b>1.68</b>	[•/]

\* Assuming Full Allotment of IPO shares

As per our report of even date attached  
**For JYOTI ASRANI & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No:- 010126C**  
**Peer Review Certificate No. 016774**

**For and on behalf of the Board of Directors of**  
**Happy Square Outsourcing Services Limited**  
**(formerly known as Happy Square Outsourcing Services Private Limited)**

**CA. JYOTI ASRANI**  
**Partner**  
**M. No.: 079966**  
**UDIN:25079966BMHFA7945**

**Place: Jabalpur**  
**Date: 10.01.2025**



**Poonam Rajpal**  
**Managing Director**  
**DIN: 08693498**

**Kanchan Patel**  
**Chief Financial officer**



**Deepika Ondela**  
**Whole Time Director**  
**DIN : 10885553**

**Angha Ambalkar**  
**Company Secretary cum Compliance Officer**  
**M. No. ACS 66821**

**Place: Jabalpur**  
**Date: 10.01.2025**