BHUTA SHAH & Co LLP
CHARTERED ACCOUNTANTS

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Independent Auditor's Report

To the Members of IVIS International Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of IVIS International Private Limited ("the Company"), which comprises the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the " financial statements").

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key audit Matters

Key audit matters ("KAM") are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the matter was addressed in our Audit
Valuation assessment of Intangible assets i.e. Software Refer to Note 5 to the financial Statements. The Company holds intangible assets and tests its cash generating units (CGU) for impairment at least	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence **Test of Controls:** We tested the design, implementation and operating effectiveness of key controls over the

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annually. As at 31 March, 2024 the Holding Company revalued it's intangible assets. The carrying value of intangible assets after revaluation has been increased from 3,445.45 lakhs to 3,630.10, hence net increase in carrying value of Rs. 184.66 lakhs. We focused on this area as the assessments made by management involved significant estimates and judgments, including sales growth rates, gross profit margin, net profit margin and perpetual growth rates used to estimate future cash flows and discount rates applied to these forecasted future cash flows. These estimates and judgments may be affected by unexpected changes in future market or economic conditions or discount rates applied.	assumptions and inputs used in cash flow forecasts and valuation models. **Test of Details:** • Involved independent valuation specialist to assist in evaluating the appropriateness of the valuation models used are appropriate and whether the discount rate applied in the value is appropriate; • Evaluated the appropriateness of the assumptions applied to key inputs such as discount rate, gross profit margin, net profit margin, perpetual growth rates, which included comparing these inputs with externally derived data as well as our own assessments based on our knowledge of the Company and the industry; • Performed sensitivity analysis, which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows to evaluate the impact on the valuation; • Evaluated the adequacy of the financial statement disclosures, including disclosures of key assumptions, judgements and sensitivities. We also compared historical actual results to those budgeted to assess the quality of management's forecasts.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income,), cash flows and changes in the equity of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(a) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems 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 the Management and Board of directors.

- 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

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cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

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

2. (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 purpose 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014

   c) The Balance Sheet, the statement of Profit and Loss (including other comprehensive income), the statement of Changes in Equity and the statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

   e) On the basis of the written representation received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2024, 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 with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   (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, in our opinion and to the best of our information and according to the explanations given to us:

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a) The Company has disclosed pending litigations which would impact its financial position in its financial statements -Refer note 30(a) to the financial statements.

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

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

d) i The management has asserted that the Company has engaged in financial transactions involving the advancement or loaning of funds to its Holding Company. This Holding Company, in turn, have further loaned these funds to one of its subsidiary within the group. The management has stated that the Company has:

- Loaned funds to its Holding Company and the same have been subsequently loaned to one of its subsidiary within the group which are the ultimate beneficiaries, or
- Not provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The management has represented to us that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- 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 to or on behalf of the Ultimate Beneficiaries.

iii. Based on our 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 (d) i and (d) ii above contain any material misstatement.

e) According to the information and explanations given to us and based on the records of the Company examined by us, there were no dividend declared or paid during the year by the Company.

f) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

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(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

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Atul Gala
Partner
Membership Number: 048650
UDIN: 24048650BKCNIE8042

Mumbai
08 May, 2024

Annexure "A" to the Independent Auditor's Report of even date on the financial statements of IVIS International Private Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i (a) (A) Based on the records examined by us and information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant, and Equipment.

(B) Based on the records examined by us and information and explanation given to us the Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of Property, Plant, and Equipment by which almost all property, plant, and equipment are verified during the year. In our opinion, this periodicity of physical verification 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), and hence reporting under clause 3(i)(c) of Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, as disclosed in note no 5 of the financial statements, the Company has revalued its intangible assets during the year ended 31 March, 2024. The revaluation of intangible assets done by the registered valuer and the amount of change is Rs 184.66 lakhs which is more than 10% of the aggregate value of intangible assets

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company 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 and records examined by us, the management of the Company has conducted physical verification of its inventories at regular intervals and in our opinion the coverage and procedure, of such verification by the management is appropriate. As explained to us and on the basis of records examined by us, the value of discrepancies noticed on physical verification by the management did not exceed 10% or more in aggregate of each class of inventory.

(b) Based on the records examined by us and information and explanation given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crore rupees, in aggregate, from banks on the basis of security of current assets. The quarterly Information statements filed by the company with financial institutions or banks are in agreement with the books of account of the Company, except details mentioned as follows:

Month ending	Amount as per books (Rs. in Lakhs)	Amount as reported in the stock statements (Rs. in Lakhs)	Differences
Inventory			
Jun-2023	1557.58	1544.75	12.83
Sep-2023	1150.71	1134.44	16.28
Dec-2023	1363.62	1358.48	5.14
Mar-2024	1181.24	1148.18	33.05
Total	**5253.15**	**5185.85**	**67.3**
Trade Payables			
Jun-2023	493.05	1343.14	-850.09
Sep-2023	1431.00	1424.31	6.68
Dec-2023	809.19	787.80	21.39
Mar-2024	857.07	864.04	-6.98
Total	**3590.31**	**4419.29**	**-829**
Trade Receivables			
Jun-2023	4969.68	4763.10	206.58
Sep-2023	6539.48	5694.36	845.12
Dec-2023	5570.90	6611.82	-1040.93
Mar-2024	3785.19	3981.25	-196.06
Total	**20865.25**	**21050.53**	**-185.29**

iii.

(a) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has granted loans or provided advances in the nature of loans, during the year details of which are as below:

Particulars	Loans (Rs. In lakhs)
Aggregate amount granted during the year	
- Other Companies	7,150.00
Balance outstanding as at 31 March, 2024	
- Other Companies	9,044.00

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion and according to the information and explanations given to us, the terms and conditions of the grant of all loans and advances are not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and based on the audit procedures conducted by us, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no stipulated repayment schedule of principal and payment of interest and therefore we are unable to comment on total amount overdue for more than ninety days and reasonability of the steps for recovery of principal and interest.

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(e) According to the information and explanations given to us and on the basis of our examination of our records of the Company, there is no stipulated repayment schedule of principal and payment of interest and therefore we are unable to comment whether loan granted by the Company fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loan to its related party as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	Amount (Rs. In Lakhs)
Aggregate of loan/advances in nature of loans- Repayable on demand (A) Agreement does not specify any terms or period of repayment (B)	 7,150.00
Total (A+B)	**7,150.00**
Percentage of loans/advances in nature of loans to the total loans	100%

iv According to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted. The company has not made any investments, guarantees and securities provided, as applicable.

v According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.

vi The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 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 Based on the records examined by us and according to the information and explanations given to us, in respect of statutory dues:

a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Goods and Service Tax and other statutory dues applicable to it to the appropriate authorities. However, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31 March, 2024 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, and other material statutory dues which have not been deposited on account of any dispute except as mentioned below.

Name of the statute	Nature of Dues	Amount (Rs. In lakhs)	Amount paid under protest (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Income Tax Act, 1961	TDS	0.03	-	FY 2022-23	Income Tax	Nil
Income Tax Act, 1961	TDS	7.69	-	FY 2023-24	Income Tax	Nil

viii According to information and explanations given to us and on the basis of examination of records of the Company, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.

ix (a) According to information and explanations given to us and on the basis of examination of records of the Company, the Company has not defaulted in repayment of any loans and borrowings or in the payment of interest thereon to any lender.

(b) According to information and explanations given to us and procedure performed by us, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) According to information and explanations given to us and on the basis of the examination of records of the Company, term loans obtained during the year have been applied for the purpose for which they were obtained, including loans given to the parent Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that funds raised on short term basis amounting to Rs.3,469.35 have been used for long-term purpose by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, hence reporting under clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x (a) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanation given to us, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause x(b) of paragraph 3 of the Order is not applicable to the Company.

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xi (a) Based on the audit procedures performed by us and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to information and explanations given to us there are no whistle blower complaints received by the Company during the year.

xii The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii As per information and explanations given to us and on the basis of our examination of the records of the Company, all the transaction with related parties is in compliance with section 177 and 188 of the Companies Act 2013, wherever applicable, and all the details have been disclosed in Financial Statements as required by the applicable Indian Accounting Standards.

xiv (a) In our opinion and based on our examination, the Company does not fall under the criteria prescribed under section 138 of the Companies Act 2013 for the applicability of internal audit, the same is not applicable to the Company, therefore, reporting under clause 3(xiv)(a) and 3(xiv)(b) is not applicable to the Company.

xv In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors within the meaning of section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi (a) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

xvii According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year no such cash loss has been reported.

xviii There has been no resignation of the statutory auditors of the Company during the year and accordingly clause 3 (xviii) is not applicable.

xix According to the information and explanations given to us and on the basis of the financial ratios [refer note no 29(viii)], ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

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xx Based on the examination of records of the Company and according to the information and explanation given to us by the Company, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act. Hence, reporting under clause 3(xx)(a) and clause 3(xx)(b) of the Order are not applicable for the year.

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

BHUTA SHAH & CO LLP MUMBAI FRN-101474W/ W100100 CHARTERED ACCOUNTANTS

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Atul Gala
Partner
Membership Number: 048650
UDIN: 24048650BKCNIE8042

Mumbai
08 May, 2024

Annexure "B" to the Independent Auditors' report on the financial statements

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of **IVIS International** Private Limited of even date)

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

Opinion

We have audited the internal financial controls over financial reporting of **IVIS International Private Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the company has in all material aspects, an adequate internal financial controls with reference to the financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the criteria for internal financial controls over financial reporting established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.(the "Guidance Note").

Management and Board of Directors' responsibilities for Internal Financial Controls

The Management and Board of Directors of the company are responsible for establishing and maintaining internal financial controls based on the internal financial 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 (the "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 with reference to these financials statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to these Financial Statements

A company's internal financial controls over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

BHUTA SHAH & CO LLP
MUMBAI
FRN-101474W/
W100100

Atul Gala
Partner
Membership Number: 048650
UDIN: 24048650BKCNIE8042

Mumbai
08 May, 2024

IVIS International Private Limited
Balance Sheet as at March 31, 2024
(All amounts in Indian ₹ in lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I Non-current assets			
Property, plant and equipment	3	5,726.94	5,884.75
Right of use assets	4	474.72	347.11
Capital work in progress	3	439.45	84.39
Intangible assets	5	3,630.10	2,509.44
Financial assets	6		
(i) Other financial assets		9,196.55	2,492.97
Deferred tax assets	13	-	29.96
Other non-current assets	7	-	22.46
Total non-current assets		**19,467.76**	**11,371.09**
II Current assets			
Inventories	8	1,181.24	980.12
Financial assets	6		
(i) Trade receivables		3,785.20	4,551.60
(ii) Cash and cash equivalents		110.90	584.44
(iii) Bank balances other than (ii) above		110.34	107.42
(iv) Other financial assets		726.95	272.12
Other current assets	7	273.01	1,703.01
Total current assets		**6,187.64**	**8,198.71**
Total Assets		**25,655.40**	**19,569.80**
EQUITY AND LIABILITIES			
I Equity			
Equity share capital	9	1,415.72	1,415.72
Other equity	10	12,434.96	9,507.59
Total equity		**13,850.68**	**10,923.31**
Liabilities			
II Non-current liabilities			
Financial liabilities	11		
(i) Borrowings		4,590.32	2,349.91
(ii) Lease liabilities		410.40	303.10
Provisions	12	88.49	66.10
Deferred tax liabilities (net)	13	709.70	1,379.84
Total non-current liabilities		**5,798.91**	**4,098.95**
III Current liabilities			
Financial liabilities	11		
(i) Borrowings		4,176.40	1,676.66
(ii) Lease liabilities		101.85	62.00
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises		716.32	-
(b) total outstanding dues of creditors other than micro and small enterprises		140.75	1,616.75
(iv) Other financial liabilities		547.76	197.97
Current tax liabilities	14	130.52	757.05
Provisions	12	9.60	21.89
Other current liabilities	15	182.61	215.21
Total current liabilities		**6,005.82**	**4,547.54**
Total Liabilities		**11,804.72**	**8,646.49**
Total Equity and Liabilities		**25,655.40**	**19,569.80**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Atul Gala
Partner
Membership No. 048650

For and on behalf of the Board of Directors of
IVIS International Private Limited
CIN : U74900TG2014PTC170088

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Ameeruddin Syed
Director
DIN No. 06419899

Sameer Rajkumar Lalwani
Company Secretary
Membership No: A57275

Place : Mumbai
Date : May 08, 2024

Place : Hyderabad
Date : May 08, 2024

IVIS International Private Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in Indian ₹ in lakhs, unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I	**Income**			
	Revenue from operations	16	13,237.14	11,480.49
	Other income	17	500.93	385.25
	Total income		**13,738.07**	**11,865.74**
II	**Expenses**			
	Cost of raw materials and components consumed	18	2,825.11	1,015.19
	Employee benefits expense	19	1,103.28	1,279.70
	Finance costs	20	723.37	484.93
	Depreciation and amortisation expense	21	1,906.95	1,728.59
	Other expenses	22	4,207.19	4,589.98
	Total expenses		**10,765.90**	**9,098.39**
III	**Profit before tax**		**2,972.17**	**2,767.35**
IV	**Income tax expense**	13		
	Current tax		865.27	757.05
	Deferred tax charge		(242.37)	87.53
	Excess provision of Income tax of earlier years		(2.92)	-
	Total tax expense		**619.99**	**844.59**
V	**Profit for the year**		**2,352.18**	**1,922.76**
VI	**Other comprehensive income**			
(a)	**Items that will not be reclassified to profit or loss in subsequent periods**			
	(i) Remeasurements gains/(losses) on defined benefit plans		(7.28)	12.76
	(ii) Gain / loss on Revaluation of Intangible asset		184.66	1,757.90
	(iii) Income tax effect on above		1.83	(3.21)
	(iv) Deferred tax		(46.48)	(442.46)
	(v) Reversal of Deferred Tax created in previous year on Revaluation of Intangible Asset		442.46	
	Other comprehensive income for the year		**575.19**	**1,324.98**
VII	**Total comprehensive income for the year**		**2,927.37**	**3,247.74**
VIII	**Earnings per equity share [nominal value of share ₹ 10 (Previous year ₹ 10)]**	23		
	Basic earning per share(₹)		16.61	13.58
	Diluted earning per share(₹)		16.61	13.58

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Atul Gala
Partner
Membership No. 048650

Place : Mumbai
Date : May 08, 2024

For and on behalf of the Board of Directors of
IVIS International Private Limited
CIN : U74900TG2014PTC170088

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Ameeruddin Syed
Director
DIN No. 06419899

Sameer Rajkumar Lalwani
Company Secretary
Membership No: A57275

Place : Hyderabad
Date : May 08, 2024

IVIS International Private Limited
Cashflow Statement as at March 31, 2024
(All amounts in Indian ₹ in lakhs, unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A	**Cash flows from operating activities :**		
	Profit before tax	2,972.17	2,767.34
			-
	Adjustments to reconcile profit before tax to net cash flows		-
	Depreciation and amortisation expense for PPE	1,794.74	1,670.72
	Depreciation and amortisation expense for Intangible	0.65	24.70
	Depreciation and amortisation expense for ROU	111.56	33.17
	Interest income on bank deposits and others	(491.61)	(313.99)
	Interest on Security Deposit	(2.61)	(0.96)
	Finance costs	680.17	471.04
	Gain on Lease Termination	(5.48)	-
	Interest cost on Lease Liabilities	43.20	13.89
	Provision for Defined benefit obligation	26.72	24.67
	Provision for impairment of trade receivable and other assets provided for / (wri	1.04	25.56
	Operating Profit before working capital changes	**5,130.55**	**4,716.14**
	Movement in working capital		
	(Increase)/ Decrease in inventories	(201.12)	(253.97)
	(Increase)/ Decrease in trade receivables	765.36	(1,671.53)
	(Increase)/ Decrease in non current other financial assets	(6,707.93)	(2,400.02)
	(Increase)/ Decrease in other non current assets	22.46	(22.46)
	(Increase)/ Decrease in other current assets	1,430.00	(435.50)
	Increase/ (Decrease) in trade payables	(759.68)	567.15
	(Increase)/ Decrease in current other financial assets	(454.83)	(257.40)
	Increase/ (Decrease) in other financial liability	349.78	34.62
	Increase/ (Decrease) in provisions	(11.61)	(1.28)
	Increase/ (Decrease) in Other current liability	(32.60)	(139.20)
	Increase/ (Decrease) in Current Tax Liability	(847.39)	-
	Increase/ (Decrease) in current provisions	(12.28)	(123.03)
	Cash generated from operations	**(1,329.29)**	**13.52**
	Income tax paid (net of refund)	(641.50)	(840.28)
	Net Cash flows from operating activities (A)	**(1,970.79)**	**(826.76)**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment including intangibles and capital WI	(1,991.99)	(570.96)
	Purchase of intangible assets	(936.64)	(7.16)
	Interest received on bank deposits & others	491.61	313.03
	Investment in fixed deposit matured /(made)	(2.91)	1,450.10
	Net cash used in investing activities (B)	**(2,439.93)**	**1,185.00**

BHUTA SHAH & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI FRN - 101474W/ W100100

IVIS INTERNATIONAL PVT. LTD.

IVIS International Private Limited
Cashflow Statement as at March 31, 2024
(All amounts in Indian ₹ in lakhs, unless otherwise stated)

C Cash flows from financing activities		
Proceeds from short term borrowings	28,696.59	-
Repayment of short term borrowings	(26,709.65)	-
Repayment of long term borrowings	(1,565.49)	(58.67)
Proceeds from long term borrowings	4,318.69	473.93
Proceeds from Lease liability	(122.79)	-
Interest paid on borrowings	(680.17)	(471.04)
Repayment of Lease Liabilites	-	(18.30)
Net cash used in financing activities (C)	**3,937.18**	**(74.08)**
	-	
Net Increase/ (decrease) in cash and cash equivalents(A+B+C)	**(473.54)**	**285.12**
	-	-
Cash and cash equivalents as at beginning	584.44	299.32
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents as at closing	**110.90**	**584.44**

Notes

1 The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - *Statement of Cash Flows*

2 Components of cash and cash equivalents

Cash and cash equivalents		
Balances with banks		
In current / cash credit accounts	110.90	584.43
Deposits with a original maturity of less than three months	-	-
Cash on hand	-	0.02
Cash and cash equivalents at the end of the year	**110.90**	**584.44**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Gala AL

Atul Gala
Partner
Membership No. 048650

BHUTA SHAH & CO LLP MUMBAI FRN - 101474W/ W100100 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
IVIS International Private Limited
CIN : U74900TG2014PTC170088

IVIS INTERNATIONAL PVT. LTD.

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Ameeruddin Syed
Director
DIN No. 06419899

Sameer Rajkumar Lalwani
Company Secretary
Membership No: A57275

Place : Mumbai
Date : May 08, 2024

Place : Hyderabad
Date : May 08, 2024

IVIS International Private Limited
Statement of changes in equity for the year ended March 31, 2024
(All amounts in Indian ₹ in lakhs, unless otherwise stated)

(a) **Equity share capital**

Particulars	Number	Amount
Balance as at April 01, 2022	1,41,57,219	1,415.72
Issue of equity shares	-	-
Balance as at March 31, 2023	**1,41,57,219**	**1,415.72**
Issue of equity shares	-	-
Balance as at March 31, 2024	**1,41,57,219**	**1,415.72**

(b) **Other equity**

Particulars	Securities premium account	Revaluation Reserve	Retained earnings	Total other equity
As at April 01, 2022	**2,397.53**	**-**	**3,862.32**	**6,259.85**
Profit for the year	-	-	1,922.76	**1,922.76**
Other Comprehensive income for the year	-	1,757.90	(432.92)	**1,324.98**
Total Comprehensive income for the year	-	**1,757.90**	**1,489.84**	**3,247.74**
As at March 31, 2023	**2,397.53**	**1,757.90**	**5,352.16**	**9,507.59**
Profit for the year	-	-	2,352.18	**2,352.18**
Other comprehensive income for the year	-	627.13	(51.93)	**575.19**
Total Comprehensive income for the year	-	**627.13**	**2,300.25**	**2,927.37**
As at March 31, 2024	**2,397.53**	**2,385.02**	**7,652.41**	**12,434.96**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Atul Gala
Partner
Membership No. 048650

For and on behalf of the Board of Directors of
IVIS International Private Limited
CIN : U74900TG2014PTC170088

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Ameeruddin Syed
Director
DIN No. 06419899

Sameer Rajkumar Lalwani
Company Secretary
Membership No: A57275

Place : Mumbai
Date : May 08, 2024

Place : Hyderabad
Date : May 08, 2024

IVIS International Private Limited
Notes forming part of the financial statement for the year ended March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

1 Background

IVIS International Private Limited is a Private Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is engaged in video monitoring/surveillance services and sale of monitoring/surveillance equipment.

2 Summary of Significant accounting policies

2.1 Basis of preparation of financial statements

These Standalone financial statements for the year ended 31 March 2024 are prepared in accordance with Ind AS.

Compliance with Ind AS: The financial statements have been prepared to comply, in all material aspects, with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act'), read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

Classification of assets and liabilities : All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Deferred tax assets and liabilities are classified as non-current on net basis.

Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.2 Revenue Recognition:

Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from contract with customers is is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is measured based on transaction price, which is the consideration, net of indirect taxes, discounts, rebates, credits, concessions, incentives, penalties, or other similar items.
Fixed-price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period.Revenue from fixed-price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to
recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability ("Unearned revenue") arises when there are billing in excess of revenue.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.3 Property plant and equipment

(i) **Tangible property plant and equipment:**

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.
Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets up to the date the assets are ready for use.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.
The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013.

(ii) **Depreciation/Amortisation:**

Depreciation is provided on straight-line basis for property, plant and equipment so as to expense the depreciable amount, i.e. the costless estimated residual value, over its estimated useful lives.The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

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MUMBAI
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CHARTERED ACCOUNTANTS

IVIS INTERNATIONAL PVT. LTD.

(iii) **Derecognition:**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit or loss in the year the asset is derecognised.

(iv) **Intangible Assets**

Intangible Assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.
Subsequent to initial recognition, intangible assets are accounted by the Company using revaluation model for its software used in e-surveillance business. the revaluation gain is recognised in Other comprehensive income as revaluation reserve and carrying amount adjusted to the extent. Any decrease in the carrying amount as a result of revaluation is recognised in the statement of profit or loss except to the extent of any credit balance in the revaluation surplus available with the Company in respect of that asset. Intangible assets are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

(v) **Impairment Testing of Property, Plant and Equipment, and Intangible Assets**

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

2.4 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significantjudgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2.5 Foreign currency transactions

(i) **Initial recognition**

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of transaction or at rates that closely approximate the rate at the date of the transaction.

(ii) **Measurement of monetary items denominated in foreign currency at the Balance Sheet date**

Monetary items denominated in foreign currency (other than those related to acquisition of property plant and equipment) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.
Non monetary foreign currency items are carried at cost.

BHUTA SHAH & CO LLP * MUMBAI FRN - 101474W/W100100 * CHARTERED ACCOUNTANTS

IVIS INTERNATIONAL PVT. LTD.

(iii) Treatment of exchange differences

Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of profit and loss.

The translation differences on monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of profit and loss. Non-monetary assets and liabilities are recorded at the rates prevailing on the date of the transaction.
Transactions with fixed Rupee exposure are not revalued at the balance sheet date as the Company's exposure is fixed in INR terms.

2.6 Earnings per share (EPS)

The Basic EPS is computed by dividing the net profit / (loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.
Diluted EPS is computed by dividing the net profit / (loss) as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.7 Income taxes

(i) Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if it is probable that the Company will pay normal income tax against which the MAT paid will be adjusted. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.8 Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

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CHARTERED ACCOUNTANTS

IVIS INTERNATIONAL PVT. LTD.

2.9 Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Contingent liabilities are not recognised in the financial statements and are disclosed in the notes forming part of the financial statements.

Contingent assets are neither recognized and disclosed in Financial statements.

2.10 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

On initial recognition, a financial asset is classified as – measured at:
Amortised cost; or
Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instruments which are accounted as per hedge accounting requirements discussed below.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment expenses are recognised in profit or loss. Any gain and loss on derecognition is also recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

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If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

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

Derivative financial instruments and hedge accounting
The Company enters into derivative financial instruments, primarily foreign exchange forward contracts and interest rate swaps, to manage its exposure to foreign exchange and interest rate risks. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognised at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.11 Impairment of financial assets
The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.12 Inventories
Inventories of finished goods are valued at lower of cost and estimated net realisable value after providing for obsolescence, if any. Cost of raw materials, stores and spares and other products are determined on FIFO basis.

2.13 Business Combination
Business Combination under common control are accounted under "the pooling of interest method" i.e. in accordance with Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

2.14 Use of estimates and judgments
The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, fair value of financial assets/liabilities and impairment of investments.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

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(i) **Useful lives of property, plant and equipment and intangible assets**
The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This re-assessment may result in change in depreciation and amortisation expense in future periods.

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

The Company exercises judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

(iii) **Fair value of financial assets and liabilities**
The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

(iv) **Revaluation of intangible assets**
The Company has adopted fair value model for class of intangible assets i.e. software. The model inolves the use of judgements and estimates on the life, recoverable value etc. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

2.15 Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

Ind AS 1 – Presentation of Financial Statements
The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes
The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements

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3 Property, plant and equipment

Particulars	Furniture and fittings	Office equipments	Computers	E-Surveillance equipments	Total	Capital work in progress	Grand total
Gross carrying amount							
As at 1 April 2022	91.99	38.74	258.89	10,466.74	10,856.36	124.80	10,981.16
Additions during the year			28.85	582.53	611.38	615.01	1,226.40
Disposals/adjustments					-	(655.43)	(655.43)
As at 31 March 2023	91.99	38.74	287.74	11,049.27	11,467.74	84.39	11,552.13
Additions during the year	231.06	75.63	70.98	1,259.24	1,636.91	1,618.50	3,255.41
Disposals/adjustments	-	-	-	-	-	1,263.44	1,263.44
As at 31 March 2024	323.05	114.37	358.72	12,308.51	13,104.65	439.45	13,544.10
Accumulated depreciation							
As at 01 April 2022	30.24	25.42	164.83	3,691.76	3,912.25	-	3,912.25
Depreciation charge for the year	8.71	5.29	43.07	1,613.66	1,670.73	-	1,670.73
As at 31 March 2023	38.94	30.71	207.90	5,305.42	5,582.98	-	5,582.98
Depreciation charge for the year	19.40	6.68	47.82	1,720.84	1,794.74	-	1,794.74
As at 31 March 2024	58.35	37.39	255.72	7,026.26	7,377.72	-	7,377.72
Net Carrying amounts							
As at 31 March 2023	53.05	8.03	79.84	5,743.85	5,884.75	84.39	5,969.15
As at 31 March 2024	264.70	76.97	103.00	5,282.25	5,726.94	439.45	6,166.38

Notes:

(a) Property, plant and equipment are hypothecated as security for borrowing by the company. Refer Note 11(A) for details of hypothetication.

(b) Ageing of capital work-in-progress is as below:

	As at 31 March 2024				
CWIP for a period of	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	439.45	-	-	-	**439.45**

	As at 31 March 2023				
CWIP for a period of	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	84.39	-	-	-	**84.39**

(c) There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

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4 Right of use assets and leases liabilities

(i) Right of use assets: The Company 's lease asset primarily consist of :
Leasehold building representing the properties taken on lease having lease terms between 1 to 5 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets.

(ii) The following is carrying value of right of use assets and movement thereof:

Particulars	Leasehold Building	Total
As at 1 April 2022	-	-
Additions during the year	380.28	380.28
As at 31 March 2023	**380.28**	**380.28**
Additions during the year	284.02	284.02
Disposal/adjustment during the year	(67.27)	(67.27)
As at 31 March 2024	**597.03**	**597.03**
Accumulated depreciation		
As at 1 April 2022	-	-
Depreciation for the year	33.17	33.17
As at 31 March 2023	**33.17**	**33.17**
Depreciation for the year	111.56	111.56
Disposal during the year	(22.42)	(22.42)
As at 31 Mar 2024	**122.31**	**122.31**
Carrying amounts (net)		
As at 31 March 2023	**347.11**	**347.11**
As at 31 March 2024	**474.73**	**474.72**

(iii) The movement in lease liabilities is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	365.10	-
Addition during the year	277.07	369.50
Deletion during the year	(50.33)	
Finance cost accrued during the year	43.20	13.89
Payment of lease liabilities	(122.79)	(18.30)
Balance at the end	**512.26**	**365.10**
Current maturities of lease liabilities	101.85	62.00
Non-current lease liabilities	410.40	303.10

(iv) **Amount recognised in the statement of Profit and loss during the year:**

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation charge of right of use assets	-	-
Finance cost incurred during the year	43.20	13.89
Total	**43.20**	**13.89**

(v) The Company does not face significant liquidity risk with regard to its lease liabilities as the current are sufficient to meet the obligation related to lease liabilities as and when they fall due

(vi) Non-cash investing activities during the year

	As at March 31, 2024	As at March 31, 2023
Acquisition of right of use assets	284.02	380.28
Disposal of right of use assets	(67.27)	-

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5 Intangible assets

Particulars	Software	Total intangible assets
Gross carrying amount		
As at 1 April 2022	**816.05**	**816.05**
Additions during the year	7.16	7.16
Changes in fair value	1,757.90	1,757.90
As at 31 March 2023	**2,581.11**	**2,581.11**
Additions during the year	936.65	936.65
Changes in fair value*	184.66	184.66
As at 31 March 2024	**3,702.42**	**3,702.42**
Accumulated amortisation		
As at 1 April 2022	**46.97**	**46.97**
Amortisation for the year	24.70	24.70
As at 31 March 2023	**71.67**	**71.67**
Amortisation for the year	0.65	0.65
As at 31 March 2024	**72.32**	**72.32**
Net Carrying amount		
As at 31 March 2023	**2,509.44**	**2,509.44**
As at 31 March 2024	**3,630.10**	**3,630.10**

Notes

The Company has fair valued its software as per the accounting policy choice Ind AS 38 "Intangible asset" and the fair valuation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

* The following table shows the valuation technique used in revaluation of intangible assets, as well as the significant unobservable inputs used.

Valuation Technique	Significant unobservable inputs	Inter-relationship between key observable inputs and fair value measurement
1. **Relief from Royalty Method**: A method in which the value of the asset is estimated based on the present value of royalty payments saved by owning the asset instead of taking it on lease. 2. **Greenfield Method**: The method assumes that the intangible asset to be valued is the only asset to be valued is the only asset with all other tangible or intangible assets being created, leased or acquired. The Contributory asset charge generally deducted from the cash flows.	1. Expected market growth rate (FY 2025: 44.30%, FY 2026: 35%, FY 2027: 20%, FY-2028: 15%) 2. Terminal Growth rate: 1.5% 3. Projected period covered from FY 2025 to 2028 4. Discount Rate i.e. Cost of equity as per CAPM is 20.49% 5. Threshold Royalty rate and corresponding charge for the use of the category of Intellectual property is 10%	The Estimated fair value would increase (decrease) if: 1. Expected market growth rate were higher (lower) 2. Projected periods were longer (shorter) 3. There is (increase) decrease in Discount rate 4. The Royalty rate were (lower) higher

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6 Financial Assets

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(A) Trade receivables (valued at amortised cost)				
(Unsecured)				
Trade receivables from contract with customers - considered goods - billed	-	-	3,811.79	4,577.16
	-	-	3,811.79	4,577.16
less: Impairment allowance for trade receivable - credit impaired	-	-	(26.59)	(25.56)
Total	-	-	3,785.20	4,551.60

Notes:

(a) **Trade receivables ageing schedule**

As at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	3,757.12	12.89	14.73	17.29	9.75	3,811.79
						-
Total	3,757.12	12.89	14.73	17.29	9.75	3,811.79
Less: Impairment allowance for trade receivable - significant increase in credit risk			(3.87)	(12.97)	(9.75)	(26.59)
Net Trade receivables	3,757.12	12.89	10.86	4.32	-	3,785.20

As at March 31, 2023

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	4,488.51	18.13	60.77	-	9.75	4,577.16
Total	4,488.51	18.13	60.77	-	9.75	4,577.16
Less: Impairment allowance for trade receivable - significant increase in credit risk	-	-	(15.81)	-	(9.75)	(25.56)
Net Trade receivables	4,488.51	18.13	44.96	-	-	4,551.60

(b) Trade receivables are non-interest bearing and are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

Particulars	As at March 31, 2024	As at March 31, 2023
(c) The movement in allowance for expected credit loss on credit impairment trade receivables is as follows:		
Balance as at beginning of the year	25.56	-
Addition during the year	1.03	25.56
Balance as at the end of the year	26.59	25.56

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	March 31, 2023
(B) Cash and cash equivalents				
Balances with banks				
In current account	-	-	110.57	584.43
Imprest Cash	-	-	0.33	-
Cash on hand	-	-	-	0.02
	-	-	110.90	584.44

Notes:

(a) There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(C) Other Bank balances				
Deposits with original maturity of more than three months and less than twelve months (Refer note (a) below)	110.34	-	-	107.42
	110.34	-	-	107.42

Notes:

(a) Bank balances other than cash and cash equivalents include items such as balances with banks, held as security against , guarantees, etc and bank maturity with original maturity of more than three months but less than twelve months.

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(D) Other financial assets (Unsecured, considered good unless otherwise stated)

Particulars	Non-current As at March 31, 2024	Non-current As at March 31, 2023	Current As at March 31, 2024	Current As at March 31, 2023
At amortised cost				
Security deposits	85.19	82.76	-	-
Interest accrued on bank deposits	-	-	1.24	0.97
Loan to employees	-	-	-	-
Interest accrued on inter corporate deposits	-	-	704.92	271.15
Rental deposit	67.37	40.21	20.79	-
Intercorporate deposit {refer note (a) &(b) below}	9,044.00	2,370.00	-	-
	9,196.55	**2,492.97**	**726.95**	**272.12**
	9,196.55	**2,492.97**	**726.95**	**272.12**

Note :

(a) Disclosure as required by Section 186 of the Companies Act, 2013 for Inter- corporate deposit is as below:

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Opening balance	2,370.00	-	-	-
Given during the year	7,150.00	7,675.00	-	-
Refunded during the year	(476.00)	(5,305.00)	-	-
Closing balance	**9,044.00**	**2,370.00**	-	-

(b) The Company has given following loans to a related party without specifying any period of repayment.

Amount Outstanding	9,044.00	2,370.00	-	-
Percentage to total loans	100%	100%	-	-

	Particulars	Non-current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
7	**Other assets**				
	(Unsecured considered good, unless otherwise stated)				
	Capital advances	-	-	98.12	761.92
	Advance for material and supplies considered good	-	22.46	33.61	-
	Prepaid expenses	-	-	141.28	100.81
	Balances with government authorities considered good	-	-	-	840.28
		-	**22.46**	**273.01**	**1,703.01**
8	**Inventories**				
	(Valued at lower of cost and net realisable value unless otherwise stated)				
	Raw material and components	-	-	1,152.21	972.73
	Finished goods	-	-	29.03	7.39
		-	**-**	**1,181.24**	**980.12**

Notes:
(a) Inventory has been pledged/hypothecated as security for borrowing by the company refer note 11A
(b) Inventories recognised as expense during the year ended 31 March 2024 - Rs.2,825.11 lakhs (31 March 2023 - Rs.1,015.18 lakhs) and included in cost of raw materials and components consumed.

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	Particulars	As at 31 March 2024		As at 31 March 2023	
		Number	Amount	Number	Amount
9	**Share Capital**				
	Authorised Share Capital				
	1,90,00,000 Equity shares of ₹10/- each	1,90,00,000	1,900.00	1,90,00,000	1,900.00
(i)	**Issued, subscribed and fully paid up**				
	Equity share capital				
	Equity shares of ₹10/- (31st March, 2023: ₹10/-) each with voting rights	1,41,57,219	1,415.72	1,41,57,219	1,415.72
		1,41,57,219	**1,415.72**	**1,41,57,219**	**1,415.72**
(ii)	**Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**				
	Equity shares of ₹10/- each with voting rights				
	Balance at the beginning of the year	1,41,57,219	1,415.72	1,41,57,219	1,415.72
	Balance at the end of the year	**1,41,57,219**	**1,415.72**	**1,41,57,219**	**1,415.72**

(iii) **Details of shareholders and Promoters holding more than 5% shares in the Company:**

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹10/- each with voting rights				
Magellanic Cloud Limited	1,41,57,218	99.99%	1,41,57,218	99.99%

(iv) **Terms/rights attached to equity shares**

The Company has only one class of issued equity shares capital having par value of ₹10- per share (31 March 2023 ₹ 10- per share). Each shareholder is entitled to one vote per share held. . The Company has not declared or paid any dividend during the year 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

10 (A) Other equity:

	Particulars	As at March 31, 2024	As at March 31, 2023
	Securities premium account	2,397.53	2,397.53
	Revaluation reserves	1,942.56	1,757.90
	Retained earnings	11,731.68	7,081.01
	Total other equity	**16,071.77**	**11,236.44**
(i)	**Securities premium account**		
	Opening balance	2,397.53	2,397.53
	Movement during the year	-	-
	Closing balance	**2,397.53**	**2,397.53**
(ii)	**Revaluation reserves**		
	Opening balance	1,757.90	-
	Movement during the year	184.66	1,757.90
	Closing balance	**1,942.56**	**1,757.90**
(iii)	**Retained earnings**		
	Opening balance	7,081.01	3,862.32
	Net profit for the year	4,260.14	3,651.61
	Other comprehensive income / (loss) for the year	390.53	(432.92)
	Closing balance	**11,731.68**	**7,081.01**

11 Financial liabilities

(A) Borrowings (valued at amortised cost)

	Particulars	Non Current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a)	**Term loans**				
	Bank overdraft (secured) {refer note (i) below)	-	-	1,986.94	-
	Term loans from bank (secured) {refer note (i) below)	4,590.32	2,349.91	1,684.58	1,176.66
	Term loans from others (unsecured)	-	-	504.88	500.00
		4,590.32	**2,349.91**	**4,176.40**	**1,676.66**

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Notes:

(i) **The details of repayment terms, rate of interest, and nature of securities provided in respect of secured term loans from banks are as below:**

Nature of security	Terms of repayment and rate of interest	As at March 31, 2024	As at March 31, 2023
Working Capital Term Loan	Commencement of loan is from 21 June 2020 and its maturity date is set for 07 July 2024.The loan bears interest rate of Floating - 9.25%. The lending institution for the loan is HDFC and the associated account number is 8177820.	31.01	139.64
Working Capital Term Loan	Commencement of loan is from 07 November 2019 and its maturity date is set for 07 April 2024.The loan bears interest rate of Floating - 9.54%. The lending institution for the loan is HDFC and the associated account number is 83997402.	27.90	458.81
Working Capital Term Loan	Commencement of loan is from 07 September 2020 and its maturity date is set for 07 September 2025.The loan bears interest rate of Floating - 9.54%. The lending institution for the loan is HDFC and the associated account number is 84786003.	338.37	550.64
Working Capital Term Loan	Commencement of loan is from 30 September 2022 and its maturity date is set for 07 January 2028.The loan bears interest rate of Floating - 9.54%. The lending institution for the loan is HDFC and the associated account number is 87056999.	1,959.34	2,377.48
Working Capital Term Loan	Commencement of loan is from 28 June 2023 and its maturity date is set for 07 August 2029.The loan bears interest rate of Floating - 9.54%. The lending institution for the loan is HDFC and the associated account number is 88232858.	1,088.22	-
Working Capital Term Loan	Commencement of loan is from 30 September 2023 and its maturity date is set for 07 November 2029.The loan bears interest rate of Floating - 9.70%. The lending institution for the loan is HDFC and the associated account number is 88785629.	2,390.06	-
Working Capital Term Loan	Repayment in 9 equal monthly EMI starting from 4th month onwards from the date of disbursement. Interest will be charged during initial 3 months as well. The loan bears interest rate of Floating 9.75%	440.00	
Overdraft account	HDFC BANK - 50200032135275	1,986.94	-
Total		**8,261.84**	**3,526.57**

(ii) The Company has not made any default in the repayment of loans to banks and other financial institutions including interest thereon.

(iii) The term loans have used for the purpose for which they were obtained and funds raised for a short term basis have been used for long term purposes amounting to Rs.3469.35 lakhs.

(iv) In pursuant to borrowing taken by the Company from banks on security of current assets, the group is required to submit the information periodically which includes the stock statement, book debts statement, revenue, trade receivable and trade payable etc. During the current year, in one of the submissions made, company had submitted the following financial information to banks, from whom working capital demand loan has been taken, on quarterly basis and information is not reconciled with books as follows:

Month ending	Amount as per books of account	Amount as reported in the quarterly return / statement	Difference	Reason for material discrepancies
Inventory				
Jun-2023	1,557.58	1,544.75	12.83	
Sep-2023	1,150.71	1,134.44	16.28	
Dec-2023	1,363.62	1,358.48	5.14	
Mar-2024	1,181.24	1,148.18	33.05	
Trade Payables				
Jun-2023	493.05	1,343.14	(850.09)	Information is generally submitted at the start of the month before the books are finalised therefore the information submitted to banks may not contain the closure entries
Sep-2023	1,431.00	1,424.31	6.68	
Dec-2023	809.19	787.80	21.39	
Mar-2024	857.07	864.04	(6.98)	
Trade Receivables				
Jun-2023	4,969.68	4,763.10	206.58	
Sep-2023	6,539.48	5,694.36	845.12	
Dec-2023	5,570.90	6,611.82	(1,040.93)	
Mar-2024	3,785.19	3,981.25	(196.06)	

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	Particulars	Non-current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(B)	**Lease liabilities (valued at amortised cost)**				
	Lease liabilities (refer note 4)	410.40	303.10	101.85	62.00
		410.40	**303.10**	**101.85**	**62.00**
(C)	**Trade payables (valued at amortised cost)**				
	Total outstanding dues of micro enterprises and small enterprises	-	-	716.32	
	Total outstanding dues of creditors other than micro enterprises and small enterprises	-		140.75	1,616.75
		-		**857.07**	**1,616.75**

Notes:

(i) **Trade payables Ageing Schedule**

As at March 31, 2024

Particulars	Not due	Outstanding for following periods from the due date				Total
		less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	716.32	-	-	-	716.32
Undisputed dues of creditors other than micro enterprises and small enterprises	-	140.75	-	-	-	140.75
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	-	**857.07**	-	-	-	**857.07**

As at March 31, 2023

Particulars	Not due	Outstanding for following periods from the due date				Total
		less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	-	1,615.19	1.56	-	-	1,616.75
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
Total	-	**1,615.19**	**1.56**	-	-	**1,616.75**

(ii) The trade payables are unsecured and non interest-bearing and are usually on varying trade term.

	Particulars	Non-current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(D)	**Other financial liabilities**				
	Payable to employees	-	-	131.00	88.94
	Accrued expenses	-	-	146.56	86.53
	Statutory Bonus Payable	-	-	51.30	22.50
	Others	-	-	218.90	-
		-	-	**547.76**	**197.97**
12	**Provisions**				
	Provision for employee benefits				
	Provision for Gratuity (refer note 24)	88.49	66.10	9.60	15.23
	Provision for Client Deduction	-	-	-	6.66
		88.49	**66.10**	**9.60**	**21.89**

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		As at March 31, 2023	As at March 31, 2022
13	**Income tax and deferred tax**		
	The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:		
(a)	**Income tax expense in the statement of profit and loss comprises :**		
	Current income tax charge	865.27	757.05
	Excess provision of Income tax of earlier years	(2.92)	-
	Total current income tax	**862.35**	**757.05**
	Deferred Tax charge / (credit)	(242.37)	87.53
	Income tax expense reported in the statement of profit or loss	**619.98**	**844.58**
(b)	**Other Comprehensive Income**		
	Tax expense related to items recognised in Other comprehensive income during the year:		
	Deferred tax on re-measurement loss on defined benefit plans	1.83	(3.21)
	Income tax on other item in other comprehensive income	442.46	(442.46)
	Deferred tax on Intangible Assets	(46.48)	-
	Income tax related to items recognised in Other comprehensive income during the year	**397.81**	**(445.67)**

(c) Deferred tax liabilities /assets comprises :

		Balance Sheet	
		As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (net)			
Property, plant and equipment and intangible assets		717.28	935.11
Prepaid Expenses for Processing fees		3.23	2.27
Right of Use Asset		119.48	-
On revaluation of assets		46.48	442.46
	(A)	**886.47**	**1,379.84**
Deferred tax assets (net)			
Other - Security deposits		3.56	2.47
Lease Liability		128.92	-
Right of Use		-	0.59
Provision for Bonus		12.91	-
Provision for Gratuity		24.69	20.47
Provision for ECL		6.69	6.43
	(B)	**176.78**	**29.96**
Net Deferred tax Assets/ (liabilities)	**(A-B)**	**(709.70)**	**(1,349.88)**

Contract balances

	Particulars	Non-current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(A)	Trade Receivables {refer note (a) below and note 6(A)}	-	-	3,785.20	4,551.60

Notes

(a) Trade Receivable represents the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.

(b) The company has entered into the agreements with customers for sales of goods and services. The company has identified these performance obligations and recognised the same as contract liabilities in respect of contracts, where the company has obligation to deliver the goods and perform specified services to a customer for which the company has received consideration. Contract liabilities have increased in the current year on account of increase in advance from customer pursuant to increase in business.

	Particulars	Non-current		Current	
		As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
14	**Current tax liability**				
	Current tax liabilities (net of advance tax and tax deducted at source)	-	-	130.52	757.05
		-	-	**130.52**	**757.05**
15	**Other liabilities**				
	Advances received from customers			6.98	
	Statutory dues payable {Refer Note (i) below}	-	-	175.63	215.17
	Share application money pending allotment	-	-	-	0.05
	Dividend Payable	-	-	-	-
		-	-	**182.61**	**215.21**
(i)	**Statutory dues payable**				
	Tax deducted at source	-	-	35.33	23.60
	Goods and Service tax	-	-	128.86	182.38
	Provident Fund	-	-	9.47	7.24
	Employee State Insurance	-	-	1.34	1.54
	Profession Tax	-	-	0.63	0.41
	Total			**175.63**	**215.17**

(All amounts in Indian ₹ in lakhs, unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
16	**Revenue from operations**		
	Revenue from contract with customers		
	Sale of products	3,171.82	1,139.29
	Sale of services	10,065.32	10,341.20
	Total revenue from operations	**13,237.14**	**11,480.49**
	Notes:		
(i)	**Timing of revenue recognition**		
	Goods transferred at a point in time	3,171.82	1,139.29
	Services transferred over the time	10,065.32	10,341.20
	Total revenue from operations	**13,237.14**	**11,480.49**

Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods and payment is generally due as per the terms of contract with customers.
Sales of services: The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of service based on time elapsed and acceptance of the customer.

17	**Other Income**		
	Interest income on financial assets carried at amortised cost		
	Deposit with banks	6.68	12.71
	Interest Income on security deposit	2.61	0.96
	Gain on lease termination	5.48	-
	Interest income on income tax refund	4.20	10.80
	Interest income on intercorporate deposit	481.96	301.28
	Write back of inventory	-	59.50
		500.93	**385.25**

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
18	**Cost of raw materials and components consumed**		
	Raw materials and components at the beginning of the year		
	Add: Purchases during the year	2,825.11	1,015.19
		2,825.11	**1,015.19**
19	**Employee benefits expense**		
	Salaries, wages and bonus	974.28	1,166.19
	Contribution to provident and other funds	64.23	58.81
	Net defined benefit plan expense (Gratuity, Pension and other defined benefit plan) (Refer note 24)	26.72	24.67
	Staff welfare expense	36.77	16.76
	Training expenses	1.28	13.27
		1,103.28	**1,279.70**
20	**Finance costs**		
	Interest on borrowings	672.71	460.17
	Interest expense on lease liabilities	43.20	13.89
	BG Commission	3.17	3.08
	Processing fees	3.67	7.19
	Bank charges	0.62	0.59
		723.37	**484.93**
21	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3)	1,794.74	1,670.72
	Amortisation on intangible assets (refer note 5)	0.65	24.70
	Depreciation on right-of-use assets (refer note 4)	111.56	33.17
		1,906.95	**1,728.59**

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	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
22	**Other expenses**		
	Power and fuel	38.43	18.75
	Rent	12.86	37.17
	Lease Rent	257.34	288.84
	Repairs and maintenance	468.61	471.41
	Rates and taxes	3.83	-
	Travelling and conveyance expense	74.33	64.01
	Legal and professional charges	336.54	328.41
	Insurance expense	0.78	0.68
	Advertisement and sales promotion expense	10.62	3.63
	Printing and stationery expense	1.19	4.07
	Contribution towards corporate social responsibility expense (CSR) {refer note (ii) below}	49.00	32.48
	Freight and other distribution expense	120.12	98.50
	Exchange fluctuations (net)	0.78	10.73
	Research and development expenses	4.26	3.02
	Annual maintenance charges	19.31	12.67
	Audit Fee (refer note (i) below)	4.00	4.00
	Expected Credit Loss	1.04	25.56
	Filing Fee and Stamp Duty	0.75	0.86
	Installation Expenses	78.07	-
	Field Maintenance Expenses	218.33	214.28
	Beat Marshall expenses	1,157.93	1,862.47
	Accounting Fee	-	53.43
	Penalty on GST/ROC	-	-
	Commission / Brokerage	10.00	50.00
	Bidding Expenses	0.18	0.60
	Office Maintenance	74.70	39.97
	Software Expenses	9.47	4.49
	Server Maintenance	290.94	215.29
	Internet & Telephone	899.42	664.56
	Registration & Renewals	23.19	10.28
	Interest on EPF ESI GST TDS	0.35	7.00
	Security Services	9.96	3.11
	Client Deductions	9.85	30.34
	Miscellaneous expenses	20.00	29.11
		4,206.18	**4,589.72**

Note:

(i) **Details of payments to auditors**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
As auditor:		
Statutory audit fee	3.00	3.00
Tax audit fee	1.00	1.00
Total audit fees	**4.00**	**4.00**

(ii) **Contribution towards corporate social responsibility expense (CSR)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) amount required to be spent by the company during the year,	48.31	32.02
(b) amount of expenditure incurred,	49.00	13.00
(c) amount of previous year excess spent	-	19.48
(d) Amount spent during the year on:		
i) Construction/ acquisition of assets	-	-
ii) On purposes other than above	**49.00**	**32.48**
(e) Excess spent during the year	0.69	0.46

23 **Earnings per share (EPS)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year	4,260.14	3,651.61
Weighted average number of Equity Shares (in Nos.):		
- Basic	1,41,57,219.00	1,41,57,219.00
- Diluted	1,41,57,219.00	1,41,57,219.00
Basic earnings per share in rupees (Face value ₹10 per share) (In rupees)	30.09	25.79
Diluted earnings per share in rupees (Face value ₹10 per share) (In rupees)	30.09	25.79

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24 **Disclosure of Defined benefit plans and defined contribution plan**
(A) **Defined benefit plan**
The Company operates following defined benefit obligations:
(a) **Defined benefit plan :** Please specify nature and measurement principles
The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plan:-

(i) **Net defined benefit asset/ (liability) recognised in the balance sheet**

Particulars	Gratuity Benefits	
	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	98.09	81.33
Fair value of plan assets	-	-
Net asset/(liability) recognized in consolidated balance sheet	**98.09**	**81.33**
Non-current portion term	88.49	66.10
Current portion	9.60	15.23

(ii) **Net defined benefit expense (recognised in the statement of profit and loss for the year)**

Particulars	Gratuity Benefits	
	As at March 31, 2024	As at March 31, 2023
Current service cost	20.85	19.55
Interest cost (net)	5.87	5.12
Net defined benefit expense debited to statement of profit and loss	**26.72**	**24.67**

(iii) **The reconciliation of opening and closing balances of the present value of the defined benefit obligation are as below-**

Particulars			Gratuity Benefits	
			As at March 31, 2024	As at March 31, 2023
Re-measurement of (Gain)/loss recognised in other comprehensive income arising from:				
Actuarial changes arising from changes in demographic assumptions			-	-
Actuarial changes arising from changes in financial assumptions			3.76	(1.50)
Actuarial changes arising from changes in experience adjustments			3.52	(11.25)
Closing defined benefit obligation	-	-	**7.28**	**(12.75)**

(iv) **Re-measurements Gain/ (loss) recognised in other comprehensive income (OCI):**

Particulars			Gratuity Benefits	
			As at March 31, 2024	As at March 31, 2023
Re-measurement of (Gain)/loss recognised in other comprehensive income arising from:				
Actuarial changes arising from changes in financial assumptions			3.76	(1.50)
Actuarial changes arising from changes in experience adjustments			3.52	(11.25)
Return on plan assets, excluding amount recognised in net interest expense				
Recognised in other comprehensive income	-	-	**7.28**	**(12.75)**

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(v) Principal actuarial used in recognition of Defined benefit obligation are as follows:

Particulars	Gratuity Benefits	
	As at March 31, 2024	As at March 31, 2023
Discount rate	7.24%	7.52%
Future salary increase	5.00%	5.00%
Expected return on plan assets		
Retirement age (in years)	58	58

(vi) Quantitative sensitivity analysis for significant assumptions is as shown below:

Particulars	Gratuity Benefits	
	As at March 31, 2024	As at March 31, 2023
1% increase in discount rate	113.39	71.80
1% decrease in discount rate	85.01	93.12
1% increase in salary escalation rate	101.29	93.52
1% decrease in salary escalation rate	94.24	71.09
1% increase in withdrawal rate	85.41	84.02
1% decrease in withdrawal rate	113.80	78.09
10% increase in mortality rate	98.18	81.40
10% decrease in mortality rate	98.01	81.26

(vii) Maturity profile of defined benefit obligation:

Particulars	Gratuity Benefits	
	As at March 31, 2024	As at March 31, 2023
Within 1 year	9.87	15.73
2 to 5 years	13.80	2.57
6 to 10 years	20.21	4.14
More than 11 years	319.34	255.80

(viii) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(ix) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period while holding all other assumptions constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(x) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

(xi) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(B) Defined contribution plan

Following are the contribution to Defined Contribution Plan, recognised as expense for the year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to provident and other funds	64.23	58.81
Total	**64.23**	**58.81**

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25 Related Party Disclosures
The related parties as per identified by management.

(A) Names of related parties and description of relationship:

(i) **Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:**

Entity Name	Relationship
Magellanic Cloud Limited	100% Holding company
Motivity Labs Private Limited	Fellow Subsidiary
Scandrone Private Limited	Fellow Subsidiary
Provigil Surveillance Limited	Fellow Subsidiary

(ii) **Key management personnel**

Name	Relationship
Joseph Sudheer Reddy Thumma	Director
Venkata Nagendra Murali Mohan Rachapoodi	Director

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(B) Transactions with related parties

(i) Transactions with related parties for the year ended March 31, 2024

Particulars	As at March 31, 2024	As at March 31, 2024
Sale of goods		
Provigil Surveillance Limited	2,883.50	10.67
	2,883.50	**10.67**
Remuneration		
Balakrishna Vellanki (Director)	-	24.00
Prabhakar Rao Bollina (Director)	-	9.00
	-	**33.00**
Consultancy Fee		
Murali Mohan R V N (Director)	50.00	-
	50.00	-
Purchase of property, plant and equipment		
Provigil Surveillance Limited	-	88.25
	-	**88.25**
Services rendered		
Provigil Surveillance Limited	8,153.80	9,334.79
	8,153.80	**9,334.79**
Services rendered		
Scandron Private Limited	165.25	-
	165.25	-
Interest income		
Magellanic Cloud Limited	481.96	305.10
	481.96	**305.10**
Unsecured loan given (Intercorporate Deposit)		
Magellanic Cloud Limited	6,674.00	7,675.00
	6,674.00	**7,675.00**
Unsecured loan received (ICD Repayments received)		
Magellanic Cloud Limited	476.00	5,305.00
	476.00	**5,305.00**

(C) Balances with related parties

(ii) Balances Outstanding as at March 31, 2024

Particulars	March 31, 2024	March 31, 2023
Receivables		
Provigil Surveillance Limited	2,338.02	5,997.16
Magellanic Cloud Limited	9,044.00	2,370.00
	11,382.02	**8,367.16**

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26 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company/Group's financial instruments.

Category	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	9,923.50	9,923.50	2,765.09	2,765.09
Trade receivables (current and non current)	3,785.20	3,785.20	4,551.60	4,551.60
Cash and cash equivalents	110.90	110.90	584.44	584.44
Other bank balances (current and non current)	110.34	110.34	107.42	107.42
Total	**13,929.94**	**13,929.94**	**8,008.55**	**8,008.55**
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	8,766.72	8,766.72	4,026.57	4,026.57
Lease liabilities (current and non current)	512.26	512.26	365.10	365.10
Other financial liabilities (current and non current)	547.76	547.76	197.97	197.97
Trade payables (current and non current)	857.07	857.07	1,616.75	1,616.75
Total	**10,683.81**	**10,683.81**	**6,206.39**	**6,206.39**

Management of the Company has assessed that trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) **Fair value hierarchy**

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period for identical assets or liabilities. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers among levels 1, 2 and 3 during the year

This section explains the judgement and estimates made in determining the fair value of financial assets that are:

a) Recognized and measured at Fair value

b) Measured at amortized cost and for which fair value is disclosed in financial statements

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

Particulars	Carrying value	Fair Value		
	As at March 31, 2024	Level 1	Level 2	Level 3
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	9,923.50	-	-	9,923.50
		-	-	-
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	8,766.72	-	-	8,766.72
Lease liabilities (current and non current)	512.26	-	-	512.26
Other financial liabilities (current and non current)	547.76	-	-	547.76

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

Particulars	Carrying value	Fair Value		
	As at March 31, 2023	Level 1	Level 2	Level 3
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	2,765.09	-	-	2,765.09
		-	-	-
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	4,026.57	-	-	4,026.57
Lease liabilities (current and non current)	365.10	-	-	365.10
Other financial liabilities (current and non current)	197.97	-	-	197.97

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IVIS International Private Limited
Notes forming part of the financial statement for the year ended March 31, 2024
(All amounts in Indian ₹ in lakhs, unless otherwise stated)

27 Financial risk management objectives and policies

The company being the active supplier for the automobile industry is exposed to various market risk, credit risk and liquidity risk. The company has global presence and has decentralised management structure. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. The company has set up a risk management committee (RMC) which comprise of company chief finance officer and three directors of parent company of which two are independent directors. RMC periodically reviews operating, financial and strategic risk in the business and their mitigating factors. RMC has formulated a risk management policy for the Individual company company and company as a whole, which outlines the risk management framework to help minimise the impact of uncertainty. The main objective of this policy is to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risk associated with the business. This process provides assurance that the company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risk are identified, measured and managed in accordance with company policies and company risk objective. The company's financial risk management is an integral part of how to plan and execute its business strategies. Below notes explain the sources of risks in which the company is exposed to and how it manages the risks.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans deposits, and investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024 and March 31, 2023.

(i) Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's main interest rate risk arises from long-term borrowings with variable rates. The company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the company enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2024, after taking into account the effect of interest rate swaps, the company has following fixed rate and variable rate borrowing:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	8,766.72	4,026.57
Fixed rate borrowings	-	-
Total	8,766.72	4,026.57

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2024		As at March 31, 2024	
	Gain/(loss) impact on profit before tax and equity		Gain/(loss) impact on profit before tax and equity	
	Change +1%	Change -1%	Change +1%	Change -1%
Interest rate sensitivity	87.67	(87.67)	40.27	(40.27)

(iii) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the company. The company sells its products mainly to auto makers (Original Equipment Manufacturer) whereby there is a regular negotiation / adjustment of prices on the basis of changes in commodity prices.

(b) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing through the use of short term bank deposits, short term loans, and cash credit facility etc. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

As at March 31, 2024	Less than 1 Years	1-5 Years	More than 5 Years	Total
Borrowings	4,176.40	4,590.32	-	8,766.72
Lease liabilities (undiscounted)	-	-	-	-
Trade payable	857.07	-	-	857.07
Other financial liabilities	547.76	-	-	547.76
As at March 31, 2023				
Borrowings	1,676.66	2,349.91	-	4,026.57
Lease liabilities (undiscounted)	-	-	-	-
Trade payable	1,616.75	-	-	1,616.75
Other financial liabilities	197.97	-	-	197.97

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(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions and funds with mutual fund asset management companies (AMC). The maximum amount of the credit exposure is equal to the carrying amounts of these receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(i) Trade Receivables

The company has developed guidelines for the management of credit risk from trade receivables. The company's primary customers are major automobile manufacturers with good credit ratings. All customer are subjected to credit assessments as a precautionary measure, and the adherence of all customers to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The company has deposited liquid funds at various banking institutions and mutual funds with AMC. No impairment loss is considered necessary in respect of these fixed deposits and mutual funds that are with recognised commercial banks and AMC and are not past due over past years.

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The company does not hold collateral as security. The company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

(ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the company's treasury department in accordance with the company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 is the carrying amounts. The company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the company.

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)		
Other financial assets (current and non-current)	9,923.50	2,765.09
Cash and cash equivalents	110.90	584.44
Other bank balances (current and non current)	110.34	107.42
Investments measured at fair value through profit and loss:	-	-
	10,144.74	**3,456.95**
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivables	3,785.20	4,551.60
	3,785.20	**4,551.60**
Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks		
The ageing analysis of trade receivables has been considered from the date the invoice falls due		
Particulars		
Trade Receivables		
0 to 180 days due past due date	3,757.12	4,488.51
More than 180 days past due date	28.08	63.09
Total Trade Receivables	**3,785.20**	**4,551.60**

28 Capital management

For the purposes of Company's capital management, Capital includes equity attributable to the equity holders of the parent company and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalent.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	**March 31, 2024**	**March 31, 2023**
Loan and borrowing*	8,766.72	4,026.57
Less : Cash and cash equivalent	(110.90)	(584.44)
Net debts	**8,655.82**	**3,442.13**
Equity / Net Worth	17,487.50	12,652.16
Total Capital	**17,487.50**	**12,652.16**
Capital and Net debts	**26,143.31**	**16,094.29**
Gearing Ratio (Net Debt/Capital and Net Debt)	**33.11%**	**21.39%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

* Borrowings does not includes Lease liabilities

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29 Additional information required

(i) **Details of Benami property:** No proceedings have been initiated on or are pending against any of the group companies for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) **Wilful defaulter:** Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) **Compliance with approved scheme of arrangements:** The Company has entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
Utilisation of borrowed funds: The management has asserted that the Company has engaged in financial transactions involving the advancement or loaning of funds to its Holding Company. This Holding Company, in turn, have further loaned these funds to one of its subsidiary within the group. The management has stated that the Company has:
a. Loaned funds to its Holding Company and the same have been subsequently loaned to one of its subsidiary within the group which are the ultimate beneficiaries, or
b. Not provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(iv) The Company has not received any fund from any person or entity, 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

(v) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vi) **Valuation of PP&E, intangible asset and investment property:** The Company has not revalued its property, plant and equipment (including right-of-use assets) during the current or previous year. The Company has adopted revaluation model for intangible assets

(vii) **Utilisation of borrowings availed from banks and financial institutions:** The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were was taken, including loan to the parent Company.

(viii)

Ratios	**As at 31 March 2024**	**As at 31 March 2023**	**Variance**	**% change**
Current ratio (in times) (refer (a) below) Total current assets/Total current liabilities	1.03	1.80	(0.77)	-42.85%
Debt-Equity ratio (in times) (Debt consists of borrowings and lease liabilities)/(Total Equity)	0.67	0.40	0.27	66.63%
Return on equity ratio (in %) (Profit for the year less Preference dividend (if any))/(Average total equity)	24%	30%	(0.06)	-19%
Trade receivables turnover ratio (in times) (Revenue from operations)/(Average trade receivables)	3.18	3.09	0.09	2.78%
Net capital turnover ratio (in times) (Revenue from operations)/(Average Working Capital)	6.91	3.45	3.46	100.16%
Net profit ratio (in %) (Profit for the year)/(Revenue from operations)	22%	24%	(0.02)	-6.85%
Return on capital employed (in %) (Profit before tax and finance costs)/(Capital employed = Net worth + Lease liabilities + Deferred tax liabilities)	18%	23%	(0.05)	-20.24%
Inventory turnover ratio (Cost of goods sold OR sales)/(Average Working Capital)	1225%	1346%	(1.21)	-8.98%

(a) **Reasons for movement greater than 25%**
(i) Current ratio : Reduction due to decrease in trade receviables which shows recovery of the amount for which the services have been rendered.
(ii) Debt Equity Ratio : Increased due to increase in bank borrwings along with increase in interest rate since the loans are on floating rate interest.
(iii) Net capital turnover ratio : Increased due to increase in revenue from operations.

30 Capital Commitments

Particulars	March 31, 2024	March 31, 2023
a) Contingent Liabilities		
Income Tax demands*	7.72	0.03
b) Capital and other commitments	228.90	-

* The Company expects a favourable outcome against this litigation.

31 The comparative previous year figures are reclassified or regrouped, wherever required.

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Atul Gala
Partner
Membership No. 048650

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IVIS INTERNATIONAL PVT. LTD.

For and on behalf of the Board of Directors of
IVIS International Private Limited
CIN : U74900TG2014PTC170088

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Ameeruddin Syed
Director
DIN No. 06419899

Sameer Rajkumar Lalwani
Company Secretary
Membership No: A57275

Place : Mumbai
Date : May 08, 2024

Place : Hyderabad
Date : May 08, 2024

BHUTA SHAH & Co LLP
CHARTERED ACCOUNTANTS
Head Office : 302-304, Regent Chambers, Nariman Point, Mumbai 400021.
Branch Office : Unit Nos 431/432, 3rd floor, Solitaire Corporate Park no - IV, Andheri Kurla Road, Chakala, Andheri East, Mumbai 400093.
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Independent Auditor's Report

To the Members of
Provigil Surveillance Limited

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Provigil Surveillance Limited ("the Company"), which comprises the balance sheet as at 31 March 2024, the statement of profit and loss (including other comprehensive income), statement of changes in equity and the statement of cash flows for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those SAs 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 information

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 Director's Report, but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

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

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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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in the equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

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

2. (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 purpose 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2024, 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 with reference to financial statement 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, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed pending litigations which would impact its financial position in its financial statements – Refer note 27 to the financial statements.

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

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

d) i The management has asserted that the Company has engaged in financial transactions involving the advancement or loaning of funds to its Holding Company. This Holding Company, in turn, have further loaned these funds to one of its subsidiary within the group. The management has stated that the Company has:

- Loaned funds to its Holding Company and the same have been subsequently loaned to one of its subsidiary within the group which are the ultimate beneficiaries, or

- Not provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- 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 to or on behalf of the Ultimate Beneficiaries.

BHUTA SHAH & CO LLP MUMBAI FRN-101474W/W100100 CHARTERED ACCOUNTANTS

iii. Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (d) i and (d) ii above contain any material misstatement.

e) According to the information and explanation given to us and based on the records of the Company examined by us, there were no dividend declared or paid during the year by the Company.

f) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197 (16) which are required to be commented upon by us.

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

Gala AL

Atul Gala
Partner
Membership Number: 048650
ICAI UDIN: 24048650BKCNIF6267

Mumbai
08th May, 2024

Annexure A to the Independent Auditor's Report of even date on the financial statements of Provigil Surveillance Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i (a) (A) Based on the records examined by us and information and explanation given to us, the Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant, and Equipment.

(B) Based on the records examined by us and information and explanation given to us, the Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of property, plant, and equipment by which almost all Property, Plant, and Equipment are verified during the year. In our opinion, this periodicity of physical verification 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), and hence reporting under clause 3(i)(c) of Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment and hence reporting under clause 3(i)(d) of Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii (a) The Company is in service industry and therefore does not hold any inventory. Hence reporting under clause 3(ii)(a) is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has not been sanctioned any working capital limits, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) is not applicable to the Company.

iii

(a) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has granted loans or provided advances in the nature of loans during the year details of which are as below:

Particulars	**Loans (Rs. In lakhs)**
Aggregate amount granted during the year	
- Other Companies	4,535.00
Balance outstanding as at 31 March, 2024	
- Others Companies	4,550.00

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the terms and conditions of grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no stipulated repayment schedule of principal and payment of interest and therefore we are unable to comment on total amount overdue for more than ninety days and reasonability of the steps for recovery of principal and interest.

(e) According to the information and explanations given to us and on the basis of our examination of our records of the Company, there is no stipulated repayment schedule of principal and payment of interest and therefore we are unable to comment whether loan granted by the Company fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loan to its related party as defined in clause (76) of section of the Companies Act, 2013:

	Related Parties (Rs. In Lakhs)
Aggregate of loan/advances in nature of loans- Repayable on demand (A) Agreement does not specify any terms or period of repayment (B)	4,550
Total (A+B)	
Percentage of loans/advances in nature of loans to the total loans	100%

iv According to the information and explanations given to us and based on our examination of the records, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted. The Company has not made any investments, or provided guarantees and securities, as applicable.

v According to the information and explanations given to us and based on our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable to the Company.

vi According to the information and explanations given to us and based on our examination of the records, the maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 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 In respect of statutory dues:

(a) In our opinion, the Company has been generally regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31 March, 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues which have not been deposited on account of any dispute except as mentioned below:

Name of the statute	Nature of Dues	Amount (Rs. In lakhs)	Amount paid under protest (Rs. In lakhs)	Period to which the amount relates	Forum where the dispute is pending	Remarks, if any
Service Tax (Finance Act, 1994)	Service Tax	55.74	4.11	FY 2016-17	Joint Commissioner of Central Tax & Customs	Nil
CGST Act 2017	GST	5.49	0.499	FY 2017-18	Office of Assistant Commissioner, Government of Telangana	Nil
Income Tax Act, 1961	TDS	3.00	-	FY 2022-23	Assessing Officer / National Faceless Assessment Centre	Nil
Income Tax Act, 1961	TDS	3.30	-	FY 2023-24	Assessing Officer / National Faceless Assessment Centre	Nil

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MUMBAI
FRN-101474W/W100100
CHARTERED ACCOUNTANTS

viii According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix (a) According to information and explanations given to us and on the basis of examination of records of the Company, the Company has not defaulted in repayment of any loans and borrowings or in the payment of interest thereon to any lender.

(b) According to information and explanations given to us and on the basis of examination of records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) According to information and explanations given to us and on the basis of the examination of records of the Company, term loans obtained during the year have been applied for the purpose obtained, including loans given to the parent Company.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on a short-term basis amounting to Rs. 971.44 lakhs have, prima facie, been used during the year for long-term purposes by the Company.

(e) On an overall examination of the 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 and hence reporting under clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act). The Company does not hold any investment in any associate or joint venture (as defined under the Act) during the year ended 31 March 2024 and hence reporting under clause 3(ix)(f) of the Order is not applicable.

x (a) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi (a) According to the information and explanations given to us and on the basis of our examination of records of the company, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, 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.

Ay

(c) According to information and explanations given to us and on the basis of the examination of records of the Company, there are no whistle blower complaints received by the Company during the year.

xii According to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii In our opinion, the Company is in compliance with section 177 and 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards.

xiv (a) In our opinion and based on our examination, the Company does not fall under the criteria prescribed under section 138 of the Companies Act 2013 for the applicability of internal audit, the same is not applicable to the Company, therefore, reporting under clause 3(xiv)(a) and 3(xiv))(b) is not applicable to the Company.

xv In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Hence reporting under clause 3(xv) of the order is not applicable to the Company.

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. Hence, reporting under clause 3(xvi)(a), (b), and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is nct applicable.

xix According to the information and explanations given to us and on the basis of the financial ratios (refer note 33), aging and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Hence, reporting under clause 3(xx)(a) and clause 3(xx)(b) of the Order are not applicable for the year.

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

BHUTA SHAH & Co LLP MUMBAI FRN-101474W/ W100100 CHARTERED ACCOUNTANTS

Gala AL

Atul Gala
Partner
Membership Number: 048650
ICAI UDIN: 24048650BKCNIF6267

Mumbai
08th May, 2024

Annexure "B" to the Independent Auditors' report on the financial statements

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirement's section of our report to the Members of **Provigil Surveillance Limited** of even date)

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

Opinion

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

In our opinion, and to the best of our information and according to the explanations given to us, the company has in all material respects, an adequate internal financial controls with reference to the financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the criteria for internal financial controls over financial reporting established by the Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.(the "Guidance Note").

Management's and Board of directors' responsibilities for Internal Financial Controls

The Management and Board of Directors of the company are responsible for establishing and maintaining internal financial controls based on the internal financial 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 (the "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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the company 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") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

BHUTA SHAH & CO LLP * MUMBAI FRN-101474W/ W100100 * CHARTERED ACCOUNTANTS

Gala AL

Atul Gala
Partner
Membership Number: 048650
ICAI UDIN: 24048650BKCNIF6267

Mumbai
08th May, 2024

Provigil Surveillance Limited
Balance Sheet as at March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I Non-current assets			
Property, plant and equipment	3	3,009.68	109.67
Right of use assets	4	219.11	347.11
Capital work in progress	3	139.34	64.50
Other Intangible assets	5	2.10	2.20
Financial assets	6		
(i) Other financial assets		4,591.94	2,272.69
Deferred tax assets	13	-	92.30
Total non-current assets		**7,962.17**	**2,888.47**
II Current assets			
Financial assets	6		
(i) Trade receivables		4,214.64	2,634.19
(ii) Cash and cash equivalents		336.06	3,622.52
(iii) Bank balances other than (ii) above		149.45	217.47
(iv) Other Financial Assets		561.85	34.46
Other current assets	7	598.40	43.50
Current tax assets	8	284.17	291.92
Total current assets		**6,144.57**	**6,844.06**
Total assets		**14,106.74**	**9,732.53**
EQUITY AND LIABILITIES			
I Equity			
Equity share capital	9	106.67	106.67
Other equity	10	3,562.21	2,834.80
Total equity		**3,668.88**	**2,941.47**
II Liabilities			
i Non-current liabilities			
Financial liabilities	11		
(i) Borrowings		5,597.40	2,315.13
(ii) Lease liabilities		174.67	279.37
Long term Provisions	12	54.19	42.66
Deferred tax liabilities (net)	13	185.73	-
Total non-current liabilities		**6,011.99**	**2,637.16**
ii Current liabilities			
Financial liabilities	11		
(i) Borrowings		1,006.74	313.87
(ii) Lease liabilities		79.91	85.73
(iii) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises		2,360.37	3,322.96
(b) total outstanding dues of creditors other than micro and small enterprises		735.12	11.23
(iv) Other financial liabilities		120.28	55.13
Current tax liabilities	16	74.15	251.89
Other current liabilities	15	47.54	65.75
Short term Provisions	12	1.74	47.34
Total current liabilities		**4,425.87**	**4,153.90**
Total Equity and Liabilities		**14,106.74**	**9,732.53**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Atul Gala
Partner
Membership No. 048650

Place : Mumbai
Date : May 08, 2024

BHUTA SHAH & CO LLP MUMBAI FRN - 101474W/ W100100 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Provigil Surveillance Limited
CIN : U65993TG1992PLC014157

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Murali Mohan R V N
Director
DIN No. 05129064

Place : Hyderabad
Date : May 08, 2024

PROVIGIL SURVEILLANCE LIMITED

Provigil Surveillance Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
I	**Income**			
	Revenue from operations	17	10,395.85	11,453.16
	Other income	18	562.75	61.86
	Total income		**10,958.60**	**11,515.02**
II	**Expenses**			
	Cost of raw materials and components consumed	19	2.51	10.67
	Cost of services	20	8,093.25	9,334.79
	Employee benefits expense	21	703.11	699.39
	Finance costs	22	471.22	24.98
	Depreciation and amortisation expense	23	396.96	107.36
	Other expenses	24	183.05	305.09
	Total expenses		**9,850.10**	**10,482.28**
III	**Profit before tax**		**1,108.50**	**1,032.73**
IV	**Tax expense**	13		
	Current tax		74.15	250.81
	Deferred tax charge/(credit)		279.13	(76.61)
	Short provision of Income Tax FY 2022-23		24.54	-
	Total tax expense		**377.82**	**174.21**
V	**Profit for the year**		**730.68**	**858.53**
VI	**Other comprehensive income**			
(a)	**Items that will not be reclassified to profit or loss in subsequent periods**			
	(i) Remeasurements losses on defined benefit plans		(4.37)	(0.33)
	(ii) Income tax effect on above		1.10	0.08
	Other comprehensive income for the year, net of tax		**(3.27)**	**(0.25)**
VII	**Total comprehensive income for the year, net of tax**		**727.41**	**858.28**
VIII	**Earnings per equity share [nominal value of share ₹ 1 (Previous year ₹ 1)]**	25		
	Basic earning per share(₹)		6.82	8.05
	Diluted earning per share(₹)		6.82	8.05

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Gala AL

Atul Gala
Partner
Membership No. 048650

Place : Mumbai
Date : May 08, 2024

BHUTA SHAH & CO LLP
MUMBAI
FRN - 101474W/ W100100
CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Provigil Surveillance Limited
CIN : U65993TG1992PLC014157

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Murali Mohan R V N
Director
DIN No. 05129064

Place : Hyderabad
Date : May 08, 2024

PROVIGIL SURVEILLANCE LIMITED

Provigil Surveillance Limited
Statement of Cash Flow as at March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A	**Cash flows from operating activities :**		
	Profit before tax	1,108.50	1,032.73
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expense	313.80	15.36
	Depreciation on ROU Asset	83.16	91.99
	Interest income on bank deposits and others	(542.65)	(61.21)
	Interest income on security deposits	(1.99)	
	Reversal of ECL	(2.99)	-
	Finance costs	440.13	2.32
	Interest on Lease Liabilities	31.09	22.67
	Gain/Loss on derecognition of Lease Liabilities	(5.48)	0.52
	Write Back	(6.23)	-
	Provision for Defined benefit obligation	9.01	8.10
	Net loss / (profit) on sale of property, plant and equipment	-	(0.65)
	Operating Profit before working capital changes	**1,426.34**	**1,111.83**
	Movement in working capital		
	(Increase)/ Decrease in inventories		
	(Increase)/ Decrease in trade receivables	(1,577.47)	(89.26)
	(Increase)/ Decrease in other current financial assets	(529.21)	-
	(Increase)/ Decrease in Other current assets	(574.74)	(7.19)
	(Increase)/ Decrease in other non-Current assets	-	1.80
	(Increase)/ Decrease in other non-financial assets	(2,317.25)	(1,988.08)
	Increase/ (Decrease) in trade payables	(238.70)	920.14
	Increase/ (Decrease) in other financial liabilities	65.15	22.87
	Increase/ (Decrease) in other current liabilities	(18.20)	(21.74)
	Increase/ (Decrease) in long term provisions	(47.45)	(14.30)
	Cash generated from operations	**(3,811.52)**	**(63.93)**
	Income tax paid (net of refund)	-248.84	-303.38
	Net Cash flows from operating activities (A)	**(4,060.36)**	**(367.31)**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets	(3,212.62)	(89.64)
	CWIP	(74.84)	(64.50)
	Intangible Assets	(1.09)	(2.73)
	Proceeds from sale of property, plant and equipment and intangible assets	-	88.32
	Interest received on bank deposits	544.47	61.21
	Receipts from maturity of Fixed deposits	74.25	445.62
	Net cash used in investing activities (B)	**(2,669.83)**	**438.28**
C	**Cash flows from financing activities**		
	Repayment of borrowings	(2,258.57)	-
	Proceeds from borrowings	6,233.71	2,629.00
	Finance Cost Paid	(440.13)	(2.32)
	Payment of lease liabilities	(91.29)	(86.41)
	Payment of dividend	-	(128.00)
	Net cash used in financing activities (C)	**3,443.72**	**2,412.27**
	Net Increase/ (decrease) in cash and cash equivalents(A+B+C)	**(3,286.47)**	**2,483.24**
	Cash and cash equivalents as at beginning	**3,622.52**	**1,139.29**
	Effects of exchange rate changes on cash and cash equivalents	-	-
	Cash and cash equivalents as at closing	**336.05**	**3,622.52**

BHUTA SHAH & CO LLP
CHARTERED ACCOUNTANTS
MUMBAI
FRN - 101474W/ W100100

PROVIGIL SURVEILLANCE LIMITED

Provigil Surveillance Limited
Statement of Cash Flow as at March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023

Notes

1 The above Cash flow statement has been prepared under the "Indirect Method" as set out in IND AS 7 "Statement of Cash Flows".

2 **Components of cash and cash equivalents**

Cash and cash equivalents		
Balances with banks		
In current / cash credit accounts	336.06	3,622.51
Deposits with a original maturity of less than three months	-	-
Cash on hand	-	0.01
Cash and cash equivalents at the end of the year	**336.06**	**3,622.52**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Atul Gala
Partner
Membership No. 048650

Place : Mumbai
Date : May 08, 2024

For and on behalf of the Board of Directors of
Provigil Surveillance Limited
CIN : U65993TG1992PLC014157

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Murali Mohan R V N
Director
DIN No. 05129064

Place : Hyderabad
Date : May 08, 2024

Provigil Surveillance Limited
Statement of changes in equity for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

(a) Equity share capital

Particulars	Number	Amount
Balance as at March 31, 2022	**1,07,00,000.00**	**107.00**
Issue of equity shares	-	-
Balance as at March 31, 2023	**1,07,00,000.00**	**107.00**
Issue of equity shares	-	-
Balance as at March 31, 2024	**1,07,00,000.00**	**107.00**

(b) Other equity

Particulars	Securities premium account	General Reserves	Retained Earnings	Total other equity
As at April 01, 2022	**99.00**	**17.40**	**1,988.12**	**2,104.52**
Profit for the year	-	-	858.53	858.53
Re-measurement gains / (losses) on defined benefit plans net of tax	-	-	(0.25)	(0.25)
Total Comprehensive income for the year	**-**	**-**	**858.28**	**858.28**
Dividend paid during the year	-	-	(128.00)	(128.00)
As at March 31, 2023	**99.00**	**17.40**	**2,718.39**	**2,834.79**
Profit for the year	-	-	730.68	730.68
Re-measurement gains / (losses) on defined benefit plans net of tax	-	-	(3.27)	(3.27)
Total Comprehensive income for the year	**-**	**-**	**727.41**	**727.41**
Dividend paid during the year	-	-	-	-
As at March 31, 2024	**99.00**	**17.40**	**3,445.81**	**3,562.21**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Gala

Atul Gala
Partner
Membership No. 048650

Place : Mumbai
Date : May 08, 2024

BHUTA SHAH & CO LLP MUMBAI FRN - 101474W/ W100100 CHARTERED ACCOUNTANTS

For and on behalf of the Board of Directors of
Provigil Surveillance Limited
CIN : U65993TG1992PLC014157

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Murali Mohan R V N
Director
DIN No. 05129064

Place : Hyderabad
Date : May 08, 2024

PROVIGIL SURVEILLANCE LIMITED

Provigil Surveillance Limited
Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

1 Background

Provigil Surveillance Limited ("Provigil or "the Company") is a Domestic Company domiciled in India and incorporated on 30th April 1992 under the provisions of the Companies Act, 2013. The registered office of the Company is at 3rd floor, Western Dallas center, Survey no 83/1, Raidurg village, Hyderabad. The Company is engaged in video monitoring/surveillance services and sale of monitoring/surveillance equipment.

2 Summary of Significant accounting policies

2.1 Basis of preparation of financial statements

These Standalone financial statements for the year ended 31 March 2024 are prepared in accordance with Ind AS.
Compliance with Ind AS: The financial statements have been prepared to comply, in all material aspects, with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act'), read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

Classification of assets and liabilities : All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Deferred tax assets and liabilities are classified as non-current on net basis.

Measurement of fair values
A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.2 Revenue Recognition:

Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from contract with customers is is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is measured based on transaction price, which is the consideration, net of indirect taxes, discounts, rebates, credits, concessions, incentives, penalties, or other similar items.

Fixed-price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period. Revenue from fixed-price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.
Contract liability ("Unearned revenue") arises when there are billing in excess of revenue.

Interest Income
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.3 Property plant and equipment

(i) **Tangible property plant and equipment:**
Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.
Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets up to the date the assets are ready for use.

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When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.
The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013.

(ii) **Depreciation/Amortisation:**
Depreciation is provided on straight-line basis for property, plant and equipment so as to expense the depreciable amount, i.e. the costless estimated residual value, over its estimated useful lives. The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

(iii) **Derecognition:**
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit or loss in the year the asset is derecognised.

(iv) **Intangible Assets**
Intangible Assets are stated at cost of acquisition less accumulated amortisation and impairment, if any.

Subsequent to initial recognition, intangible assets are accounted by the Company using revaluation model for its software used in e-surveillance business. the revaluation gain is recognised in Other comprehensive income as revaluation reserve and carrying amount adjusted to the extent. Any decrease in the carrying amount as a result of revaluation is recognised in the statement of profit or loss except to the extent of any credit balance in the revaluation surplus available with the Company in respect of that asset. Intangible assets are amortised on a straight line basis so as to reflect the pattern in which the asset's economic benefits are consumed.

(v) **Impairment Testing of Property, Plant and Equipment, and Intangible Assets**
The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

2.4 Leases
The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

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The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2.5 Foreign currency transactions

(i) **Initial recognition**

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of transaction or at rates that closely approximate the rate at the date of the transaction.

(ii) **Measurement of monetary items denominated in foreign currency at the Balance Sheet date**

Monetary items denominated in foreign currency (other than those related to acquisition of property plant and equipment) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.
Non monetary foreign currency items are carried at cost.

(iii) **Treatment of exchange differences**

Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of profit and loss.

The translation differences on monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of profit and loss. Non-monetary assets and liabilities are recorded at the rates prevailing on the date of the transaction.
Transactions with fixed Rupee exposure are not revalued at the balance sheet date as the Company's exposure is fixed in INR terms.

2.6 Earnings per share (EPS)

The Basic EPS is computed by dividing the net profit / (loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.
Diluted EPS is computed by dividing the net profit / (loss) as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.7 Income taxes

(i) **Current tax**

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) **Deferred tax**

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if it is probable that the Company will pay normal income tax against which the MAT paid will be adjusted. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iii) **Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

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2.8 Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

2.9 Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Contingent liabilities are not recognised in the financial statements and are disclosed in the notes forming part of the financial statements.
Contingent assets are neither recognized and disclosed in Financial statements.

2.10 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

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

Amortised cost; or
Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instruments which are accounted as per hedge accounting requirements discussed below.
Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment expenses are recognised in profit or loss. Any gain and loss on derecognition is also recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

Offsetting

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

Derivative financial instruments and hedge accounting

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts and interest rate swaps, to manage its exposure to foreign exchange and interest rate risks. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognised at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.11 Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.12 Business Combination

Business Combination under common control are accounted under "the pooling of interest method" i.e. in accordance with Appendix C in Ind AS 103 - Business combinations, at carrying amount of assets and liabilities acquired and any excess of consideration issued over the net assets acquired is recognised as capital reserve on common control business combination.

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2.13 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, fair value of financial assets/liabilities and impairment of investments.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) **Useful lives of property, plant and equipment and intangible assets**
The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This re-assessment may result in change in depreciation and amortisation expense in future periods.

(ii) **Revenue Recognition**
The Company applies the percentage of completion method in accounting for its fixed price development contracts. Use of the percentage of completion method requires the Company to estimate the efforts or costs expended to date (input method) as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.
The Company exercises judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

(iii) **Fair value of financial assets and liabilities**
The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

(iv) **Revaluation of intangible assets**
The Company has adopted fair value model for class of intangible assets i.e. software. The model involves the use of judgements and estimates on the life, recoverable value etc. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

2.14 Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1st, 2023, as below:

Ind AS 1 – Presentation of Financial Statements
The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes
The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

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Provigil Surveillance Limited
Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

3 **Property, plant and equipment**

Particulars	Furniture and fittings	Office equipment	Computers	Surveillance Equipment	Total	Capital work in progress	Grand total
Gross carrying amount							
As at April 1, 2022	**97.02**	**43.51**	**64.72**	**149.70**	**354.94**	**-**	**354.94**
Additions during the year	-	-	-	89.64	89.64	64.50	154.14
Deletion during the year	-	(43.51)	(64.72)	(88.25)	(196.48)	-	(196.48)
As at March 31, 2023	**97.02**	**-**	**-**	**151.09**	**248.10**	**64.50**	**312.60**
Additions during the year	-	-	-	3,212.62	3,212.62	3,141.02	6,353.64
Deletion during the year	-	-	-	-	-	(3,066.18)	(3,066.18)
As at Mar 31, 2024	**97.02**	**-**	**-**	**3,363.70**	**3,460.72**	**139.34**	**3,600.06**
Accumulated depreciation							
As at April 1, 2022	**82.35**	**43.46**	**64.64**	**41.97**	**232.42**	**-**	**232.42**
Depreciation charge for the year	(3.65)	0.02	0.05	18.41	14.83	-	14.83
Disposals/adjustments	-	(43.48)	(64.68)	(0.65)	(108.81)	-	(108.81)
As at March 31, 2023	**78.70**	**-**	**-**	**59.73**	**138.43**	**-**	**138.43**
Depreciation charge for the year	9.24	-	-	303.38	312.61	-	312.61
Disposals/adjustments	-	-	-	-	-	-	-
As at Mar 31, 2024	**87.94**	**-**	**-**	**363.10**	**451.04**	**-**	**451.04**
Net Carrying amounts							
As at March 31, 2023	**18.31**	**-**	**-**	**91.36**	**109.67**	**64.50**	**174.17**
As at March 31, 2024	**9.08**	**-**	**-**	**3,000.60**	**3,009.68**	**139.34**	**3,149.02**

Notes:

(a) **Ageing of capital work-in-progress is as below:**

As at March 31, 2024

Particulars	Amounts in capital work in progress for				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	139.34	-	-	-	**139.34**
Total	**139.34**	-	-	-	**139.34**

As at March 31, 2023

Particulars	Amounts in capital work in progress for				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	64.50	-	-	-	**64.50**
Total	**64.50**	-	-	-	**64.50**

(b) There is no capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan at the end of current year and previous year.

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Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in INR Lakhs, unless otherwise stated)

4 Right of use assets and leases liabilities

(i) **Right of use assets**: The Company's lease asset primarily consist of :
(a) Leasehold building representing the properties taken on lease having lease terms between 36 to 60 months.
The Company's obligations under its leases are secured/unsecured by the lessor's title to the leased assets.

(ii) The following is carrying value of right of use assets and movement thereof:

Particulars	Leasehold Building	Leasehold Plant and equipments	Total
As at April 1, 2022	-	**177.63**	**177.63**
Additions during the year	380.28	-	380.28
Disposal/adjustment during the year	-	(177.63)	-177.63
As at March 31, 2023	**380.28**	-	**380.28**
Additions during the year	-	-	-
Disposal/adjustment during the year	(67.27)		(67.27)
As at Mar 31, 2024	**313.01**	-	**313.01**
Accumulated depreciation			
As at April 1, 2022	-	**49.29**	**1.20**
Depreciation for the year	33.17	58.82	91.99
Disposal during the year		(108.11)	(60.02)
As at March 31, 2023	**33.17**	-	**33.17**
Depreciation for the year	83.16	-	83.16
Deductions/ Adjustments (net)	(22.42)	-	(22.42)
As at March 31, 2024	**93.90**	-	**93.90**
Net Carrying amounts			
As at March 31, 2023	**347.11**	-	**347.11**
As at March 31, 2024	**219.11**	-	**219.11**

(iii) The movement in lease liabilities is as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	**365.10**	**123.08**
Addition during the year	-	369.50
Deletion during the year	(50.33)	(63.74)
Finance cost accrued during the year	31.09	22.67
Payment of lease liabilities	(91.29)	(86.41)
Balance at the end	**254.58**	**365.10**
Current maturities of lease liabilities	79.91	85.73
Non-current lease liabilities	174.67	279.37

(iv) Amount recognised in the statement of Profit and loss during the year:

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation charge of right of use assets	83.16	91.99
Finance cost incurred during the year	31.09	22.67
Total	**114.25**	**114.66**

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(v) The Company does not face significant liquidity risk with regard to its lease liabilities as the current are sufficient to meet the obligation related to lease liabilities as and when they fall due

(vi) Non-cash investing activities during the year

Particulars	As at March 31, 2024	As at March 31, 2023
Acquisition of right of use assets	-	380.28
Disposal of right of use assets	(67.27)	(177.63)

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5 Other Intangible assets

Particulars	Computer Software	Total intangible assets
Gross carrying amount		
As at April 1, 2022	**7.83**	**7.83**
Additions during the year	2.73	2.73
Disposals/adjustments	(7.83)	(7.83)
As at March 31, 2023	**2.73**	**2.73**
Additions during the year	1.09	1.09
Disposals/adjustments	-	-
As at March 31, 2024	**3.82**	**3.82**
Accumulated depreciation		
As at April 1, 2022	**7.83**	**7.83**
Amortisation for the year	0.53	0.53
Disposals/adjustments	(7.83)	(7.83)
As at March 31, 2023	**0.53**	**0.53**
Amortisation for the year	1.19	1.19
Disposals/adjustments	-	-
As at March 31, 2024	**1.72**	**1.72**
Net Carrying amounts		
As at March 31, 2023	**2.20**	**2.20**
As at March 31, 2024	**2.10**	**2.10**

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6 Financial Assets

Particulars	Non-current As at March 31, 2024	Non-current As at March 31, 2023	Current As at March 31, 2024	Current As at March 31, 2023
(A) Trade receivables (valued at amortised cost)				
(Unsecured)				
Trade receivables from contract with customers - considered goods - billed	-	-	4,228.14	2,650.68
	-	-	4,228.14	2,650.68
less: Impairment allowance for trade receivable - credit impaired			(13.50)	(16.49)
Total	-	-	4,214.64	2,634.19

Notes:

(a) Trade receivables Ageing Schedule

As at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables –considered good	4,149.73	20.01	50.34	1.34	6.71	4,228.14
Total	4,149.73	20.01	50.34	1.34	6.71	4,228.14
Less: Impairment allowance for trade receivable - credit impared			(5.89)	(0.90)	(6.71)	(13.50)
Net Trade receivables	4,149.73	20.01	44.45	0.44	-	4,214.64

As at March 31, 2023

Particulars	Outstanding for following periods from the due date of payment: Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables –considered good	2,105.58	507.56	22.26	0.07	15.20	2,650.68
Total	2,105.58	507.56	22.26	0.07	15.20	2,650.68
Less: Impairment allowance for trade receivable - credit impared	-	-	(1.22)	(0.07)	(15.20)	(16.49)
Net Trade receivables	2,105.58	507.56	21.04	-0.00	0.00	2,634.19

Particulars	As at March 31, 2024	As at March 31, 2023
(b) The movement in allowance for expected credit loss on credit impairment trade receivables is as follows:		
Balance as at beginning of the year	16.49	-
Addition during the year	-	16.49
Reversal of provision during the year	(2.99)	-
Balance as at the end of the year	13.50	16.49

(c) Trade receivables are non-interest bearing and are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers.

Particulars	Non-current As at March 31, 2024	Non-current As at March 31, 2023	Current As at March 31, 2024	Current As at March 31, 2023
(B) Cash and cash equivalents (valued at amortised cost)				
Balances with banks				
In current accounts	-	-	336.06	3,622.51
Cash on hand	-	-	-	0.01
Total	-	-	336.06	3,622.52
(C) Other Bank balances				
Deposits with a original maturity of more than 3 months but less than 12 months {refer note(b)}	-	-	149.45	217.47
Total	-	-	149.45	217.47

Notes:

(a) There are restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

(b) The deposits maintained by the Company with banks comprise of the time deposits, which may be withdrawn by the Company at any point of time without prior notice and are made of varying periods between 3 months to 12 months depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates.

Particulars	Non-current As at March 31, 2024	Non-current As at March 31, 2023	Current As at March 31, 2024	Current As at March 31, 2023
(D) Other financial assets (Unsecured, considered good unless otherwise stated)				
At Amortised Cost				
Security deposits	0.50	-	-	-
Interest accrued on bank deposits	-	-	1.82	1.54
Interest accrued on ICD	-	-	508.18	32.92
Loan to employees	-	39.30	-	
Retention money given to customers	-	178.95	24.84	-
Other Deposits - Rental	41.44	39.44	-	-
Other Deposits - Bidding deposit	-	-	27.00	-
Inter Corporate loans {refer note (a) below}	4,550.00	2,015.00	-	-
Total	4,591.94	2,272.69	561.84	34.46

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6 Financial Assets

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023

(a) Disclosure as required by Section 186 of the Companies Act, 2013 for Inter- corporate deposit is as below:

Particulars	Non-current As at March 31, 2024	Non-current As at March 31, 2023	Current As at March 31, 2024	Current As at March 31, 2023
Opening balance	2,015.00	-	-	-
Given during the year	4,535.00	2,015.00	-	-
Refunded during the year	(2,000.00)	-	-	-
Closing balance	**4,550.00**	**2,015.00**	-	-

Notes:
(i) The above deposits are interest bearing and given to related parties without specifying any period for repayment.

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
7 **Other assets**				
(Unsecured considered good, unless otherwise stated)				
Prepaid expenses	-	-	90.74	43.50
Advances given to suppliers / service providers	-	-	21.93	-
Balances with government authorities considered good	-	-	482.94	-
Others	-	-	2.79	-
Total	-	-	**598.40**	**43.50**
8 **Current tax assets**				
Income tax assets	-	-	284.17	291.92
	-	-	284.17	291.92

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9 Share Capital

		As at 31 March 2024		As at 31 March 2023	
		Number	Amount	Number	Amount
(i)	**Authorised** Equity shares of ₹1/- (March 31, 2023:₹1/-) each with voting rights	1,07,00,000	107.00	1,07,00,000	107.00
(ii)	**Issued, subscribed and fully paid up** **Equity share capital** Equity shares of ₹1/- (March 31, 2023:₹1/-) each with voting rights	1,06,67,000	106.67	1,06,67,000	106.67
		1,06,67,000	**106.67**	**1,06,67,000**	**106.67**

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31 March 2024	As at 31 March 2023
Equity shares of ₹1/- each with voting rights		
Balance at the beginning of the year	1,06,67,000.00	1,06,67,000.00
Balance at the end of the year	**1,06,67,000.00**	**1,06,67,000.00**

(iv) Details of shareholders & Promoters holding more than 5% shares in the Company:

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹1/- each with voting rights				
M/s Magellanic Cloud Limited	1,06,66,994	100%	1,06,66,994	100%

(v) Dividend Paid

Particulars	As at March 31, 2024	As at March 31, 2023
Dividend declared and paid during the year		
Interim dividend of ₹ 1.2 per share	-	128.00
	-	**128.00**

(vi) Terms/rights attached to equity shares

The Company has only one class of issued equity shares capital having par value of ₹1- per share (31 March 2023 ₹ 1- per share). Each shareholder is entitled to one vote per share held. The Company has not declared or paid any dividend during the year 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, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

10 (A) Other equity:

Particulars	As at March 31, 2024	As at March 31, 2023
Securities premium account	99.00	99.00
General Reserve	17.40	17.40
Retained earnings	3,445.80	2,718.40
Total other equity	**3,562.21**	**2,834.80**
(i) Securities premium account		
Opening balance	99.00	99.00
Movement during the year	-	-
Closing balance	**99.00**	**99.00**
(ii) General Reserve		
Opening balance	17.40	17.40
Movement during the year	-	-
Closing balance	**17.40**	**17.40**
(iii) Retained earnings		
Opening balance	2,718.39	1,988.12
Net profit for the year	730.68	858.53
Other comprehensive income / (loss) for the year	(3.27)	(0.25)
Less: Dividend paid during the year	-	(128.00)
Closing balance	**3,445.80**	**2,718.40**

Nature and purpose of other reserves

(i) Securities premium account

The amount received in excess of face value of the equity shares in recognized in Securities Premium. The account in utilized in accordance with the provisions of the Companies Act, 2013

(ii) Retained earnings

Retained earnings are the profits that the Company has earned till date including gain/(loss) on remeasurement of defined benefits plans as adjusted for distributions to owners, transfer to other reserves etc.

(iii) General Reserve

Under the erstwhile Companies Act, 1956, general reserves was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations, however the same is not required to be created under Companies Act, 2013. This reserve can be utilised only in accordance with the specified requirements of the Companies Act, 2013.

11 Financial liabilities

(A) Borrowings (valued at amortised cost)

Particulars	Long term borrowing		Short term borrowing	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Term loans				
Term loans from bank (secured) {refer note (i) below}	5,597.40	2,315.13	1,006.74	313.87
	5,597.40	**2,315.13**	**1,006.74**	**313.87**

Notes:

(i)

Nature of security	Terms of repayment and rate of interest	As at March 31, 2024	As at March 31, 2024
Term Loan - Business Purpose	Commencement of loan is from 29th March, 2023 and its maturity is set for 7th April, 2029. The rate of interest for the said loan was 9.07%. The bank has issued addendum for this loan on 30th April, 2023. It carries floating rate of interest of 9.25%.	4,188.75	2,629.00
Term Loan - Business Purpose	Commencement of loan is from 27th October, 2023 and its maturity is set for 7th December, 2029.It carries floating rate of interest of 9.50%	2,415.39	-

(ii) The Company has not made any default in the repayment of loans to banks and other financial institutions including interest thereon.

(iii) The term loans have been used for the purpose for which they were obtained and funds raised for a short term basis have been used for long term purposes amounting to Rs. 971.44 lakhs.

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Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(B) Lease liabilities (valued at amortised cost)				
Lease liabilities (refer note 4)	174.67	279.37	79.91	85.73
	174.67	279.37	79.91	85.73
(C) Trade payables (valued at amortised cost)				
Total outstanding dues of micro enterprises and small enterprises	-	-	2,360.37	3,322.96
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	735.12	11.23
	-	-	3,095.49	3,334.19

Notes:
(i) Trade payables Ageing Schedule
As at March 31, 2024

Particulars	Outstanding for following periods from the due date				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	2,360.37	-	-	-	2,360.37
Undisputed dues of creditors other than micro enterprises and small enterprises	735.12	-	-	-	735.12
Total	3,095.49	-	-	-	3,095.49

As at March 31, 2023

Particulars	Outstanding for following periods from the due date				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	3,322.96	-	-	-	3,322.96
Undisputed dues of creditors other than micro enterprises and small enterprises	9.54	1.01	0.68	-	11.23
Total	3,332.50	1.01	0.68	-	3,334.20

(i) The trade payables are unsecured and non interest-bearing and are usually on varying trade term.

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(D) Other financial liabilities				
Payable to employees	-	-	44.94	40.58
Outstanding expenses	-	-	43.21	-
Provision for statutory bonus	-	-	32.13	14.55
	-	-	120.28	55.13
12 Provisions				
Provision for Gratuity (refer note 26)	54.19	42.66	1.74	1.44
Provision for Client Deductions	-	-	-	45.90
	54.19	42.66	1.74	47.34

Particulars	As at March 31, 2024	As at March 31, 2023
13 Income tax and deferred tax		

The major components of income tax expense for the years ended March 31 2024 and March 31 2023 are:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Income tax expense in the statement of profit and loss comprises :		
Current income tax charge	74.15	250.81
Adjustment in respect of current income tax of previous year	24.54	
Total current income tax	98.69	250.81
Deferred Tax charge / (credit)		
Relating to origination and reversal of temporary differences	279.13	-76.61
Income tax expense reported in the statement of profit or loss	377.82	174.21
(b) Other Comprehensive Income		
Tax expense related to items recognised in Other comprehensive income during the year:		
Deferred tax on re-measurement loss on defined benefit plans	1.10	0.08
Income tax on other item in other comprehensive income	-	-
Income tax related to items recognised in Other comprehensive income during the year	1.10	0.08

(c) Deferred tax liabilities /assets comprises :

Particulars		Balance Sheet	
		As at March 31, 2024	As at March 31, 2023
Deferred tax liabilities (net)			
Property, plant and equipment and intangible assets		216.44	2.52
Right of Use Asset		55.14	87.36
Unabsorbed depreciation and carried forwarded tax losses		-	-
Prepaid Expenses for Processing fees		4.47	3.61
	(A)	276.06	93.49
Deferred tax assets (net)			
Property, plant and equipment and intangible assets		-	-
Security Deposits		1.97	-
Lease Liability		64.07	91.89
Provision for Gratuity		14.08	11.10
Unabsorbed depreciation and carried forwarded tax losses		-	78.65
Provision for Bonus		6.81	-
Provision for Expected Credit Loss		3.40	4.15
Total	(B)	90.32	185.79
Net Deferred tax asset/(liabilities)	(A) - (B)	(185.73)	92.30
Less: Opening DTA/(DTL) as per books		92.30	15.61
Net Deferred tax asset credited/(charged) to total Comprehensive Income		(278.03)	76.69

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(d) Net Deferred tax movement:

	As at March 31, 2024	As at March 31, 2023
Net deferred tax liabilities at the beginning of the year	92.30	15.61
Deferred tax (charged)/credited to profit and loss account during the year	(279.13)	76.61
Deferred tax (charged)/credited to other comprehensive income account during the year	1.10	0.08
Net deferred tax assets/(liabilities) at the end of the year	**(185.73)**	**92.30**

14 Contract balances

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(A) Trade Receivables (refer note (a) below)	-	-	4,214.64	2,634.19

Notes

(a) Trade Receivable represents the amount of consideration in exchange for goods or services transferred to the customers that is unconditional.

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
15 Other liabilities				
Statutory dues payable	-	-	47.53	65.75
	-	**-**	**47.53**	**65.75**
Statutory Dues payable				
Tax Deducted at Source	-	-	39.90	34.68
Goods and Service Tax	-	-	1.37	25.83
Provident Fund	-	-	4.96	3.91
Employee State Insurance	-	-	1.07	1.07
Professional Tax	-	-	0.23	0.25
Total	**-**	**-**	**47.53**	**65.75**
16 Current tax liability				
Current tax liabilities	-	-	74.15	251.89
	-	**-**	**74.15**	**251.89**

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	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
17	**Revenue from operations**		
	Revenue from contract with customers		
	Sale of products	2.79	10.67
	Sale of services	10,443.65	11,500.26
	Less : Client deductions	(50.59)	(57.78)
	Total revenue from operations	**10,395.85**	**11,453.16**
	Notes:		
(i)	**Timing of revenue recognition**		
	Goods transferred at a point in time	2.79	10.67
	Services transferred over the time	10,443.65	11,500.26
	Total revenue from contract with customers	**10,446.44**	**11,510.94**
(iii)	Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
	Revenue from contract with customers	10,446.44	11,510.94
	Add: Other operating revenues	-	-
	Total revenue from operations	**10,446.44**	**11,510.94**

(iv) **Unsatisfied performance obligations:**
Information about the company performance obligations are summarised below:

Sale of products: Performance obligation in respect of sale of goods is satisfied when control of the goods is transferred to the customer, generally on delivery of the goods and payment is generally due as per the terms of contract with customers.

Sales of services: The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of service based on time elapsed and acceptance of the customer.

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
18	**Other Income**		
	Interest income on financial assets carried at amortised cost		
	Deposit with banks	12.74	27.33
	Inter corporate deposit	531.73	32.92
	On security deposits	1.99	0.96
	Income tax refund	1.59	-
	Gain on lease termination	5.48	-
	Reversal of expected credit loss	2.99	-
	Write Back of interest income from bank	6.23	-
	Gain on sale of property, plant and equipment (net)	-	0.65
		562.75	**61.86**
19	**Cost of raw materials and components consumed**		
	Raw materials and components at the beginning of the year	-	-
	Add: Purchases during the year	2.51	10.67
	Less: Raw materials and components at the end of the year	-	-
		2.51	**10.67**
20	**Cost of services**		
	Monitoring expenses	8,093.25	9,334.79
		8,093.25	**9,334.79**
21	**Employee benefits expense**		
	Salaries, wages and bonus	637.49	642.02
	Contribution to provident and other funds	37.35	33.07
	Leave encashment	0.81	-
	Bonus expenses	17.58	15.56
	Net defined benefit plan expense (Gratuity) (refer note 26)	9.01	8.10
	Staff welfare expense	0.87	0.64
		703.11	**699.39**
22	**Finance costs**		
	Interest on borrowings	437.17	2.00
	Interest expense on lease liabilities	31.09	22.67
	Bank Charges	2.96	0.32
		471.22	**24.98**
23	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment (refer note 3)	312.61	14.83
	Amortisation on intangible assets (refer note 5)	1.19	0.53
	Depreciation on right-of-use assets (refer note 4)	83.16	91.99
		396.96	**107.36**

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	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
24	**Other expenses**		
	Legal and professional charges	22.11	123.96
	Training cost	35.27	45.00
	Power and fuel	16.06	30.38
	Rent	8.71	21.02
	Contribution towards corporate social responsibility expense (CSR) {Refer Note (ii)}	22.20	16.50
	Expected credit loss	-	16.49
	Internet & telephone	3.99	7.70
	Bank guarantee commission	12.60	7.68
	Repairs and maintenance	8.52	6.37
	Field maintenance	11.50	-
	Material transportation	2.63	-
	Insurance expense	0.38	5.27
	Interest on statutory dues	0.37	5.69
	Rates and taxes	-	5.16
	Audit fees {Refer Note(i)}	4.00	4.00
	Registration & renewals	9.57	3.43
	Commission / Brokerage	3.09	1.13
	Director's sitting fee	1.20	1.10
	Annual maintenance charges	-	0.68
	Bidding expenses	1.09	0.65
	Loss on lease modification	-	0.52
	Foreign exchange loss	-	0.42
	Miscellaneous expenses	0.74	1.85
	Written off	19.02	0.07
		183.05	**305.09**
	Note:		
(i)	**Details of payments to auditors**		
	As auditor:		
	Audit fee	3.00	3.00
	Tax Audit	1.00	1.00
	Total Audit fees	**4.00**	**4.00**

(ii) Corporate social responsibility expenditure

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
(a)	Gross amount required to be spent by the Company during the year as per Section 135 of the Act	22.10	16.46
(b)	Amount approved by the Board to be spent during the year	22.10	16.46
(c)	Actual amount spent during the year on:		
	(i) Construction/acquisition of an asset		-
	(ii) On purposes other than (i) above	22.10	16.50
(d)	Excess Amount Spent	(0.002)	(0.04)

	Particulars	For the year ended 31 March 2024	For the year ended 31 March 2023
25	**Earnings per share**		
	Net profit after tax as per Standalone Statement of Profit and loss	727.41	858.28
	Weighted average number of Equity Shares (in Nos.):		
	- Basic	1,06,67,000	1,06,67,000
	- Diluted	1,06,67,000	1,06,67,000
	Basic earnings per share in rupees (Face value ₹1 per share) (In rupees)	**6.82**	**8.05**
	Diluted earnings per share in rupees (Face value ₹1 per share) (In rupees)	**6.82**	**8.05**
	Calculation of weighted average number of shares		
	For basic & diluted earnings per share		
	Opening balance of equity shares	1,06,67,000	1,06,67,000
	Issued during the year	-	-
	Closing balance of equity shares	**1,06,67,000**	**1,06,67,000**
	Weighted average number of equity share	1,06,67,000	1,06,67,000

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26 Disclosure of Defined benefit plans and defined contribution plan

(A) Defined benefit plan

The Group operates following defined benefit obligations:

(a) Gratuity (defined benefit plan)

In accordance with the applicable laws, the company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plan:-

(i) **Net defined benefit asset/ (liability) recognised in the balance sheet**

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	55.94	44.10
Fair value of plan assets	-	-
Net liability recognized in balance sheet	**55.94**	**44.10**
Non-current portion term	54.19	42.66
Current portion	1.74	1.44

(ii) **Net defined benefit expense (recognised in the statement of profit and loss for the year**

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Current service cost	5.62	5.47
Interest cost (net)	3.40	2.63
Net defined benefit expense debited to statement of profit and loss	**9.01**	**8.10**

(iii) The reconciliation of opening and closing balances of the present value of the defined benefit obligation are as below-

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Present value of obligation as at the beginning of the year	44.10	35.67
Current service cost	5.62	5.47
Interest cost	3.40	2.63
Benefits payment from the employer	(1.55)	-
Re-measurement of (Gain)/loss recognised in other comprehensive income arising from:		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	1.76	(0.74)
Actuarial changes arising from changes in experience adjustments	2.61	1.07
Closing defined benefit obligation	**55.94**	**44.10**

(iv) Reconciliation of opening and closing balances of fair value of plan assets:

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Employer contribution	-	-
Actuarial gain/loss for the year	-	-
Benefits payment from the employer	-	-
Others	-	-
Fair value of plan assets at the end of the year	**-**	**-**

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(v) Re-measurements Gain/ (loss) recognised in other comprehensive income (OCI):

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Re-measurement of (Gain)/loss recognised in other comprehensive income arising from:		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	1.76	(0.74)
Actuarial changes arising from changes in experience adjustments	2.61	1.07
Return on plan assets, excluding amount recognised in net interest expense		-
Recognised in other comprehensive income	**4.37**	**0.33**

(vi) Principal actuarial used in recognition of Defined benefit obligation are as follows:

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Discount rate	7.25%	7.53%
Future salary increase	5%	5%
Expected return on plan assets	N.A	N.A
Retirement age (in years)	58	58

Mortality rate

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Attrition rates based on age (per annum):	Number	
Up to 30 years	151	135
From 31 to 44 years	48	31
Above 44 years	3	3

(vii) Quantitative sensitivity analysis for significant assumptions is as shown below:

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Salary Escalation - Up by 1%	61.94	48.17
Salary Escalation - Down by 1%	51.14	40.86
Withdrawal Rates - Up by 1%	57.72	45.69
Withdrawal Rates - Down by 1%	53.85	42.25
Discount Rates - Up by 1%	50.10	39.68
Discount Rates - Down by 1%	63.08	49.46
Mortality Rates - Up by 10%	55.99	44.15
Mortality Rates - Down by 10%	55.88	44.05

(viii) Maturity profile of defined benefit obligation:

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Within 1 year	1.74	1.44
2 to 5 years	25.16	23.93
6 to 10 years	9.26	6.41
More than 10 years	139.25	108.14

(ix) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(x) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period while holding all other assumptions constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

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(xi) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

(xii) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(B) Defined contribution plan

Following are the contribution to Defined Contribution Plan, recognised as expense for the year:

Particulars	As at March 31, 2024	As at March 31, 2023
Contribution to provident and other funds	37.35	33.07
Total	**37.35**	**33.07**

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27 Commitments and Contingencies

(A) Contingent liabilities (to the extent not provided for)

(a) Disputed tax liabilities in respect of pending litigations before appellate authorities

Notes:
(i) The various disputed tax litigations are as under:
Details

1 Service tax liability is respect of taxable services during the period April 2016 to June 2017 to the Director General of Police, Government of Andhra Pradesh in terms of work provided to the client by suppressing the gross value of taxable services provided in periodical ST-3 returns- Demand of Rs 55.74 lakhs + Penalty in terms of Section 73(2) of the Finance Act,1994.

2 GST liability of Rs.5.49 lakhs in respect of taxable services during the period July 2017 to Mar 2018 to the Office of Assistant Commissioner, Government of Telangana.

Particulars	As at March 31, 2024	As at March 31, 2023
Sales tax / VAT / Other indirect tax matters	-	55.74
GST Appeal - FY 2017-18	5.49	-
Income rax	6.30	3.00
Total	**11.79**	**58.74**

Note: The Company has ongoing disputes with various judicial forums relating to above matter tax disputes- The company expects a favorable outcome against this litigations.

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28 Related Party Disclosures

The related parties as per identified by management.

(A) Names of related parties and description of relationship:

(i) Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Entity Name	Relationship
Magellanic Cloud Limited	100% Holding company
Ivis International Pvt Ltd	Fellow Subsidiary
Scandrone Private Limyted	Fellow Subsidiary
Motivity Labs Private Limited	Fellow Subsidiary

(ii) Key management personnel

Name	Relationship
Joseph Sudheer Reddy Thumma	Director
Venkata Nagendra Murali Mohan Rachapoodi	Director

(B) Transactions with related parties

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of goods		
IVIS International Pvt Ltd	2.51	10.67
Purchase of property, plant and equipment		
IVIS International Pvt Ltd	2,881.00	-
Sale of property, plant and equipment		
IVIS International Pvt Ltd	-	88.25
Services received		
IVIS International Pvt Ltd	8,369.80	9,334.79
Professional fees		
Venkata Nagendra Murali Mohan Rachapoodi	-	60.00
Remuneration		
Venkata Nagendra Murali Mohan Rachapoodi	120.00	160.00
Interest income		
Magellanic Cloud Limited	531.73	32.92
Unsecured loan given (Intercorporate Deposit)		
Magellanic Cloud Limited	4,535.00	2,015.00

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(C) Balances with related parties at the year end

Particulars	As at March 31, 2024	As at March 31, 2023
Receivables		
Magellanic Cloud Limited	4,550.00	2,047.92
Venkata Nagendra Murali Mohan Rachapoodi	-	36.30
Payables		
Ivis International Pvt Ltd	2,338.02	3,322.06
Venkata Nagendra Murali Mohan Rachapoodi	10.00	10.00

Notes :

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties . This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(b) All the liabilities for post retirement benefits being 'Gratuity, compensated absence and pension benefits are provided on actuarial basis for the Group as a whole, accordingly the amount pertaining to Key management personnel are not included above.

(D) Key managerial personnel

Particulars	March 31, 2024	March 31, 2023
Remuneration to Key Managerial other than CMD		
Venkata Nagendra Murali Mohan Rachapoodi	120.00	160.00
Total	**120.00**	**160.00**

(E) Remuneration to Independent Directors

Particulars	March 31, 2024	March 31, 2023
Sitting Fees		
Jarugula Siva Prasad	0.54	0.55
Vekata Padma Daruvuri	0.54	0.55
Total	**1.08**	**1.10**

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29 Fair value measurements
Set out below, is a comparison by class of the carrying amounts and fair value of the Company financial instruments.

Category	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial instruments by category				
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	5,153.79	5,153.79	2,307.15	2,307.15
Trade receivables (current and non current)	4,214.64	4,214.64	2,634.19	2,634.19
Cash and cash equivalents	336.06	336.06	3,622.52	3,622.52
Bank balances other than above	149.45	149.45	217.47	217.47
Total	**9,853.94**	**9,853.94**	**8,781.33**	**8,781.33**
Financial liabilities measured at amortized cost and for which fair values are disclosed	-	-		
Borrowings (short term and long term)	6,604.14	6,604.14	2,629.00	2,629.00
Lease liabilities (current and non current)	254.58	254.58	365.10	365.10
Other financial liabilities (current and non current)	120.28	120.28	55.13	55.13
Trade payables (current and non current)	3,095.49	3,095.49	3,334.20	3,334.20
Total	**10,074.49**	**10,074.49**	**6,383.42**	**6,383.42**

Management of the Company/group has assessed that trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value

(i) The fair values of the investment in mutual fund has been determined based on net assets value (NAV) available in open market.

(ii) Costs of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range. These investments in equity instruments are not held for trading. Instead, they are held for medium or long-term strategic purpose.

(iii) Fair value hierarchy

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period for identical assets or liabilities. The mutual funds are valued using the net assets value (NAV) available in open market. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.
There are no transfers among levels 1, 2 and 3 during the year
This section explains the judgement and estimates made in determining the fair value of financial assets that are:
a) Recognized and measured at Fair value
b) Measured at amortized cost and for which fair value is disclosed in financial statements

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

Particulars	Carrying value	Fair Value		
	As at March 31, 2024	Level 1	Level 2	Level 3
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	5,153.79	-	-	5,153.79
		-	-	-
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	6,604.14	-	-	6,604.14
Lease liabilities (current and non current)	254.58	-	-	254.58
Other financial liabilities (current and non current)	120.28	-	-	120.28

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

Particulars	Carrying value	Fair Value		
	As at March 31, 2023	Level 1	Level 2	Level 3
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	2,307.15	-	-	2,307.15
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	2,629.00	-	-	2,629.00
Lease liabilities (current and non current)	365.10	-	-	365.10
Other financial liabilities (current and non current)	55.13	-	-	55.13

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30 Financial risk management objectives and policies

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.
The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans deposits, and investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions; and the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2024 and March 31, 2023.

(i) Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. To manage this, the Group enters into interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon notional principal amount. At 31 March 2024, after taking into account the effect of interest rate swaps, the Group has following fixed rate and variable rate borrowing:

Particulars	As at March 31, 2024	As at March 31, 2023
Variable rate borrowings	6,604.14	2,629.00
Fixed rate borrowings	-	-
Total	**6,604.14**	**2,629.00**

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Gain/ (loss) Impact on profit before tax and equity		Gain/ (loss) Impact on profit before tax and equity	
	Change +1%	Change -1%	Change +1%	Change -1%
Interest rate sensitivity	66.04	(66.04)	26.29	(26.29)

(b) Liquidity Risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing through the use of short term bank deposits, short term loans, and cash credit facility etc. Processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 Years	1-5 Years	More than 5 Years	Total
As at March 31, 2024				
Borrowings	1,006.74	5,597.40	-	6,604.14
Lease liabilities	79.91	174.67	-	254.58
Trade payable	3,095.49	-	-	3,095.49
Other financial liabilities	120.28	-	-	120.28
As at March 31, 2023				
Borrowings	313.87	2,315.13	-	2,629.00
Lease liabilities (undiscounted)	85.73	279.37	-	365.10
Trade payable	3,334.20	-	-	3,334.20
Other financial liabilities	55.13	-	-	55.13

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(c) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Group and arises principally from the Group's receivables from customers and deposits with banking institutions and funds with mutual fund asset management companies (AMC). The maximum amount of the credit exposure is equal to the carrying amounts of these receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(i) Trade Receivables

The customers are subjected to credit assessments as a precautionary measure, and the adherence of all customers to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default.
Customer credit risk is managed by respective department head subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The Company does not hold collateral as security. There is one single customer from whom the Company earns revenue of more than 10%, however, there is no credit default risk from this customer since the amount are generally received in advance. Refer note 5(b) for movement in credit loss allowance during the year.

(ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 is the carrying amounts . The Company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Group.

Particulars	As at March 31, 2024	As at March 31, 2023
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)		
Other financial assets (current and non-current)	5,153.79	2,307.15
Cash and cash equivalents	336.06	3,622.52
Other bank balances (current and non current)	149.45	217.47
	5,639.30	**6,147.14**
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivables	4,214.64	2,634.19
	4,214.64	**2,634.19**
Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks		

The ageing analysis of trade receivables has been considered from the date the invoice falls due

Particulars		
Trade Receivables		
0 to 180 days due past due date	4,149.73	2,105.58
More than 180 days past due date	64.91	528.61
Total Trade Receivables	**4,214.64**	**2,634.19**

31 Capital management

For the purposes of Group's capital management, Capital includes equity attributable to the equity holders of the parent company and all other equity reserves. The primary objective of the Group's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2023. The Group monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalent.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2024	As at March 31, 2023
Loan and borrowing *	6,604.14	2,629.00
Less : Cash and cash equivalent	(336.06)	(3,622.52)
Net debts	**6,268.08**	**(993.52)**
Equity / Net Worth	3,668.88	2,941.47
Total Capital	**3,668.88**	**2,941.47**
Capital and Net debts	**9,936.95**	**1,947.94**
Gearing Ratio (Net Debt/Capital and Net Debt)	**0.63**	**(0.51)**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.
* Borrowings does not includes Lease liabilities

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32 Additional information required

(i) **Details of Benami property:** No proceedings have been initiated on or are pending against any of the group companies for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) **Willful defaulter:** Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iii) **Compliance with approved scheme of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(iv) **Utilisation of borrowed funds :** The management has asserted that the Company has engaged in financial transactions involving the advancement or loaning of funds to its Holding Company. This Holding Company, in turn, have further loaned these funds to one of the subsidiary within the group. The management has stated that the Company has:
a. Loaned funds to its Holding Company and the same have been subsequently loaned to one of the subsidiary within the group which are the ultimate beneficiaries, or
b. Not provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Company has not received any fund from any person or entity, 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

(v) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vi) **Valuation of PP&E, intangible asset and investment property:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vii) **Utilisation of borrowings availed from banks and financial institutions:** The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken, including the loan to parent Company.

33 Ratios

Particulars	Numerator	Denominator	31-Mar-24	31-Mar-23	Variance
Current ratio (in times)	Total current assets	Total current liabilities	1.39	1.65	(0.26)
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	1.87	1.02	0.85
Return on equity ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	0.34	0.40	(0.07)
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	3.04	4.42	(1.39)
Net capital turnover ratio (in times)	Revenue from operations	Average Working Capital	4.72	5.69	(0.97)
Net profit ratio (in %)	Profit for the year	Revenue from operations	11%	9%	0.02
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	0.15	0.18	(0.02)
Trade Payables turnover ratio	Net Credit purchases	Average Trade Payables	0.001	0.004	(0.003)

Reasons for Variance

1 Current ratio - It has increased due to increase in current liabilities & it is mainly due to increase in current maturities.
2 Debt-Equity ratio - It has increased due to increase in Borrowings due to one new loan taken from the bank and additional addedendum availed for the loan taken in previous year.
3 Return on equity ratio - It has reduced due to decrease in profit for the current year.
4 Trade receivables turnover ratio - It has reduced due to reduction in revenue from operations and increase in trade receivables
5 Net capital turnover ratio - It has reduced due to decrease in revenue from operations
6 Net profit ratio - It has increased due to net profit increase in the current year due to reduction in expenses.
7 Return on capital employed - It has reduced due to reversal of deferred tax asset which eventually resulted in an deferred tax liability
8 Trade Payables turnover ratio - It has reduced due to decrease in purchases

34 The comparative previous year figures are reclassified or regrouped, wherever required.

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

BHUTA SHAH & CO LLP MUMBAI FRN - 101474W/ W100100 CHARTERED ACCOUNTANTS

Atul Gala
Partner
Membership No. 048650

Place : Mumbai
Date : May 08, 2024

For and on behalf of the Board of Directors of
Provigil Surveillance Limited
CIN : U65993TG1992PLC014157

Joseph Sudheer Reddy Thumma
Director
DIN No. 07033919

Murali Mohan R V N
Director
DIN No. 05129064

Place : Hyderabad
Date : May 08, 2024

PROVIGIL SURVEILLANCE LIMITED

Independent Auditor's Report

To the Members of Motivity Labs Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Motivity Labs Private Limited ("the Company"), which comprises the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. 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 financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in the equity of the Company in accordance with the Indian Accounting Standards (Ind AS) and other accounting principles generally accepted in India, specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems in place and the operating effectiveness of such controls.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of directors.

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4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

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

2. (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 purpose of our audit.

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

   c) The Balance Sheet, the statement of Profit and Loss (including other comprehensive income), the statement of Changes in Equity and the statement of Cash Flows dealt with by this Report are in agreement with the books of account.

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

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

   f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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g) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

(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, in our opinion and to the best of our information and according to the explanations given to us:

a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

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

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

d) i The management has asserted that the Company has engaged in financial transactions involving the advancement or loaning of funds to its Ultimate Holding Company. This Ultimate Holding Company, in turn, have further loaned these funds to one of its subsidiary within the group. The management has stated that the Company has:

- Loaned funds to its Ultimate Holding Company and the same have been subsequently loaned to one of its subsidiary within the group which are the ultimate beneficiaries, or
- Not provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii. The management has represented to us that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- 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 to or on behalf of the Ultimate Beneficiaries.

iii. Based on our 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 (d) i and (d) ii above contain any material misstatement.

e) According to the information and explanations given to us and based on the records of the Company examined by us, there were no dividend declared or paid during the year by the Company.

f) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023. Based on our examination which included test checks, except for period from 1 April 2023 to 13 July 2023, when feature of recording audit trail (edit log) facility was not enabled in the accounting software, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, for the periods

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where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

g) According to the information and explanation given to us and on the basis of our examination of the records of the Company, managerial remuneration has not been paid during the year. Accordingly, reporting under section 197(16) of the Act is not applicable.

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

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Gala AL

Atul Gala
Partner
Membership Number: 048650
UDIN: 24048650BKCNID6037

Mumbai
08th May 2024

Annexure "A" to the Independent Auditor's Report of even date on the financial statements of Motivity Labs Private Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i (a) (A) Based on the records examined by us and information and explanation given to us the Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant, and Equipment.

(B) Based on the records examined by us and information and explanation given to us the Company does not have any intangible assets, hence reporting under clause 3(i) (a) (B) of the Order is not applicable.

(b) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of Property, Plant, and Equipment by which almost all property, plant, and equipment are verified during the year. In our opinion, this periodicity of physical verification 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold immovable properties, and hence reporting under clause 3(i)(c) of Order is not applicable to the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment during the year hence reporting under clause 3(i)(d) of Order is not applicable to the Company.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii (a) The company is in service industry and therefore does not holds any inventory. Hence reporting under clause 3 (ii) (a) is not applicable to the company.

(b) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has not been sanctioned any working capital limits in excess of Rs. 5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets. Hence reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii (a) According to the information and explanations given to us and on the basis of our examination of records of the company, the Company has granted loans or provided advances in the nature of loans, during the year details of which are as below.

Particulars	**Amount (Rs. In lakhs)**
Aggregate amount provided during the year	
- Ultimate Holding Company	4,133.73
Balance outstanding as at 31 March,2024	
- Ultimate Holding Company	1,075.38

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(b) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of all loans and advances are not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no stipulated repayment schedule of principal and payment of interest and therefore we are unable to comment on total amount overdue for more than ninety days and reasonability of the steps for recovery of principal and interest.

(e) According to the information and explanations given to us and on the basis of our examination of our records of the Company, we are unable to comment whether loan granted by the Company fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loan to its related party as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	Amount (Rs. In Lakhs)
Aggregate of loan/advances in nature of loans-	
Repayable on demand (A)	-
Agreement does not specify any terms or period of repayment (B)	4,133.73
Total (A+B)	**4,133.73**
Percentage of loans/advances in nature of loans to the total loans	100%

iv According to the information and explanations given to us and based on our examination of the records, the Company has complied with the provisions of Sections 185 of the Companies Act, 2013 in respect of loans granted. There are no such investments made and guarantees and securities provided by the Company, hence section 186 is not applicable to the company.

v According to information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of section 73 to 76 of the Act, any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the provision of clause 3(v) of the Order is not applicable to the Company.

vi The maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 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 Based on the records examined by us and according to the information and explanations given to us, in respect of statutory dues:

a) The undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess have not generally been regularly deposited by the company with the appropriate authorities though the delays in deposit have not been serious. However, No undisputed amounts payable in respect of

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the aforesaid dues were outstanding as at 31 March, 2024 for a period of more than six months from the date they became payable.

b) Details of statutory dues referred to in clause vii (a) above, which have not been deposited as on 31 March, 2024 on account of disputes are given below;

Sr no.	Name of Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Amount (Rs. In Lakhs)
1	Income Tax Act, 1961	Income Tax	2020-21	Assessing Officer (NFAC, Hyderabad)	118.07
2	Income Tax Act, 1961	TDS	2020-21 to 2023-24	CPC-TDS	13.93
3	Income Tax Act, 1961	TDS	Prior to 2020-21	CPC-TDS	1.79

viii According to information and explanations given to us and on the basis of examination of records of the Company, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.

ix (a) According to information and explanations given to us and on the basis of examination of records of the Company, the Company has not obtained any loans or borrowings from any lender. hence, reporting under clause 3(ix)(a) is not applicable.

(b) According to information and explanations given to us and procedure performed by us, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) According to information and explanations given to us and on the basis of the examination of records of the Company, the company has not obtained term loans during the year hence, clause 3(ix)(c) is not applicable.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short term basis have been used for long-term purpose.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

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x (a) According to the information and explanations given to us and on the basis of examination of records of the Company, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanation given to us, the Company during the year has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause x(b) of paragraph 3 of the Order is not applicable to the Company.

xi (a) Based on the audit procedures performed by us and according to the information and explanations given to us, no material fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to information and explanations given to us there are no whistle blower complaints received by the Company during the year.

xii The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii As per information and explanations given to us and on the basis of our examination of the records of the Company, all the transaction with related parties is in compliance with section 188 of the Companies Act 2013, wherever applicable, and all the details have been disclosed in Financial Statements as required by the applicable Indian Accounting Standards. Further since it is a Private Company, section 177 is not applicable to it.

xiv (a) In our opinion and based on our examination, the Company does not fall under the criteria prescribed under section 138 of the Companies Act 2013 for the applicability of internal audit, the same is not applicable to the Company, therefore, reporting under clause 3(xiv)(a) and 3(xiv)(b) is not applicable to the Company.

xv In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors within the meaning of section 192 of the Companies Act, 2013. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi (a) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b), (c) and (d) of the Order is not applicable.

xvii According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year no such cash loss has been reported.

xviii There has been no resignation of the statutory auditors during the year and accordingly clause 3 (xviii) is not applicable.

BHUTA SHAH & CO LLP MUMBAI FRN-101474W/ W100100 CHARTERED ACCOUNTANTS xix According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx (a) According to the information and explanations given to us, there is an unspent amount of Rs. 2.93 lakhs in respect of other ongoing projects. The company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act. However, period of six months has not elapsed till the date of this Auditor's Report.

(b) According to the information and explanations given to us, there is no unspent amount under sub section (5) of section 135 of the Act pursuant to any ongoing project. Hence reporting under clause 3(xx)(b) of the Order is not applicable to the Company.

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

BHUTA SHAH & CO LLP MUMBAI FRN-101474W/ W100100 CHARTERED ACCOUNTANTS

Gala AL

Atul Gala
Partner
Membership Number: 048650
UDIN: 24048650BKCNID6037

Mumbai
08th May 2024

Annexure "B" to the Independent Auditors' report on the financial statements

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)

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

Opinion

We have audited the internal financial controls over financial reporting of **Motivity Labs Private Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, and to the best of our information and according to the explanations given to us, the company has in all material aspects, an adequate internal financial controls with reference to the financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the criteria for internal financial controls over financial reporting established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.(the "Guidance Note").

Managements and Board of Directors' responsibilities for Internal Financial Controls

The Management and Board of Directors of the company are responsible for establishing and maintaining internal financial controls based on the internal financial 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 (the "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 with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to these financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

BHUTA SHAH & CO LLP
FRN-101474W/W100100
CHARTERED ACCOUNTANTS

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 with reference to these financial statements.

Meaning of Internal Financial Controls with reference to these Financial Statements

A company's internal financial controls over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For **Bhuta Shah & Co LLP**
Chartered Accountants
Firm Reg. No.: 101474W / W100100

BHUTA SHAH & CO LLP MUMBAI FRN-101474W/ W100100 CHARTERED ACCOUNTANTS

Gala AL

Atul Gala
Partner
Membership Number: 048650
UDIN: 24048650BKCNID6037

Mumbai
08th May 2024

Motivity Labs Private Limited
Balance Sheet as at March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I Non-current assets			
Property, plant and equipment	3	157.50	227.30
Right of use assets	4	1,226.30	1,509.95
Financial assets	5		
Other financial assets		1,432.38	676.59
Deferred tax assets	12	53.77	40.16
Non-current tax assets	7	-	218.03
Total non-current assets		**2,869.95**	**2,672.03**
II Current assets			
(i) Trade receivables	5	3,029.02	2,871.59
(ii) Cash and cash equivalents		96.41	78.48
(iii) Other financial assets		4.90	20.32
Other current assets	6	533.83	547.69
Total current assets		**3,664.16**	**3,518.08**
Total assets		**6,534.11**	**6,190.11**
EQUITY AND LIABILITIES			
I Equity			
Equity share capital	8	100.00	100.00
Other equity	9	4,340.32	2,010.74
Total equity		**4,440.32**	**2,110.74**
Liabilities			
II Non-current liabilities			
Financial liabilities	10		
(i) Lease liabilities		887.85	1,113.07
(ii) Other financial liabilities		-	10.98
Provisions	11	163.38	128.36
Total non-current liabilities		**1,051.23**	**1,252.41**
III Current liabilities			
Financial liabilities	10		
(i) Trade payables			
(a) total outstanding dues of micro enterprises and small enterprises		1.50	0.75
(b) total outstanding dues of creditors other than micro and small enterprises		123.74	921.08
(ii) Other financial liabilities		85.08	516.47
(i) Lease liabilities		367.83	352.69
Current tax liabilities	14	345.09	466.41
Other current liabilities	13	112.94	565.47
Provisions	11	6.37	4.09
Total current liabilities		**1,042.56**	**2,826.96**
Total Equity and Liabilities		**6,534.11**	**6,190.11**

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W/W100100

Atul Gala
Partner
Membership No. : 048650

BHUTA SHAH & CO LLP MUMBAI FRN - 101474W/W100100 CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 08th May, 2024

For and on behalf of the Board of Directors of
Motivity Labs Private Limited
CIN: U72900TG2010PTC066869

Ameeruddin Syed
Director
DIN No:- 06419899

Motivity Labs Pvt. Ltd. Hyderabad

Joseph Thumma
Director
DIN No:- 07033919

Place : Hyderabad
Date : 08th May, 2024

Motivity Labs Private Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

		Notes	For the year ended March 31,2024	For the year ended March 31,2023
I	**Income**			
	Revenue from operations	15	10,499.68	7,553.99
	Other income	16	112.25	28.74
	Total income		**10,611.93**	**7,582.73**
II	**Expenses**			
	Employee benefits expense	17	4,598.76	3,653.49
	Finance costs	18	240.37	24.12
	Depreciation and amortisation expense	19	471.99	118.34
	Other expenses	20	2,197.43	1,846.83
	Total expenses		**7,508.54**	**5,642.78**
III	**Profit before tax**		**3,103.39**	**1,939.95**
IV	**Income tax expense**	12		
	Current tax		775.28	465.13
	Deferred tax charge/(credit)		(10.55)	27.51
	Total tax expense		**764.73**	**492.64**
VI	**Profit for the year**		**2,338.66**	**1,447.31**
VII	**Other comprehensive income**			
(a)	**Items that will not be reclassified to profit or loss in subsequent periods**			
	(i) Remeasurements gains/(losses) on defined benefit plans		(12.13)	201.80
	(ii) Income tax effect on above		3.05	(50.79)
	Other comprehensive income for the year		**(9.08)**	**151.01**
VIII	**Total comprehensive income for the year**		**2,329.58**	**1,598.32**
IX	**Earnings per equity share [nominal value of share ₹10 (Previous year ₹10)]**			
	Basic earning per share(₹)		**233.87**	**144.73**
	Diluted earning per share(₹)		**233.87**	**144.73**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W/W100100

Atul Gala
Partner
Membership No.: 048650

Place : Mumbai
Date : 08th May, 2024

For and on behalf of the Board of Directors of
Motivity Labs Private Limited
CIN: U72900TG2010PTC066869

Ameeruddin Syed
Director
DIN No.- 06419899

Joseph Thumma
Director
DIN No.- 07033919

Place : Hyderabad
Date : 08th May, 2024

Motivity Labs Private Limited
Balance Sheet as at March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
I Non-current assets			
Property, plant and equipment	3	157.50	227.30
Right of use assets	4	1,226.30	1,509.95
Financial assets	5		
Other financial assets		1,432.38	676.59
Deferred tax assets	12	53.77	40.16
Non-current tax assets	7	-	218.03
Total non-current assets		**2,869.95**	**2,672.03**
II Current assets			
(i) Trade receivables	5	3,029.02	2,871.59
(ii) Cash and cash equivalents		96.41	78.48
(iii) Other financial assets		4.90	20.32
Other current assets	6	533.83	547.69
Total current assets		**3,664.16**	**3,518.08**
Total assets		**6,534.11**	**6,190.11**
EQUITY AND LIABILITIES			
I Equity			
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Other current liabilities	13	112.94	565.47
Provisions	11	6.37	4.09
Total current liabilities		**1,042.56**	**2,826.96**
Total Equity and Liabilities		**6,534.11**	**6,190.11**

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W/W100100

Gala
Atul Gala
Partner
Membership No. : 048650

BHUTA SHAH & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI FRN - 101474W/ W100100

Place : Mumbai
Date : 08th May, 2024

For and on behalf of the Board of Directors of
Motivity Labs Private Limited
CIN: U72900TG2010PTC066869

Ameeruddin Syed
Director
DIN No:- 06419899

Motivity Labs Pvt. Ltd. Hyderabad

Joseph Thumma
Director
DIN No:- 07033919

Place : Hyderabad
Date : 08th May, 2024

Motivity Labs Private Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

		Notes	For the year ended March 31,2024	For the year ended March 31,2023
I	**Income**			
	Revenue from operations	15	10,499.68	7,553.99
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	Other expenses	20	2,197.43	1,846.83
	Total expenses		**7,508.54**	**5,642.78**
III	**Profit before tax**		**3,103.39**	**1,939.95**
IV	**Income tax expense**	12		
	Current tax		775.28	465.13
	Deferred tax charge/(credit)		(10.55)	27.51
	Total tax expense		**764.73**	**492.64**
VI	**Profit for the year**		**2,338.66**	**1,447.31**
VII	**Other comprehensive income**			
(a)	**Items that will not be reclassified to profit or loss in subsequent periods**			
	(i) Remeasurements gains/(losses) on defined benefit plans		(12.13)	201.80
	(ii) Income tax effect on above		3.05	(50.79)
	Other comprehensive income for the year		**(9.08)**	**151.01**
VIII	**Total comprehensive income for the year**		**2,329.58**	**1,598.32**
IX	**Earnings per equity share [nominal value of share ₹10 (Previous year ₹10)]**			
	Basic earning per share(₹)		**233.87**	**144.73**
	Diluted earning per share(₹)		**233.87**	**144.73**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W/W100100

Atul Gala
Partner
Membership No. : 048650

BHUTA SHAH & CO LLP MUMBAI FRN - 101474W/ W100100 CHARTERED ACCOUNTANTS

Place : Mumbai
Date : 08th May, 2024

For and on behalf of the Board of Directors of
Motivity Labs Private Limited
CIN: U72900TG2010PTC066869

Ameeruddin Syed
Director
DIN No - 06419899

Motivity Labs Pvt. Ltd. Hyderabad

Joseph Thumma
Director
DIN No - 07033919

Place : Hyderabad
Date : 08th May, 2024

Motivity Labs Private Limited
Statement of changes in equity for the year ended March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

(a) **Equity share capital**

Particulars	Nos.	Amount
Balance as at April 01, 2022	**10,00,000.00**	**100.00**
Issue of equity shares	-	-
Balance as at March 31, 2023	**10,00,000.00**	**100.00**
Issue of equity shares	-	-
Balance as at March 31, 2024	**10,00,000.00**	**100.00**

(b) **Other equity**

Particulars	Retained earnings	Total other equity
As at April 01, 2022	**412.42**	**412.42**
Profit for the year	1,447.31	1,447.31
Other comprehensive income for the year	151.01	151.01
Re-measurement gains / (losses) on defined benefit plans net of tax	-	-
Total Comprehensive income for the year	**1,598.32**	**1,598.32**
As at March 31 , 2023	**2,010.74**	**2,010.74**
Profit for the year	2,338.66	2,338.66
Other comprehensive income for the year		
Re-measurement gains / (losses) on defined benefit plans net of tax	(9.08)	(9.08)
Total comprehensive income for the year	**2,329.58**	**2,329.58**
As at March 31, 2024	**4,340.32**	**4,340.32**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W/W100100

Gala AL

Atul Gala
Partner
Membership No. : 048650

BHUTA SHAH & CO LLP MUMBAI FRN - 101474W/W100100 CHARTERED ACCOUNTANTS

Motivity Labs Pvt. Ltd. Hyderabad

Place : Mumbai
Date : 08th May, 2024

For and on behalf of the Board of Directors of
Motivity Labs Private Limited
CIN: U72900TG2010PTC066869

Ameeruddin Syed
Director
DIN No:- 06419899

Joseph Thumma
Director
DIN No:- 07033919

Place : Hyderabad
Date : 08th May, 2024

Motivity Labs Private Limited
Cashflow Statement as at March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A	**Cash flows from operating activities :**		
	Profit before tax	2,329.58	1,939.95
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expense for PPE	82.06	53.56
	Depreciation and amortisation expense for ROU	389.93	64.78
	Interest income on bank deposits and others	-	(23.13)
	Interest on Security Deposit	(13.18)	(3.16)
	Finance costs	-	24.12
	Interest cost on Lease Liabilities	122.15	22.55
	Provision for Defined benefit obligation	63.38	92.90
	Provision for impairment of trade receivable and other assets provided for / (written back)	(49.20)	-
	Gain on lease modification	(10.84)	-
	Net loss / (profit) on sale of property, plant and equipment		
	Operating Profit before working capital changes	**2,913.89**	**2,171.57**
	Movement in working capital		
	(Increase)/ Decrease in trade receivables	(157.43)	(2,734.04)
	(Increase)/ Decrease in non current other financial assets	(742.61)	(647.39)
	(Increase)/ Decrease in other current assets	13.86	(270.11)
	(Increase)/ Decrease in Deffered Tax Asset	(13.61)	-
	Increase/ (Decrease) in trade payables	(747.39)	885.66
	(Increase)/ Decrease in current other financial assets	15.42	(16.99)
	Increase/ (Decrease) in other financial liability	(442.36)	(23.12)
	Increase/ (Decrease) in provisions	(26.08)	15.78
	Increase/ (Decrease) in Other current liability	(452.53)	507.00
	Increase/ (Decrease) in Non-Current Tax Liability	(121.32)	1.29
	(Increase)/ Decrease in Non-current tax assets	218.03	(31.73)
	Cash generated from operations	**(2,456.01)**	**(2,313.67)**
	Income tax paid (net of refund)	-	(186.30)
	Net Cash flows from operating activities (A)	**457.88**	**(328.40)**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment	(12.26)	(222.76)
	Interest received on bank deposits & others	-	23.13
	Net cash used in investing activities (B)	**(12.26)**	**(199.63)**
C	**Cash flows from financing activities**		
	Interest paid on borrowings	-	(24.12)
	Interest paid on Lease Liabilites	-	-
	Repayment of Lease Liabilites	(427.69)	-
	Payment of principal portion of lease liabilities	-	(72.61)
	Net cash used in financing activities (C)	**(427.69)**	**(96.73)**
	Net Increase/ (decrease) in cash and cash equivalents(A+B+C)	**17.93**	**(624.76)**

Motivity Labs Private Limited
Cashflow Statement as at March 31, 2024
(All amounts in Indian ₹ lakhs, unless otherwise stated)

Cash and cash equivalents as at beginning	78.48	703.24
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents as at closing	**96.41**	**78.48**

Notes

1 The above Cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 - Statement of Cash Flows
2 Components of cash and cash equivalents

Cash and cash equivalents		
Balances with banks		
In current / cash credit accounts	96.10	78.48
Cash on hand	0.31	-
Cash and cash equivalents at the end of the year	**96.41**	**78.48**

The accompanying notes form an integral part of the standalone financial statements
As per our report of even date attached

For Bhuta Shah & Co LLP
Chartered Accountants
Firm Registration No: 101474W / W100100

Atul Gala
Partner
Membership No. 048650

Place : Mumbai
Date : 08th May, 2024

BHUTA SHAH & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI FRN - 101474W/ W100100

For and on behalf of the Board of Directors of
Motivity Labs Private Limited
CIN: U72900TG2010PTC066869

Ameeruddin Syed
Director
DIN No:- 06419899

Motivity Labs Pvt. Ltd. Hyderabad

Joseph Thumma
Director
DIN No:- 07033919

Place : Hyderabad
Date : 08th May, 2024

Motivity Labs Private Limited
Notes forming part of the financial statements for the year ended March 31, 2024
(All amounts in Indian ₹, unless otherwise stated)

1 Background

Motivity Labs Private Limited, ("the Company") incorporated on 02nd February, 2010 is a domestic company, and is domiciled in Hyderabad, India. The registered office of the Company is at Dallas Centre, 6th Floor, 83/1, Knowledge City, Raidurg, Hyderabad, Talengana 500032. The Company is engaged in the business of Software development, network development, network & web designing,hardware development, comnsultancy & retaining services and any other emerging new business in any of the related fields detailed ,in india or abroad and to develop,acquire,exchange,sell, or export computers software system and sub - system and applications packages, enter into collaborations for technical knowhow and production process and establish, provide, maintain, conduct or otherwise subsidize data centers for Data processing, scientific, Commercial and on line computer applications.

2 Summary of Critical accounting policies :

2.1 Basis of preparation of financial statements

Compliance with Ind AS: The financial statements have been prepared to comply, in all material aspects, with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act'), read with Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

Classification of assets and liabilities : All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Deferred tax assets and liabilities are classified as non-current on net basis.

Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values.

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

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.2 Revenue Recognition:

Revenue from time and material contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from contract with customers is is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue is measured based on transaction price, which is the consideration, net of indirect taxes, discounts, rebates, credits, concessions, incentives, penalties, or other similar items.

Fixed-price maintenance revenue is recognized ratably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period.Revenue from fixed-price maintenance contract is recognized ratably using a percentage of completion method when the pattern of benefits from the services rendered to the customer and the Company's costs to fulfil the contract is not even through the period of the contract because the services are generally discrete in nature and not repetitive. The use of method to
recognize the maintenance revenues requires judgment and is based on the promises in the contract and nature of the deliverables.

Contracts assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liability ("Unearned revenue") arises when there are billing in excess of revenue.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.3 Property plant and equipment

(i) Tangible property plant and equipment:

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment, if any.

Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets up to the date the assets are ready for use.

When an asset is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in the Statement of Profit and Loss.
The management's estimate of useful lives are in accordance with Schedule II to the Companies Act, 2013.

BHUTA SHAH & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI FRN - 101474W/ W100100

(ii) **Depreciation/Amortisation:**

Depreciation is provided on straight-line basis for property, plant and equipment so as to expense the depreciable amount, i.e. the costless estimated residual value, over its estimated useful lives.The estimated useful lives and residual values are reviewed annually and the effect of any changes in estimate is accounted for on a prospective basis.

(iii) **Derecognition:**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit or loss in the year the asset is derecognised.

(iv) **Impairment Testing of Property, Plant and Equipment, and Intangible Assets**

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

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

2.4 Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significantjudgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

2.5 Foreign currency transactions

(i) **Initial recognition**

Transactions in foreign currencies entered into by the company are accounted at the exchange rates prevailing on the date of transaction or at rates that closely approximate the rate at the date of the transaction.

(ii) **Measurement of monetary items denominated in foreign currency at the Balance Sheet date**

Monetary items denominated in foreign currency (other than those related to acquisition of property plant and equipment) of the Company outstanding at the Balance Sheet date are restated at the year-end rates.

Non monetary foreign currency items are carried at cost.

(iii) **Treatment of exchange differences**

Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of profit and loss.

The translation differences on monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of profit and loss. Non-monetary assets and liabilities are recorded at the rates prevailing on the date of the transaction.

Transactions with fixed Rupee exposure are not revalued at the balance sheet date as the Company's exposure is fixed in INR terms.

BHUTA SHAH & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI FRN - 101474W/ W100100

2.6 Earnings per share (EPS)

The Basic EPS is computed by dividing the net profit / (loss) attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period.

Diluted EPS is computed by dividing the net profit / (loss) as adjusted for dividend, interest and other charges to expense or income (net off any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

2.7 Income taxes

(i) Current tax

Current tax is determined as the amount of tax payable in respect of taxable income for the year. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) Deferred tax

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised to the extent that it is probable that future taxable income will be available against which the deductible temporary differences could be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if it is probable that the Company will pay normal income tax against which the MAT paid will be adjusted. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

2.8 Borrowing costs

Borrowing costs, general or specific, that are directly attributable to the acquisition or construction of qualifying assets is capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

The Company determines the amount of borrowing costs eligible for capitalisation as the actual borrowing costs incurred on that borrowing during the year less any interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets, to the extent that an entity borrows funds specifically for the purpose of obtaining a qualifying asset. In case if the Company borrows generally and uses the funds for obtaining a qualifying asset, borrowing costs eligible for capitalisation are determined by applying a capitalisation rate to the expenditures on that asset.

Borrowing cost includes exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the finance cost.

2.9 Provisions and contingencies:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When provision is measured using the cash flow estimated to settle the present obligation, its carrying amount is the present value of these cash flows (when the effect of the time value of money is material).

Contingent liabilities are not recognised in the financial statements and are disclosed in the notes forming part of the financial statements.

Contingent assets are neither recognized and disclosed in Financial statements.

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2.10 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.
A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset.

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

- Amortised cost; or
- Fair Value through Other Comprehensive Income (FVTOCI) – debt investment; or
- Fair Value through Other Comprehensive Income (FVTOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
All financial assets not classified as measured at amortised cost or FVTOCI are measured at FVTPL. This includes all derivative financial assets unless designated as effective hedge instruments which are accounted as per hedge accounting requirements discussed below.

Financial assets at amortised cost are subsequently measured at amortised cost using effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment expenses are recognised in profit or loss. Any gain and loss on derecognition is also recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial liabilities and equity instruments

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company is recognised at the proceeds received, net of directly attributable transaction costs.

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is a derivative (that does not meet hedge accounting requirements) or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all of the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it may have to pay.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised and the proceeds received are recognised as a collateralised borrowing.

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Offsetting

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

Derivative financial instruments and hedge accounting

The Company enters into derivative financial instruments, primarily foreign exchange forward contracts and interest rate swaps, to manage its exposure to foreign exchange and interest rate risks. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of Ind AS 109 are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

Derivatives are initially recognised at fair value at the date the contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

2.11 Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

2.12 Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Key sources of estimation uncertainty at the date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, fair value of financial assets/liabilities and impairment of investments.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) **Useful lives of property, plant and equipment and intangible assets**

The Company reviews the useful lives of property, plant and equipment and intangible assets at the end of each reporting period. This re-assessment may result in change in depreciation and amortisation expense in future periods.

(ii) **Revenue Recoginition**

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

The Company exercises judgments while determining the transaction price allocated to performance obligations using the expected cost plus margin approach.

(iii) **Fair value of financial assets and liabilities**

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

2.13 Recent Accounting Pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

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3 Property, plant and equipment

Particulars	Furniture and fittings	Office equipment	Data Processing Equipment	Total
Gross carrying amount				
As at 01 April, 2022	**15.37**	**35.88**	**164.80**	**216.05**
Additions during the year	-	2.66	220.10	222.76
Disposals/adjustments				-
Addition/ Deletion due to other reason (business acquisition/dispoal etc)				-
Foreign currency translation impact				-
As at 31 March , 2023	**15.37**	**38.54**	**384.90**	**438.80**
Additions during the year	-	3.97	8.28	12.25
As at 31 March , 2024	**15.37**	**42.51**	**393.18**	**451.06**
Accumulated depreciation				
As at 31 March , 2023	**5.83**	**33.40**	**172.27**	**211.50**
Depreciation charge for the year	0.28	4.40	77.38	82.06
As at 31 March , 2024	**6.11**	**37.80**	**249.65**	**293.56**
Net Carrying amounts				
As at 31 March , 2023	**9.54**	**5.13**	**212.63**	**227.30**
As at 31 March , 2024	**9.26**	**4.70**	**143.53**	**157.50**

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4 Right of use assets and leases liabilities

(i) **Right of use assets:** The Company's lease asset primarily consist of following:
(a) Lease contracts entered by the company pertain for building,flat and office floor in the building taken on lease to conduct its business in the ordinary course having lease terms between 36 to 60 months.The Company's obligations under its leases are secured by the lessor's title to the leased assets.

(ii) **The following is carrying value of right of use assets and movement thereof:**

Particulars	Leasehold Building	Total
As at April 01, 2022	-	-
Additions during the year	1,574.73	1,574.73
As at March 31, 2023	**1,574.73**	**1,574.73**
Additions during the year	1,367.54	1,367.54
Disposal during the year	1,317.31	1,317.31
As at March 31, 2024	**1,624.96**	**1,624.96**
Accumulated depreciation		
As at March 31, 2023	**64.78**	**64.78**
Depreciation for the year	389.93	389.93
Disposal during the year	56.05	56.05
As at March 31, 2024	**398.66**	**398.66**
Carrying amounts (net)		
As at March 31, 2023	**1,509.95**	**1,509.95**
As at March 31, 2024	**1,226.30**	**1,226.30**

(iii) **The movement in lease liabilities is as follows:**

Particulars	As at March 31, 2024	As at March 31, 2023
Balance at the beginning	1,465.76	-
Addition during the year	1,367.54	1,515.82
Lease modification/termination	(1,271.27)	-
Finance cost accrued during the year	122.15	22.55
Payment of lease liabilities	(428.51)	(72.61)
Balance at the end	**1,255.67**	**1,465.76**
Current maturities of lease liabilities	367.83	352.69
Non-current lease liabilities	887.85	1,113.07

(iv) **Amount recognised in the statement of Profit and loss during the year:**

Particulars	As at March 31, 2024	As at March 31, 2023
Depreciation charge of right of use assets	389.93	64.78
Finance cost incurred during the year	122.15	22.55
Total	**512.08**	**87.33**

(v) The Company does not face significant liquidity risk with regard to its lease liabilities as the current situation are sufficient to meet the obligation related to lease liabilities as and when they fall due

(vi) **Non-cash investing activities during the year**

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Acquisition of right of use assets	1,367.54	1,515.82
Disposal of right of use assets	1317.31	-

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Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(A) Trade receivables				
Trade receivables from contract with customers - considered goods - billed	-	-	3,029.04	2,446.59
Trade receivables from contract with customers - considered goods - unbilled	-	-	-	425.00
	-	-	**3,029.04**	**2,871.59**
less: Impairment allowance for trade receivable - significant increase in credit risk	-	-	-	-
less: Impairment allowance for trade receivable - credit impaired	-	-	-	-
Total	-	-	**3,029.04**	**2,871.59**

Notes:

(a) Trade receivables Ageing Schedule

As at March 31, 2024

Particulars	Not due	Outstanding for following periods from the due date of payment					
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	-	1,013.11	1,774.16	241.78	-	-	3,029.04
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Total	-	1,013.11	1,774.16	241.78	-	-	3,029.04
Less: Impairment allowance for trade receivable - credit impaired	-	-	-	-	-	-	-
Net Trade receivables	-	1,013.11	1,774.16	241.78	-	-	3,029.04

As at March 31, 2023

Particulars	Not due	Outstanding for following periods from the due date of payment					
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	425.00	2,436.85	-	-	-	-	2,861.85
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	9.74	-	-	-	9.74
Total	425.00	2,436.85	9.74	-	-	-	2,871.59
Less: Impairment allowance for trade receivable - credit impaired	-	-	-	-	-	-	-
Net Trade receivables	425.00	2,436.85	9.74	-	-	-	2,871.59

(b) Trade receivables are non-interest bearing and are usually on trade terms based on credit worthiness of customers as per the terms of contract with customers

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(B) Cash and cash equivalents (valued at amortised cost)				
Balances with banks				
In current accounts	-	-	96.10	72.86
Cash on hand	-	-	0.31	5.62
	-	-	**96.41**	**78.48**

Notes:

(a) There are no restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(C) Other financial assets (Unsecured, considered good unless otherwise stated)				
Security deposits	201.00	184.01	-	-
Loan to employees	156.00	200.00	-	-
Advance to staff	-	-	4.90	-
Accrued Interest Income on Inter Corporate Deposits	-	-	-	20.32
Inter Corporate Deposits				
-Related Party	1,075.38	292.59	-	-
	1,432.38	**676.59**	**4.90**	**20.32**

Notes

(a) **Disclosure as required by Section 186 of the Companies Act, 2013 for Inter- corporate deposit is as below:**

Opening balance	292.59	-	-	-
Given during the year (including interest)	4,250.07	292.59	-	-
Received during the year (including interest)	3,467.28	-	-	-
Closing balance	**1,075.38**	**292.59**	-	

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
6 Other current assets				
(Unsecured considered good, unless otherwise stated)				
Capital advances	-	-	77.03	-
Advance other than capital advance				
Advance to vendors	-	-	2.53	43.08
Loans & Advances				
(i) Related Party	-	-	-	-
(ii) Others	-	-	37.95	-
Others				-
Prepaid expenses	-	-	62.21	55.06
Balances with government authorities considered good	-	-	354.11	449.55
	-	-	**533.83**	**547.69**
	-	-	**533.83**	**547.69**
7 Tax assets				
Income Tax assets (net of provision for income tax)	-	218.03	-	-
	-	**218.03**	-	-

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Particulars	As at March 31 2024		As at March 31 2023	
	Number	Amount	Number	Amount
8 Share Capital				
(i) Authorised capital				
10,00,000 Equity Shares of Rs. 10 each	10,00,000.00	100.00	10,00,000.00	100.00
	10,00,000.00	**100.00**	**10,00,000.00**	**100.00**
(ii) Issued, subscribed and fully paid up				
Equity share capital				
10,00,000 Equity shares of ₹10/- each fully paid up	10,00,000.00	100.00	10,00,000.00	100.00
	10,00,000.00	**100.00**	**10,00,000.00**	**100.00**

(iii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Equity shares of ₹10/- each with voting rights				
Balance at the beginning of the year (Number of shares)	10,00,000.00	100.00	10,00,000.00	100.00
Add: Issue of equity shares under right issue	-	-	-	
Add: Issue of equity shares on settlement of consideration payable	-	-	-	
Add: Issue of equity shares under preferential allotment to qualified institutior	-	-	-	
Balance at the end of the year	**10,00,000.00**	**100.00**	**10,00,000.00**	**100.00**

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

Name of shareholders	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% holding	No. of shares	% holding
Equity shares of ₹10/- each with voting rights				
Motivity INC, USA	9,99,990.00	99.99%	9,99,990.00	99.99%

(v) Terms/rights attached to equity shares

The Company has only one class of issued equity shares capital having par value of ₹ 10 per share,as on 31 March 2024. Each shareholder is entitled to one vote per share held.In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential assets, in proportion to their shareholding.

(vi) Shareholding of Promoters

Shareholding of promoters	23-24		22-23		% Change during the year
Name of promoter	No. of shares	% of total shares	No. of shares	% of total shares	
Motivity INC, USA	9,99,990.00	99.99%	9,99,990.00	99.99%	0.00%
	9,99,990.00	**99.99%**	**9,99,990.00**	**99.99%**	**0.00%**

9 (A) Other equity:

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings	4,340.32	2,010.74
Total other equity	**4,340.32**	**2,010.74**

(i) Retained earnings		
Opening balance	2,010.74	412.42
Net profit for the year	2,338.66	1,447.31
Other comprehensive income / (loss) for the year ended	(9.08)	151.01
Closing balance	**4,340.32**	**2,010.74**

Nature and purpose of other reserves

Retained earnings

Retained earnings are the profits that the Company has earned till date including gain/(loss) on remeasurement of defined benefits plans as adjusted for distributions to owners, transfer to other reserves etc.

10 Financial liabilities

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(A) Lease liabilities (valued at amortised cost)				
Lease liabilities	887.85	1,113.07	367.83	352.69
	887.85	**1,113.07**	**367.83**	**352.69**
(B) Trade payables				
Total outstanding dues of micro enterprises and small enterprises	-	-	1.50	0.75
Total outstanding dues of creditors other than micro enterprises and small nterprises	-	-	123.74	921.08
	-	-	**125.24**	**921.83**

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Notes:
(i) **Trade payables Ageing Schedule**
As at March 31, 2024

Particulars	Outstanding for following periods from the due date				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small enterprises	1.50	-	-	-	**1.50**
Undisputed dues of creditors other than micro enterprises and small enterprises	136.58	(12.833)	-	-	**123.74**
Total	**138.08**	**(12.830)**	-	-	**125.24**

As at March 31, 2023

Particulars	Outstanding for following periods from the due date				Total
	less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues of micro enterprises and small	-	-	-	-	-
Undisputed dues of creditors other than micro enterprises and small enterprises	911.87	0.41	-	2.18	**914.46**
Disputed dues of micro enterprises and small enterprises	-	-	-	0.75	**0.75**
Disputed dues of creditors other than micro enterprises and small enterprises	2.05	4.58	-	-	**6.62**
Total	**913.92**	**4.98**	-	**2.93**	**921.83**

(i) The trade payables are unsecured and non interest-bearing and are usually on varying trade term.
(ii) The amounts falling in the category of more than 1 year are related to pending obligations on the part of the supplier as per agreed terms and conditions mentioned in respective contracts.

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(C) Other financial liabilities				
Financial liabilities measured at amortised cost				
Interest accrued but not due on non-current borrowings	-	-	84.00	-
Payable to employees	-	10.98	-	-
Advance from customers	-	-	1.08	516.47
	-	**10.98**	**85.08**	**516.47**
11 Provisions				
Provision for employee benefits				
Provision for Gratuity (refer note 22)	144.85	81.96	6.37	4.09
Provision for leave encashment	6.25	34.13	-	-
Others				
Provision for GHMC	-	12.28	-	-
Provision for expenses	12.28		-	-
	163.38	**128.36**	**6.37**	**4.09**

	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	12.28	-
Add: Provision made during the year	-	12.28
Less: Write Back		-
Balance as at the end of the year	**12.28**	**12.28**

Particulars	As at March 31, 2024	As at March 31, 2023
12 Income tax and deferred tax		
The major components of income tax expense for the years ended March 31, 2023 and March 31, 2024 are:		
(a) Income tax expense in the statement of profit and loss comprises :		
Current income tax charge	775.28	465.13
Total current income tax	**775.28**	**465.13**
Deferred Tax charge / (credit)		
Relating to origination and reversal of temporary differences	(10.55)	27.51
Income tax expense reported in the statement of profit or loss	**764.73**	**492.64**
(b) Other Comprehensive Income		
Tax expense related to items recognised in Other comprehensive income during the year:		
Deferred tax on re-measurement loss on defined benefit plans	3.05	50.79
Income tax related to items recognised in Other comprehensive income during the year	**3.05**	**50.79**

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(c) Deferred tax liabilities /assets comprises :

Deferred tax assets		**As at March 31, 2024**	**As at March 31, 2023**
Allowance on lease liability		316.03	368.90
Property, plant and equipment and intangible assets		(0.59)	6.21
Expenses allowable on payment basis		38.06	30.25
Other - Security deposits		8.91	14.83
	(A)	**362.40**	**420.19**
Deferred tax liabilities			
Right of use asset		308.64	380.02
	(B)	**308.64**	**380.02**
Net Deferred tax assets	**(A) - (B)**	**53.77**	**40.16**

(c) Net Deferred tax movement:

	As at March 31, 2024	**As at March 31, 2023**
Net deferred tax assets at the beginning of the year	40.16	118.46
Deferred tax charged/(credited) to profit and loss account during the year	13.61	(78.30)
Net deferred tax assets at the end of the year	**53.77**	**40.16**

(e) The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

Profit before tax	3,103.39	1,939.95
Applicable tax rate	25.17%	25.17%
Expected Income tax expense	781.12	488.29
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:	38.06	21.66
Others	(43.90)	(44.82)
	775.28	465.13

Particulars	**Non-current**		**Current**	
	As at March 31, 2024	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**
13 Other liabilities				
Statutory dues payable	-	-	112.94	565.47
	-	-	**112.94**	**565.47**
Statutory dues payable :				
GST Payable	-	-	38.93	464.10
TDS Payable	-	-	32.85	64.57
ESIC Payable	-	-	0.53	0.42
PF Payable	-	-	27.69	27.94
PT Payable	-	-	0.45	0.59
Employee Contribution - PF	-	-	12.49	7.85
14 Current tax liability			345.09	466.41
Current tax liabilities (net of advance tax and tax deducted at source)	-	-	**345.09**	**466.41**

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	Particulars	For the year ended March 31,2024	For the year ended March 31,2023
15	**Revenue from operations**		
	Revenue from contract with customers		
	Sale of services	10,499.68	7,553.99
		10,499.68	**7,553.99**
	Total revenue from operations	**10,499.68**	**7,553.99**
	Notes:		
(i)	**Timing of revenue recognition**		
	Services transferred over the time	10,499.68	7,553.99
	Total revenue from operations	**10,499.68**	**7,553.99**

Sales of services: The performance obligation in respect of maintenance services is satisfied over a period of time and acceptance of the customer. In respect of these services, payment is generally due upon completion of service based on time elapsed and acceptance of the customer.

	Particulars	For the year ended March 31,2024	For the year ended March 31,2023
16	**Other Income**		
	Gain on Lease Modification	8.34	-
	Other Deductions (Employees)	7.85	-
	Interest on IT refund for AY 2020-21	3.12	-
	Interest on Security Deposit	13.18	3.16
	Discount Receivable	0.19	-
	Gain on Lease Termination	2.50	-
	Interest Income on ICD	-	22.15
	Deposit with banks	-	0.98
	Leave encashment no longer required written back	27.88	
	Liabilities no longer required written back	49.20	2.45
		112.25	**28.74**
17	**Employee benefits expense**		
	Salaries, wages and bonus	4,239.38	3,325.36
	Contribution to provident and other funds	184.74	138.00
	Net defined benefit plan expense (Gratuity, Pension and other defined benefit plan) (Refer Note 22)	63.38	92.90
	Staff welfare expense	77.84	67.95
	Leave Encashment Expense	-	15.80
	Payroll Processing Fee	8.07	5.96
	Other Employee Benefits	25.22	7.38
	Other Allowances	0.11	0.13
		4,598.76	**3,653.49**
18	**Finance costs**		
	Interest on Lease Liability	122.15	22.55
	Interest expense on ICD	116.34	-
	Bank Charges	1.88	1.57
		240.37	**24.12**
19	**Depreciation and amortisation expense**		
	Depreciation on property, plant and equipment	82.06	53.56
	Depreciation on right-of-use assets	389.93	64.78
		471.99	**118.34**

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	Particulars	For the year ended March 31,2024	For the year ended March 31,2023
20	**Other expenses**		
	Internet Expenses	2.32	-
	Postage & Courier Charges	-	1.37
	Telephone Landline	1.32	1.66
	Installation Expenses-GHMC	-	4.13
	Office Rent	18.82	153.20
	Professional Fee	1,572.70	1,158.39
	Repairs & Maintance	12.38	7.29
	Travelling & Conveyance	22.47	19.28
	Audit Fee	6.25	4.45
	Commission Charges	16.29	4.95
	Computer Consumables	-	2.85
	Computer Rent	6.41	6.65
	CSR Expense	10.00	-
	Customs Duty	2.13	9.85
	Electricity Expenses	11.01	-
	Forex Gain/ Loss	51.81	46.70
	Unrealised Forex Gain/ Loss	36.05	
	Fuel Charges	3.95	2.97
	GHMC Convexion Commission	-	10.52
	Guest House Maint .Exp	1.10	1.72
	Hosted Messaging Services	41.98	41.66
	Hotel & Bording Charges	2.61	12.94
	House Keeping Expnese	59.82	8.82
	Insurance	94.10	88.47
	Rates & Taxes	1.23	0.11
	Leased Line Expenses	13.10	12.32
	Office Expense	26.46	94.38
	Office Maintenance	103.52	40.81
	Printing & Stationery	4.83	3.95
	Recruitment Exp	4.94	6.36
	Reimbursement Exp-Joe	27.01	25.73
	Sales & Marketing Expenses	-	6.85
	Security Expnese	10.47	9.28
	Service Charges	9.91	29.73
	Software Licence	1.36	2.74
	Subcription Fee	18.58	17.22
	Write Off	-	5.39
	Other Expenses	2.50	4.08
	Total	**2,197.43**	**1,846.83**

Note:

(i) **Details of payments to auditors**

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
As auditor:		
Audit fee	3.00	2.25
Tax Audit	3.25	2.20
Internal Audit Fees	-	-
Total	**6.25**	**4.45**

(ii) **Contribution towards corporate social responsibility expense (CSR)**

Particulars	For the year ended March 31,2024	For the year ended March 31,2023
(a) amount required to be spent by the company during the year,	9.61	-
(b) amount of expenditure incurred,	10.00	-
(c) amount of previous year excess spent	-	-
(d) Amount spent during the year on:		
i) Construction/ acquisition of assets	-	-
ii) On purposes other than above	**10.00**	-
(e) Excess spent during the year	0.40	-

Earnings per share (EPS)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year	2,338.66	1,447.31
Weighted average number of equity shares (in Nos)		
-Basic	10,00,000.00	10,00,000
-Diluted	10,00,000.00	10,00,000
Basic earnings per share in rupees (Face Value Rs 10 per share)	233.87	144.73
Diluted earnings per share in rupees (Face value Rs 10 per share)	233.87	144.73

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22 Disclosure of Defined benefit plans and defined contribution plan
(A) Defined benefit plan
The Company operates following defined benefit obligations:
(a) Gratuity (defined benefit plan)

In accordance with the applicable laws, the company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment of amounts that are based on salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation.
The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plan:-

(i) Net defined benefit asset/ (liability) recognised in the balance sheet

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	151.22	86.05
Net asset/(liability) recognized in consolidated balance sheet	**151.22**	**86.05**
Non-current portion term	144.85	81.96
Current portion	6.37	4.09

(ii) Net defined benefit expense (recognised in the statement of profit and loss for the year)

Particulars	Gratuity	
	As at March 31, 2024	As at March 31, 2023
Current service cost	54.66	86.76
Interest cost (net)	8.73	13.94
Net defined benefit expense debited to statement of profit and loss	**63.38**	**100.70**

(iii) The reconciliation of opening and closing balances of the present value of the defined benefit obligation are as below-

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
Present value of obligation as at the beginning of the year	86.05	202.00
Current service cost	54.66	86.76
Interest cost	8.73	13.93826
Re-measurement of (Gain)/loss recognised in other comprehensive income arising from:		
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in financial assumptions	2.56	(3.79)
Actuarial changes arising from changes in experience adjustments	9.57	(198.00)
Benefits paid	(10.35)	(14.86)
Closing defined benefit obligation	**151.22**	**86.05**

(iv) Re-measurements Gain/ (loss) recognised in other comprehensive income (OCI):

Particulars	Gratuity Benefits	
	Year ended March 31, 2024	Year ended March 31, 2023
Re-measurement of (Gain)/loss recognised in other comprehensive income arising from:		
Actuarial (Gains)/Losses on Obligation For the Period	12.13	(201.80)
Recognised in other comprehensive income	**12.13**	**(201.80)**

(v) Principal actuarial used in recognition of Defined benefit obligation are as follows:

Particulars	Gratuity Benefits	
	Year ended March 31, 2024	Year ended March 31, 2023
Discount rate	7.24%	7.41%
Future salary increase	8.00%	8.00%
Expected return on plan assets	N/A	N/A

(vi) Mortality rate

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Mortality rate during employment	Indian Assured Lives Mortality 2012-14	Indian Assured Lives Mortality 2012-14

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(vii) Quantitative sensitivity analysis for significant assumptions is as shown below:

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
1% increase in discount rate	(142.23)	(6.71)
1% decrease in discount rate	170.41	7.70
1% increase in salary escalation rate	170.02	7.12
1% decrease in salary escalation rate	(142.24)	(6.41)
1% increase in withdrawal rate	(152.85)	-
1% decrease in withdrawal rate	157.85	-
1% increase in mortality rate	155.29	-
1% decrease in mortality rate	155.30	-
1% increase in employee turnover escalation rate	-	(1.61)
1% decrease in employee turnover escalation rate	-	1.67

(viii) Maturity profile of defined benefit obligations (Undiscounted) :

Particulars	Gratuity	
	Year ended March 31, 2024	Year ended March 31, 2023
1st following year	6.37	3.86
2nd following year	8.49	4.26
3rd following year	11.80	5.49
4th following year	15.04	7.77
5th following year	17.66	8.90
Sum of years 6 to 10	75.34	41.18
Sum of years 11 and above	214.46	113.41

(ix) Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date for the estimated term of the obligations.

(x) The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period while holding all other assumptions constraint. In practice it is unlikely to occur and change in some of the assumption may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(xi) The estimates of rate of escalation in salary considered in actuarial valuation are after taking into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is as certified by the Actuary.

(xii) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(B) Defined contribution plan

Following are the contribution to Defined Contribution Plan, recognised as expense for the year:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to provident and other funds	184.74	153.80
Total	**184.74**	**153.80**

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23 Related Party Disclosures

The related parties as per identified by management.

(A) Names of related parties and description of relationship:

(i) **Related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:**

Entity Name	Relationship
Magellanic Cloud Limited	Ultimate Holding Company
JNIT Inc.	Holding Company
Motivity Inc.	Immediate Holding Company
IVIS International Private Limited	Subsidiary company of Ultimate Holding Company
Provigil Surveillance Limited	Subsidiary company of Ultimate Holding Company
Scandron Private Limied	Subsidiary company of Ultimate Holding Company

(ii) **Key management personnel**

Name	Relationship
Joseph Sudheer Reddy Thumma	Director
Syed Ameeruddin	Director
Sanjay Chauhan	Chief Finance Officer

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(D) Transactions with related parties

(i) Transactions with related parties for the year ended March 31, 2024

Particulars	March 31, 2024	March 31, 2023
Services Given (Magellanic Cloud Limited)	700.00	250.00
	700.00	**250.00**
Services rendered (Motivity Labs Inc)	5,967.53	4,501.20
		-
	5,967.53	4,501.20
Unsecured loan given (Magellanic Cloud Limited)	4,133.73	1,427.09
	4,133.73	**1,427.09**
Unsecured loan Repaid (Magellanic Cloud Limited)	3,350.94	1,134.50
	3,350.94	**1,134.50**
Advances Paid (Motivity Labs Inc)	471.48	372.94
Advances adjusted against services rendered (Motivity Labs Inc)	-	4,470.47
Advance received (Motivity Labs Inc)		403.67
	471.48	**5,247.09**
Interest Accrued on ICD (Magellanic Cloud Limited)		-
Interest Expense on ICD (Magellanic Cloud Limited)	116.34	
	116.34	-
Rent (Joseph Reddy Thumma)	108.05	102.90
Reimbursement (Joseph Reddy Thumma)	27.01	25.73
	135.06	**128.63**

(E) Balances with related parties

Particulars	March 31, 2024	March 31, 2023
Receivables		
Magellanic Cloud Limited	1,075.38	292.59
Motivity Labs Inc	-	
Interest Expense on ICD (Magellanic Cloud Limited)	116.34	
	1,191.72	**292.59**

Notes:

(a) The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. The settlement for these balances occurs through payment. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Company has not recorded any impairment of receivables relating to amounts owed by related parties . This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

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24 Fair value measurements

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

Category	As at March 31, 2024		As at March 31, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial instruments by category				
Financial assets measured at fair value through profit or loss				
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	1,437.28	1,437.28	696.91	696.91
Trade receivables (current and non current)	3,029.02	3,029.02	2,871.59	2,871.59
Cash and cash equivalents	96.41	96.41	78.48	78.48
Other bank balances (current and non current)			-	-
Total	**4,562.71**	**4,562.71**	**3,646.98**	**3,646.98**
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Borrowings (short term and long term)	-	-	-	-
Lease liabilities (current and non current)	1,255.68	1,255.68	1,465.76	1,465.76
Other financial liabilities (current and non current)	85.08	85.08	527.45	527.45
Trade payables (current and non current)	125.24	125.24	921.83	921.83
Total	**1,466.00**	**1,466.00**	**2,915.04**	**2,915.04**

Management of the Company has assessed that trade receivables, cash and cash equivalents, other bank balances, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

(i) Fair value hierarchy

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period for identical assets or liabilities. The mutual funds are valued using the net assets value (NAV) available in open market. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfers among levels 1, 2 and 3 during the year

This section explains the judgement and estimates made in determining the fair value of financial assets that are:

a) Recognized and measured at Fair value

b) Measured at amortized cost and for which fair value is disclosed in financial statements

Quantitative disclosures of fair value measurement hierarchy for assets as on March 31, 2024

Particulars	Carrying value	Fair Value		
	As at March 31, 2024	Level 1	Level 2	Level 3
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	1,437.28	-	-	1,437.28
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Lease liabilities (current and non current)	1,255.68	-	-	1,255.68
Other financial liabilities (current and non current)	85.08	-	-	85.08

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023

Particulars	Carrying value	Fair Value		
	As at March 31, 2023	Level 1	Level 2	Level 3
Financial assets measured at amortized cost and for which fair values are disclosed				
Other financial assets (current and non current)	696.91	-	-	696.91
Financial liabilities measured at amortized cost and for which fair values are disclosed				
Lease liabilities (current and non current)	1,465.76	-	-	1,465.76
Other financial liabilities (current and non current)	527.45	-	-	527.45

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25 Segment Information

The company does not have reportable segments at standalone level and the same is disclosed in the consolidated financial statements.

26 Contingent Liability & Commitments

Contingent Liabilities for Taxation Matters

(i) Demands against the Company not acknowledged as debts and not provided for:

Financial Years	As at March 31, 2024	As at March 31, 2023
Income Tax Demand		
2018-19	-	13.79
2020-21	118.07	-
	118.07	**13.79**
TRACES Demand		
Prior to 2020-21	1.79	1.79
2020-21 to 2023-24	13.93	9.63
	15.72	**11.42**
Total	**133.79**	**25.21**

27 Financial risk management objectives and policies :

In the course of its business, the Company is exposed to certain financial risks namely credit risk, interest risk, currency risk & liquidity risk. The Company's primary focus is to achieve better predictability of financial markets and seek to minimize potential adverse effects on its financial performance.

The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

(a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include loans deposits, and investments, and foreign currency receivables and payables. The sensitivity analysis in the following sections relate to the position as at reporting date. The analysis exclude the impact of movements in market variables on: the carrying values of gratuity obligations and the non-financial assets and liabilities. The sensitivity of the relevant profit and loss item and equity is the effect of the assumed changes in the respective market risks. This is based on the financial assets and financial liabilities held as of March 31, 2022 and March 31, 2023.

(i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's major customers are located in international market due to which the Company is also exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to the movement in foreign currency exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in foreign currency). The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies approved by its Board of Directors.

The carrying amounts of the Company's foreign currency exposure at the end of the reporting period are as follows:

	Currency in USD	
	As at March 31, 2023	**As at March 31, 2023**
Advances from Foreign Customers	30.33	501.81
	30.33	**501.81**

(b) Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing through the use of short term bank deposits, short term loans, and cash credit facility etc. Processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company assessed the concentration of risk with respect to its debt and concluded it to be low.

Maturity profile of financial liabilities

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

As at March 31, 2024	Less than 1 Years	1-5 Years	More than 5 Years	Total
Borrowings		-		-
Lease liabilities (undiscounted)	367.83	887.85		**1,255.68**
Trade payable	125.24	-	-	**125.24**
Other financial liabilities	85.08	-	-	**85.08**
				-
As at March 31, 2023				-
Borrowings		-	-	-
Lease liabilities (undiscounted)	352.69	887.85	1,113.07	**2,353.61**
Trade payable	921.83	-	-	**921.83**
Other financial liabilities	516.47	10.98		**527.45**

(c) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions and funds with mutual fund asset management companies (AMC). The maximum amount of the credit exposure is equal to the carrying amounts of these receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(i) Trade Receivables

The customers are subjected to credit assessments as a precautionary measure, and the adherence of all customers to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default.

Customer credit risk is managed by respective department head subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on trade receivables by lifetime expected credit loss method based on provision matrix. The Company does not hold collateral as security. There is one single customer from whom the Company earns revenue of more than 10%, however, there is no credit default risk from this customer since the amount are generally received in advance. Refer note 5(B) for movement in credit loss allowance during the year.

(ii) Financial instruments and deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made in bank deposits and other risk free securities. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2024 is the carrying amounts . The Company's maximum exposure relating to financial instrument is noted in liquidity table below.

Trade Receivables and other financial assets are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

	As at March 31, 2024	As at March 31, 2023
Financial assets for which allowance is measured using 12 months Expected Credit Loss Method (ECL)		
Other financial assets (current and non-current)	1,437.28	696.91
Cash and cash equivalents	96.41	78.48
Other bank balances (current and non current)	-	-
	1,533.69	**775.39**
Financial assets for which allowance is measured using Life time Expected Credit Loss Method (ECL)		
Trade Receivables	3,029.02	2,871.59
	3,029.02	**2,871.59**

Balances with banks is subject to low credit risks due to good credit ratings assigned to these banks

The ageing analysis of trade receivables has been considered from the date the invoice falls due

Particulars		
Trade Receivables		
Neither past due nor impaired	-	425.00
0 to 180 days due past due date	1,013.11	2,436.85
More than 180 days past due date	2,015.94	(2,862)
Total Trade Receivables	**3,029.02**	**2,871.59**

28 Capital management

For the purposes of Comany's capital management, Capital includes equity attributable to the equity holders of the company and all other equity reserves. The primary objective of the Company's capital management is to safeguard its ability to continue as going concern and to ensure that it maintains an efficient capital structure and maximize shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. The Company is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024. The Company monitors capital using gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalent.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Particulars	March 31, 2024	March 31, 2023
Loan and borrowing *	-	-
Less : Cash and cash equivalent	-	-
Net debts	-	-
Equity / Net Worth	4,440.32	2,110.74
Total Capital	**4,440.32**	**2,110.74**
Capital and Net debts	**4,440.32**	**2,110.74**
Gearing Ratio (Net Debt/Capital and Net Debt)	**0.00%**	**0.00%**

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023.

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(All amounts in Indian ₹ Lakh, unless otherwise stated)

29 **Additional information required**

(i) **Details of Benami property**: No proceedings have been initiated on or are pending against any of the group companies for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) **Wilful defaulter:** Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) **Compliance with approved scheme of arrangements:** The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(iv) **Utilisation of borrowed funds :** The management has asserted that the Company has engaged in financial transactions involving the advancement or loaning of funds to its Ultimate Holding Company. This Ultimate Holding Company, in turn, have further loaned these funds to other subsidiaries within the group. The management has stated that the Company has:
a. Loaned funds to its Ultimate Holding Company and the same have been subsequently loaned to other subsidiaries within the group which are the ultimate beneficiaries, or
b. Not provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Company has not received any fund from any person or entity, 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

(v) **Details of crypto currency or virtual currency:** The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vi) **Valuation of PP&E, intangible asset and investment property:** The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(vii)

Ratio	As at 31 March 2024	As at 31 March 2023	Variance	% change
Current ratio (in times)	3.51	1.24		
Total current assets/Total current liabilities			2.27	182%
Debt-Equity ratio (in times)	0.28	0.69		
Debt consists of borrowings and lease liabilities/Total Equity			(0.41)	-59%
Return on equity ratio (in %)	0.71	0.61		
Profit for the year less Preference dividend (if any)/Average total equity			0.10	17%
Trade receivables turnover ratio (in times)	3.56	2.57		
Revenue from operations/Average trade receivables			0.99	39%
Net capital turnover ratio (in times)	6.34	10.93		
Revenue from operations/Average Working Capital			(4.59)	-42%
Net profit ratio (in %)	22%	19%		
Profit for the year/Revenue from operations			0.03	16%
Return on capital employed (in %)	68%	51%		
Profit before tax and finance costs/Capital employed = Net worth + Lease liabilities + Deferred tax liabilities			0.17	34%
Operating Profit Margin (in %)	56%	52%		
Operating Profit/Revenue from operations			0.05	9%
Interest Coverage Ratio (in times)	13.91	81.44		
EBIT/Finance Cost			(67.53)	-83%

Notes :

(a) **Reasons for movement in ratios greater than 25%**
(i) Current Ratio : Decrease is due to increase in current liability as short term borrowings are increased during the year.
(ii) Debt Equity Ratio : Increase in borrowings due to the lease liability incurred during the year.
(iii) Trade Receivables Turnover (times): Decrease is due to higher receivables at the year end on account of pending realisation of the Q4 debtors.
(iv) Net Capital Turnover Ratio : Ratio has improved in FY 2023-24 owing to increase in net revenues.
(v) Return on capital employed (%) : Return on capital employed has been changed with 34% , mainly due to profit during the year as compared to loss during the previous year.
(vi) Interest Coverage Ratio : Interest Coverage Ratio is 13.91 during the current year as against -81.44 in the previous year primarily due to additions in debt (lease liability) as compared to last year.

30 The comparative previous year figures are reclassified or regrouped, wherever required

The accompanying notes form an integral part of the standalone/consolidated financial statements
As per our report of even date attached

For Bhuta Shah & Co. LLP
Chartered Accountants
Firm Registration No: 101474W/W100100

Gala A L

Atul Gala
Partner
Membership No. : 048650

BHUTA SHAH & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI FRN - 101474W/ W100100

Place : Mumbai
Date : 08th May, 2024

For and on behalf of the Board of Directors of
Motivity Labs Private Limited
CIN: U72900TG2010PTC066869

Ameeruddin Syed
Director
DIN No:- 06419899

Joseph Thumma
Director
DIN No:- 07033919

Motivity Labs Pvt. Ltd. * Hyderabad

Place : Hyderabad
Date : 08th May, 2024

OMNEY LLC
CERTIFIED PUBLIC ACCOUNTANT
1001 S. MAIN ST.
KALISPELL, MT 59901

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors and Stockholder of,
JNIT Technologies Inc
Parlin, New Jersey.

We have reviewed the accompanying consolidated unaudited financial results of JNIT Technologies Inc and its subsidiaries (the 'Consolidated Statement') for the three months June 30, 2024. This statement has been prepared solely to enable Magellanic Cloud Limited to prepare its consolidated financial statements.

A review includes primarily applying analytical procedures to management's financial data and making inquiries of company's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

We did not review the financial results of Motivity Labs Private Limited (a wholly owned subsidiary), whose statements reflects total assets of $8,912,190 as of June 30, 2024, total revenue of $2,713,499 and Net income of $710,111 for the three months ended June 30, 2024. Those statements were reviewed by other auditors, whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for Motivity Labs Private Limited, is based solely on the report of other auditors.

Management's Responsibility for the Statement

Management is responsible for the preparation and fair presentation of the Consolidated Statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Consolidated Statement that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying Consolidated Statement in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other matter

The supplementary information comprising of the consolidated supplementary schedules on cost of sales and general and administrative expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information in relation to the accompanying reviewed Consolidated Statement in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Restriction on use and distribution

This report is intended solely for the information and use of auditors of Magellanic Cloud Limited in conjunction with the review of the consolidated financial statements of Magellanic Cloud Limited and should not be used by or distributed to, anyone for any other purpose.

Kevin Darji
Omney LLC
Certified Public Accountant
Kalispell, Montana
August 14, 2024

JNIT TECHNOLOGIES INC
CONSOLIDATED BALANCE SHEET
AS OF JUNE 30, 2024

ASSETS	**June 30, 2024**
Current Assets	
Cash and cash equivalents	$ 397,327
Accounts receivable, net	24,545,259
Loans and advances current	96,526
Prepaid Expenses	3,363,951
Other Current Assets	624,169
Total current assets	**29,027,232**
Other Assets	
Deferred Tax Assets	73,248
Security Deposits	245,910
Employee advances	305,531
Loans and Advances	3,206,580
Other Assets	15,401
Total Other assets	**3,846,670**
Investments	550,000
Goodwill	5,640,000
Property and equipment, net	171,228
Right - of - use asset	1,408,576
Total assets	**$ 40,643,706**

LIABILITIES AND STOCKHOLDER'S EQUITY	**June 30, 2024**
Current liabilities	
Accounts payable and accrued liabilities	$ 3,317,805
Accrued Payroll Liabilities	1,752,383
Current portion of long term loan	290,400
Note Payable - Current	234,955
Line of credit	3,525,917
Accrued Income taxes	2,993,726
Other Current Liabilities	217,603
Current portion of lease obligations	395,768
Total current liabilities	**12,728,557**
Other liabilities	
EIDL Loan	4,367,945
Term loan	599,361
Accrued Payroll Liabilities - Other	166,750
Long term portion of lease obligations	1,047,699
Total other liabilities	**6,181,755**
Total Liabilities	**18,910,312**
Stockholder's equity	
Common Stock	236,259
Retained earnings	21,426,628
Accumulated Other Comprehensive Income/(Loss)	70,507
Total Stockholder's equity	**21,733,395**
Total Liabilities & Stockholder's equity	**$ 40,643,707**

(See Independent accountant's review report)

JNIT TECHNOLOGIES INC
CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED JUNE 30, 2024

	Three months ended June 30, 2024
Revenue	
Consulting income	$ 11,191,122
Revenue from Software Services	271,416
Other income	79,502
Total Revenue	**11,542,040**
Cost of Sales and Services	7,503,946
General & administrative expenses	667,963
Income from operations	**3,370,131**
Interest expense	113,687
Depreciation	23,608
Interest expense - Lease liabilities	10,645
Depreciation - Lease Assets	164,578
Income before tax	**3,057,613**
Income Taxes	940,144
Deferred Tax expense	3,907
Net Income	**2,113,562**
Other Comprehensive Income, net of tax:	
Change in Foreign Currency Translation adjustments	(1,173)
Remeasurements gains/(losses) on defined benefit plans, net of tax	19,723
Other Comprehensive Income/(Loss)	**18,550**
Comprehensive Income	**$ 2,132,112**

(See Independent accountant's review report)

JNIT TECHNOLOGIES INC
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE TWELVE MONTHS ENDED MARCH 31, 2024

	Three months ended June 30, 2024
Common stock	
Issued and outstanding:	
Balance, beginning of period	$ 236,259
Balance, end of period	**236,259**
Retained Earnings	
Balance, beginning of period	19,313,066
Net Income	2,113,562
Balance, end of period	**21,426,628**
Accumulated Other Comprehensive Income	
Balance, beginning of period	**51,958**
Change in Foreign Currency Translation adjustments	(1,173)
Remeasurements gains/(losses) on defined benefit plans, net of tax	19,723
Balance, end of period	**70,507**
Total Member's Equity	**21,733,395**

(See Independent accountant's review report)

JNIT TECHNOLOGIES INC
CONSOLIDATED SUPPLEMENTARY SCHEDULES

		Three months ended June 30, 2024
Other Income		
Interest Income	$	73,658
Other Income		5,844
Total Other Income	**$**	**79,502**
Cost of sales and services		
Payroll and Benefits	$	5,331,105
Health Insurance		3,212
Subcontractors expenses		1,107,824
Travel expense		1,617
Cost of Services		-
Outside services		1,060,188
Total cost of sales	**$**	**7,503,946**
General & administrative expenses		
Automobile Expense	$	10,239
Bank service charges		3,385
Commission		11,938
Dues and Subscriptions		1,956
Insurance		120,242
Legal and Professional Fees		94,772
Marketing expense		16,291
Office expenses		198,272
Payroll processing fees		11,199
Postage and Delivery		1,587
Royalty Expense		106,250
Rent Expenses		7,252
Taxes and License		3,964
Telephone		14,200
Other expenses		9,941
Travel		56,475
Total general & administrative expenses	**$**	**667,963**

JNIT TECHNOLOGIES INC
CONSOLIDATED BALANCE SHEETS
AS OF JUNE 30, 2024

	Consolidated	Eliminations	JNIT Technologies	Motivity Labs, Inc	Motivity India
ASSETS					
Current Assets					
Cash and cash equivalents	$ 397,327		256,668	133,531	7,128
Accounts receivable, net	24,545,259	(1,678,192)	9,915,416	13,255,973	3,052,062
Loans and advances current	96,526		45,000	-	51,526
Prepaid Expenses	3,363,951		3,293,750	27,209	42,992
Due from affiliate	-	(1,427,000)	1,427,000	-	-
Other Current Assets	624,169		(149,780)	220,000	553,949
Total current assets	**29,027,232**		**14,788,054**	**13,636,713**	**3,707,657**
Other Assets					
Deferred Tax Assets	73,248		19,444	-	53,804
Security Deposits	245,910		1,000	5,822	239,088
Employee advances	305,531		118,382	-	187,149
Loans and advances	3,206,580		-	-	3,206,580
Other Assets	15,401		-	-	15,401
Total Other assets	**3,846,670**		**138,826**	**5,822**	**3,702,022**
Investments	550,000	(5,640,000)	5,640,000	550,000	-
Goodwill	5,640,000	5,640,000	-	-	-
Property and equipment, net	171,228		15,893	-	155,335
Right - of - use asset	1,408,576		44,347	17,053	1,347,176
Total Assets	**$ 40,643,706**		**20,627,120**	**14,209,588**	**8,912,190**
LIABILITIES AND STOCKHOLDER'S EQUITY					
Current liabilities					
Accounts payable and accrued liabilities	$ 3,317,805	(1,678,192)	1,546,225	3,202,234	247,538
Accrued Payroll Liabilities	1,752,383		1,062,767	636,267	53,349
Current portion of long term loan	290,400		290,400	-	-
Note Payable - Current	234,955		234,955	-	-
Line of credit	3,525,917		3,525,917	-	-
Accrued Income taxes	2,993,726		757,069	1,441,448	795,209
Other Current Liabilities	217,603		-	2,000	215,603
Current portion of lease obligations	395,768		47,876	18,514	329,378
Total current liabilities	**12,728,557**		**7,465,209**	**5,300,463**	**1,641,077**
Other liabilities					
EIDL Loan	4,367,945		2,185,585	2,182,360	-
Term loan	599,361		599,361	-	-
Accrued Payroll Liabilities - Other	166,750		-	-	166,750
Due to affiliates	-	(1,427,000)	-	1,427,000	-
Long term portion of lease obligations	1,047,699		-	-	1,047,699
Total other liabilities	**6,181,755**		**2,784,946**	**3,609,360**	**1,214,449**
Total Liabilities	**18,910,312**		**10,250,155**	**8,909,823**	**2,855,526**
Stockholder's equity					
Common Stock	236,259		1,150	103,374	131,735
Retained earnings	21,426,628		10,375,815	5,196,391	5,854,422
Accumulated Other Comprehensive Income/(Loss)	70,507		-	-	70,507
Total Stockholder's equity	**21,733,395**		**10,376,965**	**5,299,765**	**6,056,664**
Total Liabilities & Stockholder's equity	**$ 40,643,706**		**20,627,120**	**14,209,588**	**8,912,190**

JNIT TECHNOLOGIES INC
SUPPLEMENTARY INFORMATION
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED JUNE 30, 2024

	Consolidated	Eliminations	JNIT Technologies	Motivity Labs, Inc	Motivity India
Revenue					
Consulting income	$ 11,191,122		4,462,095	6,729,027	-
Revenue from Software Services	271,416	$ (2,363,175)	-	-	2,634,591
Interest Income	73,658		-	-	73,658
Other income	5,844		-	594	5,250
Total Revenue	**11,542,040**		**4,462,095**	**6,729,621**	**2,713,499**
Cost of Sales / Services					
Payroll and Benefits	$ 5,331,105		1,893,803	2,142,705	1,294,597
Health Insurance	3,212		3,212	-	-
Subcontractors expenses	1,107,824		780,707	327,117	-
Travel expense	1,617		91	1,526	-
Cost of Services	-	(2,363,175)	-	2,363,175	-
Outside services	1,060,188		1,001,200	58,988	-
Total Cost of Sales	**7,503,946**		**3,679,013**	**4,893,511**	**1,294,597**
Gross Margin	**4,038,094**		**783,082**	**1,836,110**	**1,418,902**
General & administrative expenses					
Automobile Expense	$ 10,239		10,239	-	-
Bank service charges	3,385		1,590	1,096	699
Commission	11,938		-	-	11,938
Dues and Subscriptions	1,956		-	1,956	-
Insurance	120,242		-	91,664	28,578
Legal and Professional Fees	94,772		45,305	35,476	13,991
Marketing expense	16,291		-	13,292	2,999
Office expenses	198,272		70,070	52,088	76,114
Payroll processing fees	11,199		10,131	-	1,068
Postage and Delivery	1,587		762	-	825
Royalty Expense	106,250		106,250	-	-
Rent Expenses	7,252		4,876	-	2,376
Taxes and License	3,964		456	-	3,508
Telephone	14,200		9,478	540	4,182
Other expenses	9,941		-	-	9,941
Travel	56,475		25,558	18,942	11,975
Total General & administrative expenses	**667,963**		**284,715**	**215,054**	**168,194**
Income before income taxes	**3,370,131**		**498,367**	**1,621,056**	**1,250,708**
Interest expense	$ 113,687		94,851	18,750	86
Depreciation	23,608		2,272	-	21,336
Interest expense - Lease liabilities	10,645		661	345	9,639
Depreciation - Lease Assets	164,578		14,782	25,576	124,220
Income before tax	**3,057,613**		**385,801**	**1,576,385**	**1,095,427**
Income Taxes	$ 940,144		116,025	442,872	381,247
Deferred Tax expense	3,907		(162)	-	4,069
Net Income	**2,113,562**		**269,938**	**1,133,513**	**710,111**
Other Comprehensive Income, net of tax:					
Change in Foreign Currency Translation adjustments	$ (1,173)		-	-	(1,173)
Remeasurements gains/(losses) on defined benefit plans, net of tax	19,723		-	-	19,723
Other Comprehensive Income/(Loss)	**18,550**		**-**	**-**	**18,550**
Comprehensive Income	**$ 2,132,112**		**$ 269,938**	**$ 1,133,513**	**$ 728,661**

(See Independent accountant's review report)

JNIT TECHNOLOGIES INC

REVIEWED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

OMNEY LLC

Certified Public Accountant

1001 S. MAIN ST.

KALISPELL, MT 59901.

OMNEY LLC
CERTIFIED PUBLIC ACCOUNTANT
1001 S. MAIN ST.
KALISPELL, MT 59901

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

To the Board of Directors and Stockholder of,
JNIT Technologies Inc
Parlin, New Jersey.

We have reviewed the accompanying consolidated unaudited financial results of JNIT Technologies Inc and its subsidiaries (the 'Consolidated Statement') for the three months September 30, 2024. This statement has been prepared solely to enable Magellanic Cloud Limited to prepare its consolidated financial statements.

A review includes primarily applying analytical procedures to management's financial data and making inquiries of company's management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

We did not review the financial results of Motivity Labs Private Limited (a wholly owned subsidiary), whose statements reflects total assets of $ 10,098,591 as of September 30, 2024, total revenue of $ 2,672,459 and Net income of $ 671,111 for the three months ended September 30, 2024. Those statements were reviewed by other auditors, whose report has been furnished to us and our opinion, insofar as it relates to the amounts included for Motivity Labs Private Limited, is based solely on the report of other auditors.

Management's Responsibility for the Statement

Management is responsible for the preparation and fair presentation of the Consolidated Statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Consolidated Statement that are free from material misstatement, whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our reviews.

Accountant's Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying Consolidated Statement in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Other matter

The supplementary information comprising of the consolidated supplementary schedules on cost of sales and general and administrative expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information has been subjected to the review procedures applied in our review of the basic financial statements. We are not aware of any material modifications that should be made to the supplementary information in relation to the accompanying reviewed Consolidated Statement in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Restriction on use and distribution

This report is intended solely for the information and use of auditors of Magellanic Cloud Limited in conjunction with the review of the consolidated financial statements of Magellanic Cloud Limited and should not be used by or distributed to, anyone for any other purpose.

Kevin Darji
Omney LLC
Certified Public Accountant
Kalispell, Montana
November 12, 2024

JNIT TECHNOLOGIES INC
CONSOLIDATED BALANCE SHEET
AS OF SEPTEMBER 30, 2024

ASSETS		**September 30, 2024**
Current Assets		
Cash and cash equivalents	$	575,050
Accounts receivable, net		24,396,336
Loans and advances current		28,591
Prepaid Expenses		3,383,872
Other Current Assets		528,720
Total current assets		**28,912,569**
Other Assets		
Deferred Tax Assets		102,363
Security Deposits		252,093
Employee advances		304,612
Loans and Advances		4,655,859
Other Assets		2,041,039
Total Other assets		**7,355,966**
Investments		550,000
Goodwill		5,640,000
Property and equipment, net		149,990
Right - of - use asset		1,246,532
Total assets	**$**	**43,855,057**

LIABILITIES AND STOCKHOLDER'S EQUITY		**September 30, 2024**
Current liabilities		
Accounts payable and accrued liabilities	$	3,240,647
Accrued Payroll Liabilities		2,284,327
Current portion of long term loan		299,400
Note Payable - Current		234,955
Line of credit		3,525,052
Accrued Income taxes		3,822,752
Other Current Liabilities		154,250
Current portion of lease obligations		32,116
Total current liabilities		**13,593,499**
Other liabilities		
EIDL Loan		4,343,657
Term loan		515,900
Accrued Payroll Liabilities - Other		223,897
Long term portion of lease obligations		1,262,609
Total other liabilities		**6,346,063**
Total Liabilities		**19,939,562**
Stockholder's equity		
Common Stock		236,259
Retained earnings		23,662,582
Accumulated Other Comprehensive Income/(Loss)		16,654
Total Stockholder's equity		**23,915,495**
Total Liabilities & Stockholder's equity	**$**	**43,855,057**

(See Independent accountant's review report)

JNIT TECHNOLOGIES INC
CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

	Three months ended Sep 30, 2024
Revenue	
Consulting income	$ 13,950,317
Revenue from Software Services	360,067
Other income	106,993
Total Revenue	**14,417,377**
Cost of Sales and Services	10,321,075
General & administrative expenses	717,741
Income from operations	**3,378,561**
Interest expense	137,414
Depreciation	24,101
Interest expense - Lease liabilities	31,152
Depreciation - Lease Assets	146,443
Income before tax	**3,039,451**
Income Taxes	825,380
Deferred Tax expense	(21,883)
Net Income	**2,235,954**
Other Comprehensive Income, net of tax:	
Change in Foreign Currency Translation adjustments	(31,299)
Remeasurements gains/(losses) on defined benefit plans, net of tax	(22,554)
Other Comprehensive Income/(Loss)	**(53,853)**
Comprehensive Income	**$ 2,182,101**

(See Independent accountant's review report)

JNIT TECHNOLOGIES INC
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

	Three months ended Sep 30, 2024
Common stock	
Issued and outstanding:	
Balance, beginning of period	$ 236,259
Balance, end of period	**236,259**
Retained Earnings	
Balance, beginning of period	21,426,628
Net Income	2,235,954
Balance, end of period	**23,662,582**
Accumulated Other Comprehensive Income	
Balance, beginning of period	**70,507**
Change in Foreign Currency Translation adjustments	(31,299)
Remeasurements gains/(losses) on defined benefit plans, net of tax	(22,554)
Balance, end of period	**16,654**
Total Member's Equity	**23,915,495**

JNIT TECHNOLOGIES INC
CONSOLIDATED SUPPLEMENTARY SCHEDULES
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

		Three months ended Sep 30, 2024
Other Income		
Interest Income	$	99,644
Other Income		7,349
Total Other Income	**$**	**106,993**
Cost of sales and services		
Payroll and Benefits	$	5,804,341
Health Insurance		27,168
Subcontractors expenses		3,446,314
Travel expense		4,977
Cost of Services		-
Offshore expenses		1,038,275
Total cost of sales	**$**	**10,321,075**
General & administrative expenses		
Automobile Expense	$	7,874
Bank service charges		3,339
Dues and Subscriptions		11,408
Insurance		128,888
Legal and Professional Fees		68,937
Marketing expense		19,123
Office expenses		200,905
Payroll processing fees		2,417
Postage and Delivery		338
Royalty Expense		106,250
Rent Expenses		10,934
Taxes and License		3,753
Telephone		32,304
Other expenses		10,022
Travel		58,053
Write Off		53,196
Total general & administrative expenses	**$**	**717,741**

JNIT TECHNOLOGIES INC
CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2024

		Consolidated	Eliminations	JNIT Technologies	Motivity Labs, Inc	Motivity India
ASSETS						
Current Assets						
Cash and cash equivalents	$	575,050		344,661	194,564	35,825
Accounts receivable, net		24,396,336		9,368,019	13,719,415	1,308,902
Loans and advances current		28,591		-	-	28,591
Prepaid Expenses		3,383,872		3,187,500	27,209	169,163
Due from affiliate		-	(2,768,332)	1,084,000	-	1,684,332
Other Current Assets		528,720		-	-	528,720
Total current assets		**28,912,569**		**13,984,180**	**13,941,188**	**3,755,533**
Other Assets						
Deferred Tax Assets		102,363		19,809	-	82,554
Security Deposits		252,093		1,000	9,017	242,076
Employee advances		304,612		118,382	-	186,230
Loans and advances		4,655,859		-	278,000	4,377,859
Other Assets		2,041,039		1,940,000	-	101,039
Total Other assets		**7,355,966**		**2,079,191**	**287,017**	**4,989,758**
Investments		550,000	(5,640,000)	5,640,000	550,000	-
Goodwill		5,640,000	5,640,000	-	-	-
Property and equipment, net		149,990		13,657	-	136,333
Right - of - use asset		1,246,532		29,565	-	1,216,967
Total Assets	**$**	**43,855,057**		**21,746,593**	**14,778,205**	**10,098,591**
LIABILITIES AND STOCKHOLDER'S EQUITY						
Current liabilities						
Accounts payable and accrued liabilities	$	3,240,647	(1,684,332)	2,078,801	2,486,064	360,114
Accrued Payroll Liabilities		2,284,327		1,188,247	673,361	422,719
Current portion of long term loan		299,400		299,400	-	-
Note Payable - Current		234,955		234,955	-	-
Line of credit		3,525,052		3,525,052	-	-
Accrued Income taxes		3,822,752		936,081	1,885,591	1,001,080
Other Current Liabilities		154,250		-	-	154,250
Current portion of lease obligations		32,116		32,116	-	-
Total current liabilities		**13,593,499**		**8,294,652**	**5,045,016**	**1,938,163**
Other liabilities						
EIDL Loan		4,343,657		2,173,441	2,170,216	-
Term loan		515,900		515,900	-	-
Accrued Payroll Liabilities - Other		223,897		-	-	223,897
Due to affiliates		-	(1,084,000)	-	1,084,000	-
Long term portion of lease obligations		1,262,609		-	-	1,262,609
Total other liabilities		**6,346,063**		**2,689,341**	**3,254,216**	**1,486,506**
Total Liabilities		**19,939,562**		**10,983,993**	**8,299,232**	**3,424,669**
Stockholder's equity						
Common Stock		236,259		1,150	103,374	131,735
Retained earnings		23,662,582		10,761,450	6,375,599	6,525,533
Accumulated Other Comprehensive Income/(Loss)		16,654		-	-	16,654
Total Stockholder's equity		**23,915,495**		**10,762,600**	**6,478,973**	**6,673,922**
Total Liabilities & Stockholder's equity	**$**	**43,855,057**		**21,746,593**	**14,778,205**	**10,098,591**

JNIT TECHNOLOGIES INC
SUPPLEMENTARY INFORMATION
CONSOLIDATED STATEMENTS OF INCOME
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2024

	Consolidated	Eliminations	JNIT Technologies	Motivity Labs, Inc	Motivity India
Revenue					
Consulting income	$ 13,950,317		5,513,004	8,437,313	-
Revenue from Software Services	360,067	$ (2,205,399)	-	-	2,565,466
Interest Income	99,644		-	-	99,644
Other income	7,349		-	-	7,349
Total Revenue	**14,417,377**		**5,513,004**	**8,437,313**	**2,672,459**
Cost of Sales / Services					
Payroll and Benefits	$ 5,804,341		2,212,465	2,232,254	1,359,622
Health Insurance	27,168		27,168	-	-
Subcontractors expenses	3,446,314		1,300,067	2,146,247	-
Travel expense	4,977		4,404	573	-
Cost of Services	-	(2,205,399)	-	2,205,399	-
Offshore expenses	1,038,275		1,038,275	-	-
Total Cost of Sales	**10,321,075**		**4,582,379**	**6,584,473**	**1,359,622**
Gross Margin	**4,096,302**		**930,625**	**1,852,840**	**1,312,837**
General & administrative expenses					
Automobile Expense	$ 7,874		7,874	-	-
Bank service charges	3,339		1,570	1,221	548
Dues and Subscriptions	11,408		9,675	1,733	-
Insurance	128,888		5,065	98,937	24,886
Legal and Professional Fees	68,937		4,525	11,555	52,857
Marketing expense	19,123		2,700	9,841	6,582
Office expenses	200,905		63,741	56,681	80,483
Payroll processing fees	2,417		2,417	-	-
Postage and Delivery	338		338	-	-
Royalty Expense	106,250		106,250	-	-
Rent Expenses	10,934		6,110	-	4,824
Taxes and License	3,753		-	-	3,753
Telephone	32,304		11,266	511	20,527
Other expenses	10,022		-	-	10,022
Travel	58,053		37,306	13,568	7,179
Write off	53,196		-	-	53,196
Total General & administrative expenses	**717,741**		**258,837**	**194,047**	**264,857**
Income before income taxes	**3,378,561**		**671,788**	**1,658,793**	**1,047,980**
Interest expense	$ 137,414		106,980	18,750	11,684
Depreciation	24,101		2,236	-	21,865
Interest expense - Lease liabilities	31,152		465	40	30,647
Depreciation - Lease Assets	146,443		14,782	7,759	123,902
Income before tax	**3,039,451**		**547,325**	**1,632,244**	**859,882**
Income Taxes	$ 825,380		162,053	453,038	210,289
Deferred Tax expense	(21,883)		(365)	-	(21,518)
Net Income	**2,235,954**		**385,637**	**1,179,206**	**671,111**
Other Comprehensive Income, net of tax:					
Change in Foreign Currency Translation adjustments	$ (31,299)		-	-	(31,299)
Remeasurements gains/(losses) on defined benefit plans, net of tax	(22,554)		-	-	(22,554)
Other Comprehensive Income/(Loss)	**(53,853)**		**-**	**-**	**(53,853)**
Comprehensive Income	**$ 2,182,101**		**$ 385,637**	**$ 1,179,206**	**$ 617,258**

(See Independent accountant's review report)

HIMANSHU SANGAL & CO
CHARTERED ACCOUNTANTS

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Near Badi Mata Mandir,
Shamli-247776 (U.P)
Mob-8868855515
Email ID-cahsangal@gmail.com

Independent Auditor's Report

To the Members of **M/S SCANDRON PRIVATE LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of **M/S SCANDRON PRIVATE LIMITED** ("the Company"), which comprise the balance sheet as at **31st March 2024**, Profit and Loss for the year ended on **31st March 2024,** Cash flow statement for the year ended on **31st March 2024** 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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2024** and its profit/loss 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 Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our 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.

Responsibilities of Management and Those Charged with Governance 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 financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

• Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

• Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

• Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

• Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (**Auditor's Report) Order, 2020** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, **we give in the 'Annexure A',** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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 Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

f) This relating to internal financial controls as required u/s 143(3)(i) pursuant to Notification No. GSR 583(E) dated 13.06.2017 issued by MCA **not applicable to the company.**

g) 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, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company did not have any pending litigations on the balance sheet date.

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

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

iv. (a) Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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(s) or entity(is), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on the audit procedures adopted by us, nothing has come to our notice that has caused us to believe that the representations made by the Management under sub clause (a) and (b) above, contain any material misstatement.

(v) No, dividend has been proposed, declared and paid by the Company.

(vi) The company has used an accounting software for maintain its book of accounts however for the reason stated in management is unable to rely on automated controls related to financial reporting in the accounting software and consequently we are unable to comment on audit trail requirements of the said software. However, it should be noted that mere non-availability of audit trail does not necessarily imply failure or material weakness in the operating effectiveness of internal financial control over financial reporting.

For HIMANSHU SANGAL & CO,
Chartered Accountants
Firm Registration No. 029097C

HIMANSHU SANGAL
PROPRIETOR
Membership No. 448341
UDIN: 24448341BKDPRJ9272

Place: Shamli
Dated:10.04.2024

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of SCANDRON PRIVATE LIMITED)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.

(B) The Company has maintained proper records of Intangible assets during the year.

(b) All Property, plant and equipment have been physically verified by the management at a regular interval of time (normally once a year). No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company did not have any immovable property.

(d) The Company has not revalued its property, plant and equipment (including right touse assets) or Intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at **March 31, 2024** for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmedby management as at **31st March, 2024.** No discrepancies were noticed on verification between the physical stock and book records that were 10% or more in aggregate for each class of inventory.

(b) The Company did not have any facilities, from banks or financial institutions on the basis of security of current assets.

(iii) The Company has made investments in, provided any guarantee and security and granted any loans and advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

(a) The Company has provided loans and advances in the nature of loan during the year:

(A) The company did not give any loan & advances to its subsidiary companies during the year.

(B) The company did not give any loan & advances other than subsidiary companies during the year.

(b) In our opinion, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided, during the year are, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans and advances granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and repayment or receipts are regular.

(d) In respect of loans and advances granted by the Company, there are no overdue amount remaining outstanding as at the balance sheet date.

(e) There are no loans granted by the Company which has fallen due during the year and has been renewed and extended. Hence, reporting under clause 3(iii)(e) is not applicable.

(f) The Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

(iv) The Companies has complied with the provisions of sections 185 and 186 of the Companies Act in respect of loans, investments, guarantees, and security provided, asapplicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits. Therefore, the reporting of clause 3(v) of theOrder is not applicable to the Company.

(vi) As the company is manufacturing company, the Central Government has specified the maintenance of cost records under section 148(1) of the Act. In our opinion and according to the information and explanations given to us, this clause is not applicable to the company.

(vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, GST, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company as on 31.03.2024 have dues on account of employees' state insurance contribution amounted Rs.5,861, provident fund employer contribution amounted Rs. 79,763, provident fund employee contribution amounted Rs 73,627 TDS amounted Rs. 4,70,117, professional tax amounted Rs.53,600. All these dues have not been paid by the company on the date of this report.

(viii) According to the information and explanations given to us and the records of the Company examined by us, as at **March 31, 2024**, there were no such transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) The Company has not default in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

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

(c) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from the government and has not issued any debentures.

(x) (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

(xi) (a) No fraud by the Company and on the company has been noticed or reported duringthe 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) As informed, the Company has not received any whistle blower complaints during the year and up to the date of this report.

(xii) The company is not a Nidhi company, therefore the provisions of paragraph 3(xii) of the order is not applicable.

(xiii) In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act,2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) In our opinion and based on our examination, this clause for internal audit system is not applicable to the company as per the provision of Companies Act, 2013.

(xv) Company has not entered into any non-cash transaction with directors or person connected with him and therefore the provisions of section 192 of the Companies Act' 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) & (b) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(c) & (d) of the Order is not applicable.

The Company has not incurred cash losses during the financial year covered by our audit.

(xvii) There has been no resignation of the statutory auditors of the Company during the year.

(xviii) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xix) The provision of Sec 135 of Companies Act 2013 is not applicable to the company, accordingly reporting under clause 3(xx)(a) and (b) is not applicable.

(xx) The company does not have any subsidiary company, hence reporting of this clause is not applicable to the company.

For HIMANSHU SANGAL & CO,
Chartered Accountants
Firm Registration No. 029097C

HIMANSHU SANGAL
PROPRIETOR
Membership No. 448341
UDIN: 24448341BKDPRJ9272

Place: Shamli
Dated:10.04.2024