

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

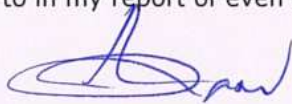
| | Note No. | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------------|----------|----------------------|----------------------|
| ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, plant and equipment | 6 | 3,054.79 | 3,128.59 |
| (b) Right-of-use assets | 7 | 17,780.93 | 18,580.07 |
| (c) Goodwill | 8 | - | - |
| (d) Other intangible assets | 8 | 11,125.72 | 11,443.96 |
| (e) Intangible assets under development | 9 | - | - |
| (f) Financial assets | | | |
| (i) Investments | 10 | (0.00) | 0.24 |
| (ii) Other financial assets | 11 | 3,089.39 | 2,877.03 |
| (g) Deferred tax assets (net) | | - | - |
| (h) Income tax assets (net) | 12 | 165.08 | 165.08 |
| Total non-current assets | | 35,215.91 | 36,194.97 |
| (2) Current assets | | | |
| (a) Financial assets | | | |
| (i) Trade receivables | 13 | | |
| Billed | | 2,855.66 | 3,956.02 |
| Un-billed | | 1,821.95 | 609.95 |
| (ii) Cash and cash equivalents | 14 | 480.71 | 1,658.44 |
| (iii) Bank balances other than (ii) above | 15 | 7.24 | 6.78 |
| (iv) Loans | 16 | 6.79 | 20.03 |
| (b) Income tax assets (net) | | 285.97 | 37.26 |
| (c) Other current assets | 17 | 1,408.03 | 981.19 |
| Total current assets | | 6,866.35 | 7,269.67 |
| TOTAL ASSETS | | 42,082.26 | 43,464.64 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Share capital | 18 | 159.60 | 159.36 |
| (b) Other equity | | 29,712.85 | 27,743.43 |
| Total equity | | 29,872.45 | 27,902.79 |



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024

| | Note No. | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------------------------------------------------------------|----------|----------------------|----------------------|
| Liabilities | | | |
| (1) Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 19 | 4,881.36 | 6,352.96 |
| (b) Provisions | 20 | 1,562.06 | 1,335.57 |
| (c) Deferred tax liabilities (net) | 37 | 88.86 | 149.00 |
| Total non-current liabilities | | 6,532.28 | 7,837.53 |
| (2) Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 21 | 2,791.12 | 5,456.23 |
| (ii) Trade payables | 22 | | |
| (A) Total outstanding dues of micro enterprises and small enterprises | | 36.89 | 34.10 |
| (B) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 971.59 | 457.00 |
| (b) Other current liabilities | 23 | 1,513.83 | 1,425.02 |
| (c) Provisions | 24 | 364.10 | 351.97 |
| Total current liabilities | | 5,677.53 | 7,724.32 |
| TOTAL EQUITY AND LIABILITIES | | 42,082.26 | 43,464.64 |

This is the financial statements referred to in my report of even date



Ramaswamy Vijayanand
 Chartered Accountant
 Membership No 202118

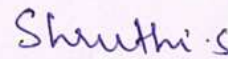


Place: Mysore
 Date: 29-Jul-2024

for and on behalf of the Board



D. Sudhanva
 Managing Director
 DIN: 00423641

Shruithi Sudhanva
 Director
 DIN: 06426159

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
MARCH 31, 2024**

| Particulars | Note No. | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|---------------------------|---------------------------|
| I Revenue from operations | 25 | 19,829.73 | 19,510.44 |
| II Other income | 26 | 225.41 | 278.54 |
| III Total income (I+II) | | 20,055.14 | 19,788.98 |
| IV Expenses | | | |
| Employee benefits expenses | 27 | 10,821.41 | 9,301.33 |
| Finance costs | 28 | 983.08 | 1,318.84 |
| Depreciation and amortization expenses | 6,7,8 | 2,757.85 | 2,620.94 |
| Other expenses | 29 | 3,614.53 | 3,486.11 |
| Total expenses (IV) | | 18,176.87 | 16,727.22 |
| V Profit/(loss) before tax (III-IV) | | 1,878.27 | 3,061.76 |
| VI Tax expense | 37 | | |
| (1) Current tax | | 604.33 | 783.93 |
| (2) Deferred tax | | (48.22) | (6.96) |
| VII Profit/(loss) for the period from continuing operations (V-VI) | | 1,322.16 | 2,284.79 |
| VIII Profit/(loss) for the period | | 1,322.16 | 2,284.79 |
| IX Other comprehensive income | | | |
| A (i) Items that will not be reclassified to profit or loss | | | |
| a) Remeasurements of the defined benefit plans | | (47.36) | (56.88) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | 11.92 | 14.00 |
| B (i) Items that will be reclassified to profit or loss | | | |
| a) Deferred gains or losses on cash flow hedges | | - | - |
| b) Foreign currency translation reserve | | (33.45) | 103.96 |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - |
| Total other comprehensive income (IX) | | (68.89) | 61.08 |
| X Total comprehensive income for the period (VIII+IX)(Comprising profit/(loss) and other comprehensive income for the period) | | 1,253.27 | 2,345.87 |



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED
MARCH 31, 2024**

| Particulars | Note No. | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-----------------------------------------------------------------------------------|----------|---------------------------|---------------------------|
| XI Earnings per equity share (for continuing operation) | 30 | | |
| Basic (in ₹) | | 82.96 | 143.37 |
| Diluted (in ₹) | | 80.69 | 143.05 |
| (Paid up value per share) | | 10.00 | 10.00 |
| XII Earnings per equity share (for discontinued and continuing operations) | 30 | | |
| Basic (in ₹) | | 82.96 | 143.37 |
| Diluted (in ₹) | | 80.69 | 143.05 |

Significant accounting policies and notes attached form an integral part of the 1 - 40 financial statements

This is the financial statements referred to in my report of even date



Ramaswamy Vijayanand
Chartered Accountant
Membership No 202118

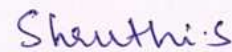


Place: Mysore
Date: 29-Jul-2024

for and on behalf of the Board



D. Sudhanva
Managing Director
DIN: 00423641



Shruthee Sudhanva
Director
DIN: 06426159

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| A. Cash flow from operating activities | | |
| Profit for the period | 1,322.16 | 2,284.79 |
| Adjustments to reconcile net profit to net cash from operating activities | | |
| Income tax expenses | 556.11 | 776.97 |
| Depreciation and amortization expenses | 2,757.85 | 2,620.94 |
| Finance costs | 905.59 | 992.78 |
| Impairment loss recognized / (reversed) under expected credit loss model | - | 4.34 |
| Interest income | (160.56) | (189.24) |
| Stock compensation expense | 715.22 | - |
| Rental income | (62.31) | (64.14) |
| Exchange difference on items grouped under financing activities | 77.49 | 326.06 |
| Unrealised foreign exchange loss / (gain) | (0.71) | (6.97) |
| Gain on sale / redemption of mutual funds (net) | - | (2.29) |
| (Profit)/loss on sale of assets | - | (0.44) |
| Operating profit before working capital changes | 6,110.84 | 6,742.80 |
| Changes in assets and liabilities | | |
| Trade receivables and unbilled revenue | (111.17) | (522.79) |
| Other financial assets and other assets | (662.40) | (441.56) |
| Trade payables | 517.62 | (13.26) |
| Other financial liabilities, other liabilities and provisions | 246.62 | 514.78 |
| Income tax paid | (604.33) | (783.93) |
| Net cash from operating activities | 5,497.18 | 5,496.04 |
| B. Cash flows from investing activities | | |
| Purchase of property, plant and equipment (including net movement in capital work in progress, capital advances and payables in respect of property, plant and equipment) | (231.50) | (372.91) |
| Sale of property, plant and equipment | - | 0.68 |
| Internal capitalisation of intangible assets | (1,335.07) | (1,087.56) |
| Investment | 0.24 | - |
| Rental income | 62.31 | 64.14 |
| Gain on sale / redemption of mutual funds (net) | - | 2.29 |
| Interest received | 0.78 | 48.65 |
| Other financial assets | (52.58) | (993.71) |
| Deposits with banks | (0.46) | 827.15 |
| Net cash (used in) investing activities | (1,556.28) | (1,511.27) |



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|----------------------------------------------------------|------------------------------|------------------------------|
| C. Cash flows from financing activities | | |
| Proceeds from borrowings | 20.84 | 11,661.97 |
| Shares issued on exercise of employee stock options | 1.16 | - |
| Repayment of borrowings | (4,157.55) | (12,953.80) |
| Interest paid | (983.08) | (1,318.84) |
| Net cash (used in) financing activities | (5,118.63) | (2,610.67) |
| Net increase in cash and cash equivalents (A+B+C) | (1,177.73) | 1,374.10 |
| Cash and cash equivalents at the end of the year | 480.71 | 1,658.44 |
| Cash and cash equivalents at the beginning of the year | 1,658.44 | 284.34 |
| Total cash and cash equivalents | (1,177.73) | 1,374.10 |

Note 1:

Cash and cash equivalents include:

Balance with banks

| | | |
|----------------------------------------|---------------|-----------------|
| - in current accounts | 480.71 | 1,658.44 |
| Total cash and cash equivalents | 480.71 | 1,658.44 |

Note 2:

Figures in brackets represent outflows of cash and cash equivalents

Note 3:

The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standards (IND-AS) 7 on statement of cash flows.

This is the financial statements referred to in my report of even date

Ramaswamy Vijayanand
 Chartered Accountant
 Membership No 202118

Place: Mysore
 Date: 29-Jul-2024



for and on behalf of the Board

(Signature)

D. Sudhanva
 Managing Director
 DIN: 00423641

(Signature)
Shruthi Sudhanva
 Director
 DIN: 06426159




CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

| Particulars | As at | |
|-------------------------------------------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| A. Share capital | | |
| Balance at the beginning of the year | 159.36 | 159.36 |
| Changes in equity share capital during the year | 0.24 | - |
| Balance at the end of the year | 159.60 | 159.36 |
| B. Other equity | | |

| Particulars | Reserves and surplus | | | | Surplus in profit and loss account | Items of other comprehensive income | Total |
|-----------------------------------------------------|----------------------|-------------------------------|-----------------|--------------------------------------|------------------------------------|-------------------------------------|------------------|
| | Securities premium | Employee stock option reserve | General reserve | Foreign currency translation reserve | | | |
| Balance as at April 01, 2022 | 423.70 | 25.47 | 1,374.11 | | 23,519.64 | 54.64 | 25,397.56 |
| Profit for the year | - | - | - | - | 2,284.79 | - | 2,284.79 |
| Other comprehensive income/(loss) | - | - | - | - | (42.88) | 103.96 | 61.08 |
| Balance as at March 31, 2023 | 423.70 | 25.47 | 1,374.11 | | 25,761.55 | 158.60 | 27,743.43 |
| Balance as at April 01, 2023 | 423.70 | 25.47 | 1,374.11 | | 25,761.55 | 158.60 | 27,743.43 |
| Profit for the year | - | - | - | - | 1,322.16 | - | 1,322.16 |
| Transferred on account of options not exercised | - | (12.71) | 12.71 | | - | - | - |
| Employee stock compensation expense | - | 715.22 | - | | - | - | 715.22 |
| Shares issued on exercise of employee stock options | 13.69 | (12.76) | - | | - | - | 0.93 |
| Other comprehensive income/(loss) | - | - | - | - | (35.44) | (33.45) | (68.89) |
| Balance as at March 31, 2024 | 437.39 | 715.22 | 1,386.82 | | 27,048.27 | 125.15 | 29,712.85 |

This is the financial statements referred to in my report of even date

for and on behalf of the Board

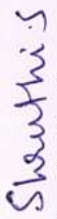

Ramaswamy Vijayanand
 Chartered Accountant
 Membership No 202118





D. Sudhanva
 Managing Director
 DIN: 00423641




Shruthi Sudhanva
 Director
 DIN: 06426159

Place: Mysore
 Date: 29-Jul-2024

Notes forming part of the consolidated financial statements**1. Company overview**

Excelsoft Technologies Private Limited and its subsidiaries (collectively referred to as "the Group") provide innovative technology-based solutions in the education and e-learning space. The Group architects, designs and develops technology solutions and digital content and has established itself in a leadership position in the e-learning business. The Group's platforms – Saras (a learning and assessment technology framework), OpenPage (a digital interactive ebook ecosystem), CollegeSparc (a Student Success Products) and Education Enterprise Information Management System have been used by over 30 million users in more than 60 countries. The Group's learning design and content development practice is a process-driven model that delivers cost-effective, professionally developed content solutions for a wide spectrum of clients.

Excelsoft Technologies Private Limited is a Private Limited Company incorporated and domiciled in Mysore, Karnataka, India. As at March 31, 2024 the Pedanta Technologies Private Limited is the holding company owns controlling stake of the Group's equity along with its promoters.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2024 and authorised for issue on July 29, 2024.

2. Basis of preparation

These consolidated financial statements have been prepared in accordance with the Indian accounting standards referred to as Ind AS prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015 as amended from time to time. The financial statements have been prepared under the historical cost convention on the accrual basis except for defined benefit obligation and certain financial instruments which are measured at fair values or amortised cost at the end of each accounting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Group has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

3. Basis of consolidation

Excelsoft consolidates the subsidiaries, which it controls or owns. The Consolidated Financial Statement comprises the financial statement of the Group and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.



Notes forming part of the consolidated financial statements

The financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain / loss from such transactions are eliminated upon consolidation. These financial statements are prepared by applying uniform accounting policies in use at the Group. Non-controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Group, are excluded.

4. Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Group to make estimates and assumptions that affect certain reported balances of assets and liabilities, disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Accordingly, future results could differ due to changes in these estimates and the difference between the actual result and the estimate are recognized in the period in which the results are known / materialize. Accounting estimates could change from period to period. Appropriate change in the estimates are made as the management becomes aware of the changes in the circumstance surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which the changes are made.

The Group uses the following critical accounting estimates in preparation of its consolidated financial statements:

a. Revenue recognition

The Group uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information.

b. Provision for income tax and deferred tax assets

The Group uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax, including amount expected to be paid or recovered for uncertain tax positions. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

c. Property, plant and equipment

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.



Notes forming part of the consolidated financial statements**d. Other intangible assets**

The Group amortizes intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated based on a number of factors including the effects of obsolescence, demand, competition and other economic factors such as the stability of the industry and known technological advances and the level of maintenance expenditures required to obtain the expected future cash flows from the assets. The estimated useful life is reviewed at least annually.

e. Leases

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of the Ind AS 116. Identification of lease requires significant judgment. The Group uses the significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

f. Employee benefits

The accounting of employee defined benefit plans requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

g. Provisions and contingent liabilities

The Group estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

5. Significant accounting policies**i. Revenue recognition**

The Group derives revenues primarily from IT services comprising licensing of eLearning software products and platforms, software development and related services and maintenance, licensing the educational learning material copy rights, Content and KPO services in eLearning sector. Contracts with customers are either on a time-and-material, unit-of-work, fixed-price or on a fixed-timeframe basis.

Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration the Group has received or expects to receive in exchange for these products or services ("transaction price"). When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved.

Revenue from licenses where the customer obtains a "right to use" the licenses is recognized at the time the license is made available to the customer. Revenue from licenses where the customer obtains a "right to access" is recognized over the access period.



Notes forming part of the consolidated financial statements

Revenue on time-and-material and unit-of-work-based contracts, are recognized on output basis measured by units delivered, efforts expended, number of transactions processed etc.

Revenue related to fixed-price maintenance and support revenue is recognized rateably on a straight-line basis when services are performed through an indefinite number of repetitive acts over a specified period or the Group is standing ready to provide the services.

Revenue from other fixed-price, fixed-timeframe contracts, where the performance obligations are satisfied over time is recognized using the percentage-of-completion method of accounting with contract cost incurred determining the degree of completion of the performance obligation. Efforts or costs expended are used to determine progress towards completion as there is a direct relationship between input and productivity. Progress towards completion is measured as the ratio of costs or efforts incurred to date (representing work performed) to the estimated total costs or efforts.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, price concession and incentives, if any, as specified in the contract with the customer. The Group assesses the services promised in a contract and identifies distinct performance obligations in the contract and allocates the transaction price to each distinct performance obligation based on the relative standalone selling price.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Revenues in excess of billing are classified as unbilled revenue while billing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

In accordance with Ind-AS 37, the Group recognise an onerous contract provision when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

The incremental costs of obtaining a contract (i.e., costs that would not have been incurred if the contract had not been obtained) are recognized as an asset if the Group expects to recover them. Any capitalized contract costs are amortized, with the expense recognized as the Group transfers the related goods or services to the customer. The Group presents revenues net of indirect taxes in its Consolidated Statement of Profit and Loss.

The Group disaggregates revenue from contracts with customers by geography and business verticals.

ii. Property, plant and equipment

Property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use and any trade discounts and rebates are deducted in arriving at the purchase price. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress are measured at cost less accumulated impairment losses, if any.



Notes forming part of the consolidated financial statements

Depreciation on property, plant and equipment is provided on pro-rata basis using the Straight-Line method based on the useful life specified in the Schedule II to the Companies Act, 2013.

Subsequent expenditure related to Property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of item can be measured reliably. Other repairs and maintenance costs are recognized in the Statement of Profit & Loss while incurred.

The Group doesn't have any Benami Property under the Benami Transactions (Prohibition Act), 1988.

iii. Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry and known technological advances). Amortization methods and useful lives are reviewed periodically including at each financial year end.

The estimated useful life of amortizable intangibles is reviewed and where appropriate are adjusted, annually. The estimated useful lives of the amortizable intangible assets for the current and comparative periods are considered as (Customer-related software products) 10 years. (Comparative periods 10 years)

Research costs are expensed as incurred. Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Group has an intention and ability to complete and use or sell the software, and the costs can be measured reliably. The costs which can be capitalized include the cost of material, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use.

Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

iv. Impairment**a) Financial assets**

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, unbilled receivables, contract assets and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive, discounted using the effective interest rate.



Notes forming part of the consolidated financial statements

Loss allowances for trade receivables, unbilled receivables and contract assets are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account risk profiling of customers and historical credit loss experience adjusted for forward looking information.

b) Non-financial assets

The Group assesses long-lived assets such as property, plant and equipment, right-of-use assets and intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or group of assets may not be recoverable. If any such indication exists, the Group estimates the recoverable amount of the asset or group of assets,

The recoverable amount of an asset or cash generating unit (CGU) is the higher of its fair value less cost of disposal (FVLCD) and its value-in-use (VIU). The VIU of long-lived assets is calculated using projected future cash flows. FVLCD of a cash generating unit (CGU) is computed using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit (CGU) to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the consolidated statement of profit and loss. If at the reporting date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially. An impairment in respect of goodwill is not reversed.

v. Leases

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group recognises the right-of-use assets and lease liability at the commencement date of the lease. The right of use asset is initially measured at cost, which comprises of present value of future lease rent payments adjusted for any payments made at or before commencement date, any initial direct cost incurred and estimate of cost to dismantle or remove an underlying asset or to restore an asset less any lease incentives received. The lease liability is initially measured at present value of lease payments that is not paid at commencement date discounted at implicit rate mentioned in lease or incremental borrowing rate. The generally uses incremental borrowing rate as discount rate. The right of use asset is depreciated using the straight-line method from the commencement date of the lease over useful life of right to use asset.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

The Group applies Ind AS 36 to determine whether a RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets above.



Notes forming part of the consolidated financial statements

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, The Group recognizes any remaining amount of the re-measurement in statement of profit and loss.

Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

The Group as a lessor

Leases under which the Group is a lessor are classified as a finance or operating lease. Lease contracts where all the risks and rewards are substantially transferred to the lessee, are classified as a finance lease. All other leases are classified as operating lease.

For leases under which the Group is an intermediate lessor, the Group accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further classified either as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

vi. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options, except where the results would be anti-dilutive.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any splits and bonus shares issues including for change effected prior to the approval of the financial statements by the Board of Directors.

vii. Functional and presentation currency

These Group financial statements are presented in Indian rupees (Rs in Lakhs), which is the functional currency of the Group.

viii. Foreign currency transactions and translation**a. Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which these entities operate (i.e., the "functional currency"). These consolidated financial statements are presented in Indian rupees, which is the functional currency of the Group.

b. Transactions and balances

Transactions in foreign currency are translated into the functional currencies using the exchange rates prevailing at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation at the exchange rates prevailing at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss and reported within foreign exchange gains/(losses), net, within results of operating activities.



Notes forming part of the consolidated financial statements

Gains/(losses), net, relating to translation or settlement of borrowings denominated in foreign currency are reported within finance costs. Non-monetary assets and liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

c. Foreign operations

For the purpose of presenting financial statements, the assets and liabilities of the Group's foreign operations that have a functional currency other than Indian rupees are translated into Indian rupees using exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and held in foreign currency translation reserve (FCTR), a component of equity. When a foreign operation is disposed of, the relevant amount recognized in FCTR is transferred to the statement of profit and loss as part of the profit or loss on disposal.

ix. Financial assets and liabilities**A) Initial Recognition**

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

B) Subsequent measurement**i) Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it held within a business model whose objectives is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates cash flows that are solely payment of principals and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both contractual cash flows and selling financial asset and the contractual terms of the financial asset give rise on specified dates cash flows that are solely payment of principals and interest on the principal amount outstanding.

iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

However, in cases where the Group has made an irrevocable election for particular investment in equity instrument that would otherwise be measured at fair value through profit or loss (FVTPL), the subsequent changes in fair value are measured in other comprehensive income.



Notes forming part of the consolidated financial statements**C) Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognised in business combination which is subsequently measured at fair value through profit or loss (FVTPL). For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

D) Derecognition of financial assets and liabilities

The Group derecognises a financial asset when the contractual rights to the cash flow from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind-AS 109. A financial liability (or a part of financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

E) Cash and cash equivalents

The Group's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks are considered part of the Group's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.

F) Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. These are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any impairment losses. These comprise trade receivables, unbilled receivables, employee and other advances and eligible current and non-current assets.

G) Trade payables and other payables

Trade payables and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

x. Employee benefits**a. Short term employee benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and wages are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



Notes forming part of the consolidated financial statements**b. Provident fund**

Eligible employees of the Group receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The monthly contributions are made to the government administered provident and pension fund. The rate at which the annual interest is payable to the beneficiaries is being administered by the government and the same is paid by the provident and pension fund.

c. Gratuity

The Group provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees of the Group. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. The Group recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through remeasurements of the net defined benefit liability are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The effect of any plan amendments is recognized in the Statement of Profit and Loss.

d. Compensated absences

The Group has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each Balance Sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the Balance Sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

xi. Employee stock option

In respect of stock options granted pursuant to the Group's Employee Stock Option Scheme, the Group recognise employee compensation expense, using the grant date fair value in accordance with Ind-As 102 – Share Based payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares.

xii. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the



Notes forming part of the consolidated financial statements

present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

xiii. Income tax

Income tax comprises current tax and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates items directly recognized in equity or in other comprehensive income.

a. Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amounts are those that are enacted or substantively enacted as at the reporting date and applicable for the period. While determining the tax provisions, the Group assesses whether each uncertain tax position is to be considered separately or together with one or more uncertain tax positions depending the nature and circumstances of each uncertain tax position. The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and liability simultaneously.

b. Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in these financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, associates and foreign branches where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The Group offsets deferred income tax assets and liabilities, where it has a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to taxes levied by the same taxation authority on either the same taxable entity, or on different taxable entities where there is an intention to settle the current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

xiv. Finance costs

Finance costs comprise interest cost on borrowings and lease liabilities, gain or losses arising on re-measurement of financial assets at FVTPL, gains/ (losses) on translation or settlement of foreign currency borrowings and changes in fair value and gains/ (losses) on settlement of related derivative instruments. Borrowing costs that are not directly attributable to a qualifying asset are recognized in the statement of profit and loss using the effective interest method.



Notes forming part of the consolidated financial statements**xv. Cash flow statement**

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



Notes forming part of the consolidated financial statements

6. Property, plant and equipment

| Gross block | Land | Buildings | Plant and equipment | Computer hardware | Furniture and fittings | Motor vehicles | Office equipments | Total |
|---------------------------------------------|---------------|-----------------|---------------------|-------------------|------------------------|----------------|-------------------|-----------------|
| Balance as at April 01, 2022 | 222.91 | 2,547.64 | 209.46 | 688.36 | 110.55 | 80.13 | 451.74 | 4,310.79 |
| Additions | - | - | 0.31 | 232.67 | 9.96 | 114.49 | 15.39 | 372.82 |
| Less: Disposals | - | - | - | - | - | 4.68 | - | 4.68 |
| Translation difference | - | - | - | 2.45 | - | - | - | 2.45 |
| Balance as at April 01, 2023 | 222.91 | 2,547.64 | 209.77 | 923.48 | 120.51 | 189.94 | 467.13 | 4,681.38 |
| Additions | - | 0.59 | 12.91 | 164.36 | 13.91 | 5.05 | 34.77 | 231.59 |
| Less: Disposals | - | - | - | - | - | - | - | - |
| Translation difference | - | - | - | (0.06) | - | - | - | (0.06) |
| Balance as at March 31, 2024 | 222.91 | 2,548.23 | 222.68 | 1,087.78 | 134.42 | 194.99 | 501.90 | 4,912.91 |
| Accumulated depreciation/ impairment | | | | | | | | |
| Balance as at April 01, 2022 | - | 286.46 | 149.49 | 378.11 | 88.58 | 36.31 | 334.90 | 1,273.85 |
| Depreciation | - | 42.22 | 10.18 | 171.04 | 6.93 | 13.79 | 36.86 | 281.02 |
| Less: Disposals | - | - | - | - | - | 4.44 | - | 4.44 |
| Translation difference | - | - | - | 2.36 | - | - | - | 2.36 |
| Balance as at April 01, 2023 | - | 328.68 | 159.67 | 551.51 | 95.51 | 45.66 | 371.76 | 1,552.79 |
| Depreciation and impairment | - | 42.35 | 8.44 | 191.02 | 3.99 | 20.47 | 39.03 | 305.30 |
| Less: Disposals | - | - | - | - | - | - | - | - |
| Translation difference | - | - | - | 0.03 | - | - | - | 0.03 |
| Balance as at March 31, 2024 | - | 371.03 | 168.11 | 742.56 | 99.50 | 66.13 | 410.79 | 1,858.12 |
| Net block | | | | | | | | |
| Balance as at March 31, 2023 | 222.91 | 2,218.96 | 50.10 | 371.97 | 25.00 | 144.28 | 95.37 | 3,128.59 |
| Balance as at March 31, 2024 | 222.91 | 2,177.20 | 54.57 | 345.22 | 34.92 | 128.86 | 91.11 | 3,054.79 |



Notes forming part of the consolidated financial statements

7. Right-of-use assets

| Gross block | Land | Buildings | Total |
|-------------------------------------|------------------|------------------|------------------|
| Balance as at April 01, 2022 | 11,692.42 | 10,576.76 | 22,269.18 |
| Additions | - | - | - |
| Less: Disposals | - | - | - |
| Balance as at April 01, 2023 | 11,692.42 | 10,576.76 | 22,269.18 |
| Additions | - | - | - |
| Less: Disposals | - | - | - |
| Balance as at March 31, 2024 | 11,692.42 | 10,576.76 | 22,269.18 |
| Accumulated depreciation | | | |
| Balance as at April 01, 2022 | 1,517.38 | 1,372.59 | 2,889.97 |
| Depreciation for the year | 419.59 | 379.55 | 799.14 |
| Less: Disposals | - | - | - |
| Balance as at April 01, 2023 | 1,936.97 | 1,752.14 | 3,689.11 |
| Depreciation for the year | 419.59 | 379.55 | 799.14 |
| Less: Disposals | - | - | - |
| Balance as at March 31, 2024 | 2,356.56 | 2,131.69 | 4,488.25 |
| Net block | | | |
| Balance as at March 31, 2023 | 9,755.45 | 8,824.62 | 18,580.07 |
| Balance as at March 31, 2024 | 9,335.86 | 8,445.07 | 17,780.93 |

The above right-of-use assets is leased from the holding Company, Pedanta Technologies Private Limited.



Notes forming part of the consolidated financial statements

8. Goodwill and other intangible assets

| Gross block | Customer related software products | Other computer software | Total | Goodwill on business combination |
|----------------------------------------------|------------------------------------|-------------------------|------------------|----------------------------------|
| Balance as at April 01, 2022 | 18,396.28 | 67.26 | 18,463.54 | 609.68 |
| Additions | 2,388.29 | - | 2,388.29 | - |
| Less: Disposals | - | - | - | - |
| Balance as at April 01, 2023 | 20,784.57 | 67.26 | 20,851.83 | 609.68 |
| Additions | 1,335.07 | - | 1,335.07 | - |
| Less: Disposals | - | - | - | - |
| Balance as at March 31, 2024 | 22,119.64 | 67.26 | 22,186.90 | 609.68 |
| Accumulated amortisation / impairment | | | | |
| Balance as at April 01, 2022 | 7,802.92 | 64.47 | 7,867.39 | 609.68 |
| Amortisation | 1,538.80 | 1.68 | 1,540.48 | - |
| Impairment | - | - | - | - |
| Less: Disposals | - | - | - | - |
| Balance as at April 01, 2023 | 9,341.72 | 66.15 | 9,407.87 | 609.68 |
| Amortisation | 1,652.44 | 0.88 | 1,653.31 | - |
| Impairment | - | - | - | - |
| Less: Disposals | - | - | - | - |
| Balance as at March 31, 2024 | 10,994.16 | 67.03 | 11,061.18 | 609.68 |
| Net block | | | | |
| Balance as at March 31, 2023 | 11,442.85 | 1.11 | 11,443.96 | - |
| Balance as at March 31, 2024 | 11,125.48 | 0.23 | 11,125.72 | - |



Notes forming part of the consolidated financial statements

9. Intangible assets under development

| | Intangible assets under development |
|-------------------------------------|-------------------------------------|
| Balance as at April 01, 2022 | 1,300.73 |
| Additions | - |
| Less: Capitalised | 1,300.73 |
| Balance as at April 01, 2023 | - |
| Additions | 1,335.07 |
| Less: Capitalised | 1,335.07 |
| Balance as at March 31, 2024 | - |

Ageing of intangible assets under development as on March 31, 2024 is as below:

| Intangible assets under development | Amount in CWIP for a period of | | | Total |
|-------------------------------------|--------------------------------|-----------|-----------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | |
| Projects in progress | - | - | - | - |
| Total | - | - | - | - |

Ageing of intangible assets under development as on March 31, 2023 is as below:

| Intangible assets under development | Amount in CWIP for a period of | | | Total |
|-------------------------------------|--------------------------------|-----------|-----------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | |
| Projects in progress | - | - | - | - |
| Total | - | - | - | - |



Notes forming part of the consolidated financial statements

10 . Investments - non current

Investments in equity instruments (unquoted) fully paid up

| Name of the company | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------------------------------------|-------------------------|-------------------------|
| Examic Edtech Private Limited (2,400 shares @ INR 10 per share) | (0.00) | 0.24 |
| Total | (0.00) | 0.24 |

11 . Other financial assets - non current

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Security deposits | 3,089.39 | 2,877.03 |
| | 3,089.39 | 2,877.03 |

Security deposit includes the amount Rs. 3,037.32 Lakhs (in 2022-23; Rs. 2,822.41 Lakhs) relating to lease deposit paid to holding company, Pedanta Technologies Private Limited on lease of land and building.

12 . Income tax assets - non current

a) Income tax refund receivable for

- FY 2012-13
- FY 2013-14
- FY 2014-15
- FY 2015-16
- FY 2016-17
- FY 2019-20

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| | 11.63 | 11.63 |
| | 23.84 | 23.84 |
| | 7.94 | 7.94 |
| | 78.12 | 78.12 |
| | 3.62 | 3.62 |
| | 39.93 | 39.93 |
| | 165.08 | 165.08 |



Notes forming part of the consolidated financial statements

13 . Trade receivables
(Unsecured)

| | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Billed | 2,855.66 | 3,956.02 |
| Trade receivables considered good | - | - |
| Trade receivables credit impaired | 2,855.66 | 3,956.02 |
| | | |
| | 2,855.66 | 3,956.02 |

Less: Allowance for expected credit loss

Notes:

Trade receivables from the related parties are disclosed in note 33

The Company's exposure to credit risk, currency risk and loss allowance related to trade receivables are disclosed in note 34

Ageing of trade receivables as on March 31, 2024 is as below:

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|----------------------------------------------------------------------|------------------------------------------------------------|-------------------|----------|----------|------------------|-----------------|
| | Less than 6months | 6 months - 1 year | 1-2years | 2-3years | More than 3years | |
| (i) Undisputed - considered good | 2,852.10 | 3.56 | - | - | - | 2,855.66 |
| (ii) Undisputed - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed - considered good | - | - | - | - | - | - |
| (iv) Disputed - considered doubtful | - | - | - | - | - | - |
| Total | 2,852.10 | 3.56 | - | - | - | 2,855.66 |
| Less: Allowance for bad and doubtful trade receivables billed | | | | | | |
| | | | | | | 2,855.66 |
| Trade receivables - unbilled | | | | | | 1,821.95 |
| | | | | | | 4,677.61 |



Notes forming part of the consolidated financial statements

Ageing of trade receivables as on March 31, 2023 is as below:

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|----------------------------------------------------------------------|------------------------------------------------------------|-------------------|---------------|---------------|------------------|-----------------|
| | Less than 6 months | 6 months - 1 year | 1-2years | 2-3years | More than 3years | |
| (i) Undisputed - considered good | 3,127.85 | 57.70 | 7.71 | 247.80 | 5.56 | 3,446.62 |
| (ii) Undisputed - considered doubtful | - | - | 509.40 | - | - | 509.40 |
| (iii) Disputed - considered good | - | - | - | - | - | - |
| (iv) Disputed - considered doubtful | - | - | - | - | - | - |
| Total | 3,127.85 | 57.70 | 517.11 | 247.80 | 5.56 | 3,956.02 |
| Less: Allowance for bad and doubtful trade receivables billed | | | | | | - |
| Erroneous credit impairment restated | | | | | | - |
| Trade receivables - unbilled | | | | | | 609.95 |
| | | | | | | 4,565.97 |



Notes forming part of the consolidated financial statements

14 . Cash and cash equivalents

| | As at March 31, 2024 | As at March 31, 2023 |
|------------------------|-------------------------|-------------------------|
| a) Balances with banks | | |
| - in current accounts | 480.71 | 1,658.44 |
| | 480.71 | 1,658.44 |

15 . Bank balances other than cash and cash equivalents

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------------|-------------------------|-------------------------|
| a) Balances with banks | | |
| - Fixed deposit | 3.60 | 3.39 |
| - Margin money deposit against guarantees | 3.64 | 3.39 |
| | 7.24 | 6.78 |

16 . Loans

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Employee advances | 6.79 | 20.03 |
| | 6.79 | 20.03 |

17 . Other current assets**Advances other than capital advances**

| | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------------------|-------------------------|-------------------------|
| a) Advance to creditors | 20.35 | 29.76 |
| b) Balance with goods and service tax authorities | 837.47 | 557.45 |
| c) Prepaid expenses | 550.21 | 390.27 |
| d) Job Growth Scheme Receivable | - | 3.71 |
| | 1,408.03 | 981.19 |

18 . Equity share capital

| | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------------------------------------------------|-------------------------|-------------------------|
| Authorised | | |
| 30,00,000 (Previous year 30,00,000) equity shares of Rs. 10 each | 300.00 | 300.00 |
| | 300.00 | 300.00 |
| Issued, subscribed and fully paid up | | |
| 15,95,962 (Previous year 15,93,642) equity shares of Rs. 10 each fully paid up | 159.60 | 159.36 |
| | 159.60 | 159.36 |



Notes forming part of the consolidated financial statements

a. Reconciliation of number of shares outstanding at the beginning and at the end of the year

| | As at March 31, 2024 | | As at March 31, 2023 | |
|-------------------------------|----------------------|---------------|----------------------|---------------|
| | Number of shares | Amount | Number of shares | Amount |
| At the beginning of the year | 15,93,642 | 159.36 | 15,93,642 | 159.36 |
| Issued during the year | 2,320 | 0.24 | - | - |
| At the end of the year | 15,95,962 | 159.60 | 15,93,642 | 159.36 |

b. Rights, preferences and restrictions attached to equity shares

The company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

c. Equity shares held by holding company

| Name of the share holders | As at March 31, 2024 | | As at March 31, 2023 | |
|--------------------------------------|----------------------|--------------|----------------------|--------------|
| | Number of shares | % of Holding | Number of shares | % of Holding |
| Pedanta Technologies Private Limited | 7,07,416 | 44.33% | 7,07,416 | 44.39% |

d. Particulars of equity share holders holding more than 5% of the total number of equity share capital

| | As at March 31, 2024 | | As at March 31, 2023 | |
|-----------------------------------------|----------------------|--------------|----------------------|--------------|
| | Number of shares | % of Holding | Number of shares | % of Holding |
| i D. Sudhanva | 6,36,782 | 39.90% | 5,23,035 | 32.82% |
| ii Lajwanti Sudhanva | 1,92,725 | 12.08% | 1,92,725 | 12.09% |
| iii M. H. Dhananjaya | - | 0.00% | 1,28,747 | 8.08% |
| iv Pedanta Technologies Private Limited | 7,07,416 | 44.33% | 7,07,416 | 44.39% |

e. Shares reserved for issued under options

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---------------------------------------|----------------------|--------|----------------------|--------|
| | Number of shares | Amount | Number of shares | Amount |
| Shares reserved for issued under ESOP | 44,762 | 4.48 | 3,510 | 0.35 |



Notes forming part of the consolidated financial statements

19 . Borrowings - non current

Term loans - secured

a) Loans repayable on demand

Term loans from banks

(USD 94,84,292.67 equivalent INR 77,91,34,643/- borrowed on 31-Mar-2023, Rate of interest 6.95%, Repayable in Aug'2028)

Term loans (FCTL) from Axis Bank Limited are secured by:

Primary security: Hypothecation of entire current assets and movable fixed assets of the company both present and future.

Secondary collateral: Exclusive charge on equitable mortgage of land and building and personal guarantee of Mr Sudhanva D, Managing Director and corporate guarantee of Pedanta Technologies Private Limited.

No default in repayment of instalment.

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| | 4,881.36 | 6,352.96 |
| | 4,881.36 | 6,352.96 |

20 . Provisions - non current

Provision for employee benefits

- a) Compensatory absences
b) Gratuity fund plan liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| | 284.31 | 241.67 |
| | 1,277.75 | 1,093.90 |
| | 1,562.06 | 1,335.57 |

21 . Borrowings - current

Secured loans

a) Loans repayable on demand from banks

- Working capital limit

Working capital loans from Axis Bank Limited are secured by:

Primary security: Hypothecation of entire current assets and movable fixed assets of the company both present and future.

Secondary collateral: Exclusive charge on equitable mortgage of land and building and personal guarantee of Mr Sudhanva D, Managing Director and corporate guarantee of Pedanta Technologies Private Limited.

No default in repayment of instalment.

b) Current maturities of long-term borrowings

- from Banks

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| | 1,331.89 | 4,017.84 |
| | 1,459.23 | 1,438.39 |
| | 2,791.12 | 5,456.23 |



Notes forming part of the consolidated financial statements

22 . Trade payables

| | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises | 36.89 | 34.10 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 971.59 | 457.00 |
| | 1,008.48 | 491.10 |

Total outstanding dues of micro enterprises and small enterprises

Total outstanding dues of creditors other than micro enterprises and small enterprises

Notes:

Information about the Company's exposure to foreign currency risk and liquidity risk is disclosed in note 34

Ageing of trade payables as on March 31, 2024 is as below:

| Particulars | Outstanding for following periods from due date of payment | | | | Total | |
|-----------------------------|------------------------------------------------------------|------------------|-------------|-----------|----------|-------------------|
| | Accrued expenses | Less than 1 year | 1-2 years | 2-3 years | | More than 3 years |
| (i) MSME* | - | 36.89 | - | - | - | 36.89 |
| (ii) Others | - | 446.16 | 0.68 | - | - | 446.84 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| (v) Accrued expenses | 524.75 | - | - | - | - | 524.75 |
| Total | 524.75 | 483.05 | 0.68 | - | - | 1,008.48 |

Ageing of trade payables as on March 31, 2023 is as below:

| Particulars | Outstanding for following periods from due date of payment | | | | Total | |
|-----------------------------|------------------------------------------------------------|------------------|----------------|-----------|-------------|-------------------|
| | Accrued expenses | Less than 1 year | 1-2 years | 2-3 years | | More than 3 years |
| (i) MSME* | - | 34.10 | - | - | - | 34.10 |
| (ii) Others | - | 337.32 | (11.76) | - | 6.55 | 332.11 |
| (iii) Disputed dues - MSME | - | - | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - | - | - |
| (v) Accrued expenses | 124.89 | - | - | - | - | 124.89 |
| Total | 124.89 | 371.42 | (11.76) | - | 6.55 | 491.10 |

* MSME as per Micro Small and Medium Enterprises Development Act, 2006

There are no interest due on outstanding dues to micro, small and medium enterprises as on March 31, 2024 and March 31, 2023 and during the year the amount was paid to micro, small and medium enterprises with in the appointed date.



Notes forming part of the consolidated financial statements

23 . Other current liabilities

- a) Revenue received in advance
b) Statutory dues
c) Employee benefits payable

| As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|-------------------------|
| 413.34 | 231.48 |
| 408.02 | 528.03 |
| 692.47 | 665.51 |
| 1,513.83 | 1,425.02 |

24 . Provisions - current**Provision for employee benefits**

- a) Compensatory absences
b) Gratuity fund plan liabilities

| As at March 31, 2024 | As at March 31, 2023 |
|-------------------------|-------------------------|
| 98.74 | 91.54 |
| 265.36 | 260.43 |
| 364.10 | 351.97 |

25 . Revenue from operations

- a) Software sales and services
- Sale of services
- Sale of software products

| Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------|------------------------------|
| 9,098.02 | 10,912.10 |
| 10,731.71 | 8,598.34 |
| 19,829.73 | 19,510.44 |

26 . Other income

- a) Interest income
b) Miscellaneous income
c) Rental income
d) Profit on sale of Fixed Assets
e) Gain on sale / redemption of mutual funds (net)

| Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------|------------------------------|
| 160.56 | 189.24 |
| 2.54 | 22.43 |
| 62.31 | 64.14 |
| - | 0.44 |
| - | 2.29 |
| 225.41 | 278.54 |

27 . Employee benefit expenses

- a) Salaries, wages and bonus
b) Share based payments to employees
c) Contribution to provident and other funds
d) Gratuity
e) Staff welfare expenses

| Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------|------------------------------|
| 9,325.41 | 8,612.80 |
| 715.22 | - |
| 343.40 | 289.98 |
| 220.15 | 184.83 |
| 217.23 | 213.72 |
| 10,821.41 | 9,301.33 |



Notes forming part of the consolidated financial statements

28 . Finance costs

- a) Interest expenses
b) Exchange loss (attributable to finance costs)

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------------------|------------------------------|------------------------------|
| a) Interest expenses | 905.59 | 992.78 |
| b) Exchange loss (attributable to finance costs) | 77.49 | 326.06 |
| | 983.08 | 1,318.84 |

29 . Other expenses

- a) Software development and license charges
b) Service rendered by business associates and others
c) Information and communication expenses
d) Travelling and conveyance expenses
 Overseas
 Domestic
e) Rent
f) Legal and professional fees
g) Payment to auditors
 Statutory audit
 Other services
h) Maintenance and upkeep
 Building
 Office and computer equipment
 Others
i) Electricity and water expenses
j) Recruitment and training expenses
k) Printing and stationary
l) Insurance
m) Rates and taxes
n) Business promotion expenses
o) Allowance for expected credit loss
p) Bad debts written off
q) Exchange loss
r) Corporate social responsibility (CSR)
s) Other expenses

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|-------------------------------------------------------|------------------------------|------------------------------|
| a) Software development and license charges | 1,266.63 | 1,152.03 |
| b) Service rendered by business associates and others | 314.40 | 475.37 |
| c) Information and communication expenses | 33.87 | 37.63 |
| d) Travelling and conveyance expenses | | |
| Overseas | 313.92 | 321.43 |
| Domestic | 31.82 | 25.82 |
| e) Rent | 156.23 | 110.35 |
| f) Legal and professional fees | 254.80 | 195.02 |
| g) Payment to auditors | | |
| Statutory audit | 82.51 | 6.52 |
| Other services | 1.50 | 1.50 |
| h) Maintenance and upkeep | | |
| Building | 52.39 | 75.83 |
| Office and computer equipment | 19.58 | 20.50 |
| Others | 36.47 | 28.52 |
| i) Electricity and water expenses | 50.78 | 52.79 |
| j) Recruitment and training expenses | 12.72 | 24.20 |
| k) Printing and stationary | 3.78 | 7.10 |
| l) Insurance | 6.52 | 8.40 |
| m) Rates and taxes | 37.89 | 56.52 |
| n) Business promotion expenses | 132.31 | 130.90 |
| o) Allowance for expected credit loss | - | 4.34 |
| p) Bad debts written off | 516.21 | - |
| q) Exchange loss | 69.04 | 653.11 |
| r) Corporate social responsibility (CSR) | 30.00 | 22.72 |
| s) Other expenses | 191.16 | 75.51 |
| | 3,614.53 | 3,486.11 |



Notes forming part of the consolidated financial statements

30 . Earnings per equity share

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|----------------------------------------------------------------|------------------------------|------------------------------|
| Profit for the year after tax expense | 1,322.16 | 2,284.79 |
| Weighted average number of equity shares for basic EPS | 15,93,674 | 15,93,642 |
| Effect of dilution | | |
| Share options | 44,902 | 3,510 |
| Weighted average number of equity shares adjusted for dilution | 16,38,576 | 15,97,152 |
| Paid up value per share | 10 | 10 |
| Earnings per share basic | 82.96 | 143.37 |
| Earnings per share diluted | 80.69 | 143.05 |

31 . Disclosures as per IND AS 19 "Employee benefits"

a) Defined Contribution Plan

Contribution to defined contribution plan are recognized as expense for the year are as under

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------------------------|------------------------------|------------------------------|
| Employer's contribution to provident and pension funds | 297.30 | 251.45 |

b) Defined benefit plan - unfunded

The employees' gratuity fund scheme and leave encashment are defined benefit plans. The Present value of obligation is determined based on actuarial valuation using the projected unit credit method.

1 Reconciliation of opening and closing balances of defined benefit obligation

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------------------------------------|------------------------------|------------------------------|
| Defined benefit obligation at beginning of the year | 1,354.33 | 1,171.80 |
| Current service cost | 130.18 | 112.59 |
| Past service cost | - | - |
| Interest cost | 89.97 | 72.24 |
| Actuarial (gain)/ loss | 47.36 | 56.88 |
| Benefits paid | (78.72) | (59.18) |
| Defined benefit obligation at end of the year | 1,543.12 | 1,354.33 |



Notes forming part of the consolidated financial statements

2 Reconciliation of opening and closing balance of fair value of plan assets

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---------------------------------------------------------------|------------------------------|------------------------------|
| Fair value of plan assets at beginning of the year | - | - |
| Expected return on plan assets | - | - |
| Employer contribution | 78.72 | 59.18 |
| Benefits paid | (78.72) | (59.18) |
| Actuarial gain/(loss) | - | - |
| Fair value of plan assets at year end | - | - |
| Reconciliation of fair value of assets and obligations | | |
| Fair value of plan assets | - | - |
| Present value of obligation | 1,543.12 | 1,354.33 |
| Amount recognized in balance sheet under liabilities | 1,543.12 | 1,354.33 |

3 Expense recognized during the year (under "Note 27" "Employee benefit expenses" in the statement of profit and loss)

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------|------------------------------|------------------------------|
| In income statement | | |
| Current service cost | 130.18 | 112.59 |
| Past service cost | - | - |
| Interest cost | 89.97 | 72.24 |
| Expected return on plan assets | - | - |
| In other comprehensive income | | |
| Actuarial (gain)/ loss | 47.36 | 56.88 |
| Net cost | 267.51 | 241.71 |



Notes forming part of the consolidated financial statements

| Actuarial assumptions | Year ended March 31, 2024 | Year ended March 31, 2023 |
|----------------------------------------------------|------------------------------|-----------------------------------------------|
| | Mortality table | Indian Assured Lives (2012-14) (Ult table) |
| Discount rate (per annum) | 7.20% | 7.35% |
| Expected rate of return on plan assets (per annum) | 7.00% | 7.00% |

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

c) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, has been determined based on possible effect of changes of an assumption occurring at end of the reporting period, while holding all other assumptions constant.

| Particulars | Period ended | |
|-------------------------------------------------|----------------|------------------------|
| | March 31, 2024 | |
| | Discount rate | Salary escalation rate |
| Defined benefit obligation on increase in 50bps | 1,496.65 | 1,579.63 |
| Impact of increase in 50bps on DBO | -3.01% | 2.37% |
| Defined benefit obligation on decrease in 50bps | 1,592.31 | 1,506.85 |
| Impact of decrease in 50bps on DBO | 3.19% | -2.35% |

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan assets.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.



Notes forming part of the consolidated financial statements

32 . Segment reporting

As per IND AS 108 on "Operating segments", segment information has been provided:

| Geographic segments | Revenue for the year ended March 31, 2024 | Segment debtors as at March 31, 2024 |
|-----------------------|-------------------------------------------|--------------------------------------|
| India | 1,741.29 | 629.51 |
| | <i>1,449.24</i> | <i>646.51</i> |
| North America | 10,909.81 | 1,232.20 |
| | <i>12,332.93</i> | <i>1,239.72</i> |
| Europe | 29.00 | 4.17 |
| | <i>118.58</i> | <i>33.68</i> |
| Asia other than India | 3,001.06 | 622.60 |
| | <i>2,414.83</i> | <i>1,722.99</i> |
| Other countries | 4,148.57 | 367.18 |
| | <i>3,194.86</i> | <i>313.12</i> |
| Total | 19,829.73 | 2,855.66 |
| | <i>19,510.44</i> | <i>3,956.02</i> |

*Previous year figures are in italic**19,510.44**3,956.02*

33 . Related party transaction

a) Relationship between the parent and its subsidiaries

| Relationship | Name of the related party | Country |
|---------------------------------------------|--------------------------------------|---------|
| Holding Company | Pedanta Technologies Private Limited | India |
| Associate Company | Examic Edtech Private Limited | India |
| Enterprises in which KMP are having control | Excel Education and E-learning Trust | India |
| | Enhanced Education Private Limited | India |
| | Excel Empathy Foundation | India |
| | Desiadda Craftworks LLP | India |
| | Nishlaj Consultants | India |

b) List of Key Management Personnel

| | | |
|--------------------------------|------------------------|-----------------------------------------------|
| Key Management Personnel (KMP) | Mr. M. H. Dhananjaya | Chairman and Executive Director |
| | Mr. D. Sudhanva | Chief Executive Officer and Managing Director |
| | Mrs. Lajwanti Sudhanva | Non-Executive Director |
| | Mr. Colin Hughes | Non-Executive Director |
| | Mrs. Shruthi Sudhanva | Additional Director |
| Relatives of KMP | Mr. Adarsh M S | |



Notes forming part of the consolidated financial statements

c) Transactions with the related parties

| Transaction | Related party name | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--------------------------------------------------------------------------|--------------------------------------|------------------------------|------------------------------|
| Sales: Software service and learning solutions | Excel Education and E-learning Trust | 504.83 | 260.10 |
| | Enhanced Education Private Limited | - | 5.70 |
| Rental income | Excel Education and E-Learning Trust | 62.31 | 59.34 |
| | Enhanced Education Private Limited | - | 4.80 |
| Remuneration | Mr. M. H. Dhananjaya | 65.26 | 54.00 |
| | Mr. D. Sudhanva | 240.16 | 239.78 |
| | Mrs. Shruthi Sudhanva | 23.92 | 16.20 |
| | Mr. Adarsh M S | 37.68 | 29.60 |
| Service rendered by business associates and others - Outsourcing charges | Enhanced Education Private Limited | 69.97 | 102.78 |
| Rental expenses | Mr. M. H. Dhananjaya | 2.52 | 3.36 |
| | Mr. D. Sudhanva | 3.98 | 3.36 |
| Reimbursement of expenses | Mr. D. Sudhanva | - | 0.15 |
| Business promotion expenses | TIE Mysuru Association | - | 10.00 |
| Corporate social responsibility expenses | Excel Empathy Foundation | 30.00 | 20.00 |
| Donations | TIE Mysuru Association | 1.00 | - |
| Marketing expenses | Desiadda Craftworks LLP | 12.38 | 20.86 |
| Lease deposit paid | Pedanta Technologies Private Limited | 214.90 | 1,141.19 |
| Salary advance paid | Mr. D. Sudhanva | 40.00 | - |
| Salary advance repaid | Mr. D. Sudhanva | 40.00 | - |
| Divestment | Examic Edtech Private Limited | 0.24 | - |
| Advance paid | Nishlaj Consultants | 3.00 | - |

d) The details of amount due to or due from related parties

| Particulars | Related party name | As at March 31, 2024 | As at March 31, 2023 |
|----------------------------|--------------------------------------|-------------------------|-------------------------|
| Lease deposit | Pedanta Technologies Private Limited | 3,037.31 | 2,822.41 |
| Trade receivables - Billed | Excel Education and E-learning Trust | 372.64 | 312.80 |
| | Desiadda Craftworks LLP | - | 3.98 |
| Trade payables | Enhanced Education Private Limited | 1.36 | 18.85 |
| | Desiadda Crafts Works LLP | 1.16 | - |



Notes forming part of the consolidated financial statements

e) Additional information pursuant to para 2 of general instructions for the preparation of consolidated financial statements

| Name of the entity | Net Assets | | Share in profit or loss | |
|----------------------------------------|---------------------------------|------------------|-------------------------------------|-----------------|
| | as % of consolidated net assets | Amount | as % of consolidated profit or loss | Amount |
| Excelsoft Technologies Private Limited | 96.23% | 28,745.14 | 94.84% | 1,253.98 |
| Foreign Subsidiaries | | | | |
| Excelsoft Technologies Inc | 1.28% | 381.42 | 2.31% | 30.55 |
| Excelsoft Technologies Pte Ltd | 2.50% | 746.47 | 2.95% | 39.06 |
| Meteor Online Learning Limited | 0.00% | (0.29) | 0.00% | - |
| Freedom to Learn Limited | 0.00% | (0.29) | (0.11)% | (1.42) |
| Total | 100.00% | 29,872.45 | 100.00% | 1,322.17 |

34 . Financial risk management objectives and policies

The entity's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the entity's operations to support its operations. The entity's principal financial assets include trade and other receivables, rental and bank deposits and cash and cash equivalents that are derived directly from its operations.

The entity is exposed to market risk/credit and liquidity risks. The entity's senior management oversee the management of these risks. The board reviews their activities. No significant derivative activities have been undertaken so far.

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 risks: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, FVTOCI investments and derivative financial instruments.

The sensitivity analysis in the following sections relate to the positions as at March 31, 2024 and March 31, 2023.

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 of foreign operations.



Notes forming part of the consolidated financial statements

The following assumption has been made in calculating sensitivity analysis.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2024 and March 31, 2023 including the effect of hedge accounting.

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 exposure to the risk of changes in foreign exchange rates relates primarily to the some of the vendor payments and customer receivables.

The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as on March 31, 2024 are as under:

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|------------------------|----------------------|----------|----------------------|-----------|
| | FCY | Amount ₹ | FCY | Amount ₹ |
| Assets (Receivables) | | | | |
| USD | 15.40 | 1,283.32 | 15.90 | 1,305.97 |
| GBP | 3.46 | 362.48 | 3.04 | 308.23 |
| AUD | 0.09 | 4.70 | 0.09 | 4.88 |
| SGD | 7.80 | 480.84 | 26.65 | 1,647.58 |
| AED | 0.13 | 3.01 | 0.17 | 3.78 |
| EUR | 0.05 | 4.17 | 0.38 | 33.68 |
| MYR | 4.66 | 82.07 | 0.29 | 5.39 |
| SAR | - | - | - | - |
| Liabilities (Payables) | | | | |
| USD | 92.45 | 7,704.92 | 142.21 | 11,682.72 |
| GBP | 0.29 | 30.13 | 0.02 | 2.28 |
| SGD | 0.08 | 5.14 | 0.32 | 20.05 |

35 . Employee stock-option scheme**ESOS 2008 (the 2008 Plan):**

The Company formulated employee stock option plan "ESOS 2008" in April 2009 which covers employees of the Company including its wholly owned subsidiary. The scheme was approved by the board of directors of the Company on February 24, 2009 and administered by it. As per the scheme, based on the eligible criteria, as decided by the board from time to time, employee shall be granted stock option entitling one equity share of Rs 10 for each option in the Company's equity share capital.



Notes forming part of the consolidated financial statements

EXCELSOFT ESOS 2023 (the 2023 Plan):

The Company formulated employee stock option plan "EXCELSOFT ESOS 2023" in April 2023 which covers employees of the Company including its wholly owned subsidiary. The scheme was approved by the board of directors of the Company on April 20, 2023 and administered by it. As per the scheme, based on the eligible criteria, as decided by the board from time to time, employee shall be granted stock option entitling one equity share of Rs 10 for each option in the Company's equity share capital.

The options shall be granted in tranches vesting over the period subject to time and performance linked conditions at different exercised price to different tranches. The details of the scheme as given below:

The following is the summary of grants during the year ended March 31, 2024 and March 31, 2023:

| Particulars | 2008 Plan | | 2023 Plan | |
|--------------------------------|----------------------|------|----------------------|------|
| | Year ended March 31, | | Year ended March 31, | |
| | 2024 | 2023 | 2024 | 2023 |
| Key Management Personnel (KMP) | - | - | - | - |
| Employees other than KMP | - | - | 41,262 | - |
| Total Grants | - | - | 41,262 | - |

The break-up of employee stock compensation expense is as follows:

| Particulars | Year ended March 31, | |
|--------------------------------|----------------------|------|
| | 2024 | 2023 |
| Granted to: | | |
| Key Management Personnel (KMP) | - | - |
| Employees other than KMP | 715.22 | - |
| Total | 715.22 | - |

The activity in the 2008 and 2023 Plan for equity-settled share based payment transactions during the year ended March 31, 2024 and March 31, 2023 is set out as follows:

| Particulars | Year ended March 31, 2024 | | Year ended March 31, 2023 | |
|-------------------------------|-------------------------------|-------------------------------------|-------------------------------|-------------------------------------|
| | Shares arising out of options | Weighted average exercise price (₹) | Shares arising out of options | Weighted average exercise price (₹) |
| 2008 Plan: | | | | |
| Outstanding at the beginning | 5,820.00 | 50.00 | 5,820.00 | 50.00 |
| Granted | - | - | - | - |
| Exercised | 2,320.00 | 50.00 | - | - |
| Forfeited and expired | - | - | - | - |
| Outstanding at the end | 3,500.00 | 50.00 | 5,820.00 | 50.00 |
| Exercisable at the end | 3,500.00 | 50.00 | 5,820.00 | 50.00 |



Notes forming part of the consolidated financial statements

| Particulars | Year ended March 31, 2024 | | Year ended March 31, 2023 | |
|-------------------------------|-------------------------------|-------------------------------------|-------------------------------|-------------------------------------|
| | Shares arising out of options | Weighted average exercise price (₹) | Shares arising out of options | Weighted average exercise price (₹) |
| 2023 Plan: | | | | |
| Outstanding at the beginning | - | - | - | - |
| Granted | 41,262.00 | 50.00 | - | - |
| Exercised | - | - | - | - |
| Forfeited and expired | - | - | - | - |
| Outstanding at the end | 41,262.00 | 50.00 | - | - |
| Exercisable at the end | - | - | - | - |

The weighted average share price of option exercised is set out as follows:

| Particulars | 2008 Plan | | 2023 Plan | |
|---------------------------------------------------|----------------------|------|----------------------|------|
| | Year ended March 31, | | Year ended March 31, | |
| | 2024 | 2023 | 2024 | 2023 |
| Weighted average share price of options exercised | 50.00 | - | - | - |

The summary of information about equity ESOPs outstanding as at March 31, 2024 is as follows:

| Plan | Grant Price | No. of shares arising out of options | Weighted average remaining contractual life | Weighted average exercise price (₹) |
|-----------|-------------|--------------------------------------|---------------------------------------------|-------------------------------------|
| 2008 plan | 50.00 | 3,500.00 | NA | 50.00 |
| 2023 plan | 50.00 | 41,262.00 | 20 days | 50.00 |

The summary of information about equity ESOPs outstanding as at March 31, 2023 is as follows:

| Plan | Grant Price | No. of shares arising out of options | Weighted average remaining contractual life | Weighted average exercise price (₹) |
|-----------|-------------|--------------------------------------|---------------------------------------------|-------------------------------------|
| 2008 plan | 50.00 | 5,820.00 | NA | 50.00 |

36 . Contingent liabilities (to the extent of which not provided for)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------|----------------------|----------------------|
| Bank guarantee | 3.64 | 3.39 |



Notes forming part of the consolidated financial statements

37 . (i) Income taxes

The income tax expense consist of following:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------------------|-------------------------|-------------------------|
| Current tax | | |
| Tax on the profit | 604.33 | 783.93 |
| Total current tax expense (a) | 604.33 | 783.93 |
| Deferred tax | | |
| Attributable to - | | |
| Origination and reversal of temporary differences | (48.22) | (6.96) |
| Total deferred tax expense (b) | (48.22) | (6.96) |
| Total tax expense (a+b) | 556.11 | 776.97 |

The deferred tax relates to origination/reversal of temporary differences.

(ii) Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.



Notes forming part of the consolidated financial statements

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Deferred tax assets | | |
| - Provision for gratuity | 400.32 | 355.00 |
| - Provision for leave encashment | 96.41 | 84.00 |
| - Others | 0.94 | 1.00 |
| - Brought forward losses | - | - |
| - Lease liabilities | 5,434.35 | 5,468.00 |
| - Investment impairment | - | 153.00 |
| - Provision for doubtful debts and advances | - | 6.00 |
| - Foreign Translation Reserve - Branch transfer | - | - |
| | 5,932.02 | 6,067.00 |
| Deferred tax liabilities | | |
| - Excess of depreciation/amortisation on property, plant and equipment under income tax law over depreciation/amortisation provided in accounts | 341.59 | 395.00 |
| - Excess of depreciation/amortisation on intangible assets under income tax law over depreciation/amortisation provided in accounts | 1,203.83 | 1,144.00 |
| - Right to use assets | 4,475.46 | 4,677.00 |
| - Others | - | - |
| | 6,020.88 | 6,216.00 |
| Net deferred tax assets / (liabilities) | (88.86) | (149.00) |

38 . Corporate social responsibility (CSR)

| Particulars | Amount |
|-----------------------------------------------------------------------------------|-------------|
| Two percent of average net profit of the Company as per Section 135(5) of the Act | 48.46 |
| Prescribed CSR expenditure (2% of average net profits as above) | 48.46 |
| Total amount spent for the period ending Mar'24 | 30.00 |
| Short amount spent for the financial year | (18.46) |
| Amount excess spent from previous year 2023 carried forward | 21.21 |
| Amount available for set off in succeeding financial years | 2.75 |

39 . All figures have been rounded-off to lakhs except earnings per share and paid up value per share. Previous year's figures have been re-grouped/reclassified wherever necessary to confirm to the current year presentation.

40 . Other Explanatory Information

- a) **Benami transactions act:** No proceedings are initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- b) **Charge details:** There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.



Notes forming part of the consolidated financial statements

- Borrowings from banks and financial institutions:** The company has borrowed funds from banks and/or financial institutions by providing current assets of the company as collateral security.
- c) The company has used the borrowings from banks and/or financial institutions for the specific purpose for which it was borrowed as at the balance sheet date.
- Undisclosed income:** The Company does not have any transactions that are not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- d) **Revaluation of plant, property and equipment:** The Company has no plant, property or equipment that has been revalued during the current year.
- e) **Wilful defaulter:** The Company has not been declared wilful defaulter by any banks, financial institutions or any other lenders.
- f) **Relationship with struck off companies:** The company has no transactions with companies that have been struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- g) **Scheme of arrangement:** There are no scheme of arrangements that have been approved by the competent authority in terms of sections 230 to 237 (corporate restructuring) of the companies act, 2013.
- h) **Crypto currency or virtual currency:** The Company has not transacted or traded or invested in crypto currency or virtual currency during the current year.
- i) **Dues under MSMED Act:** As at 31st March 2024, there are no dues to micro and small enterprises more than 45 days. The information disclosure with regard to micro and small enterprises is based on information collected by the management on enquiries made with the vendors which have been relied upon by the auditors.
- j)

- The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- k) (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

- The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- l) (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.

This is the financial statements referred to in my report of even date

Ramaswamy Vijayanand

Chartered Accountant

Membership No 202118

Place: Mysore

Date: 29-Jul-2024



for and on behalf of the Board

D. Sudhanva

Managing Director

DIN: 00423641

Shruthi S
Shruthi Sudhanva

Director

DIN: 06426159

