

**Report on Special Purpose Interim Ind AS Financial Statements**

**To the Board of Directors of Excelsoft Technologies Limited**

**Opinion**

I have audited the attached Special Purpose Interim Ind AS Financial Statements of Excelsoft Technologies Limited, which comprises the Balance Sheet as at September 30, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the six months period ended September 30, 2024 and the summary of the significant accounting policies and other explanatory information (collectively referred to as the "Special Purpose Interim Ind AS Financial Statements"). The Special Purpose Interim Ind AS Financial Statements have been prepared by the management of the Company in accordance with Indian Accounting Standard 34 Interim Financial Reporting (Ind AS 34) specified under Section 133 of the Companies Act, 2013 ("the Act").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid Special Purpose Interim Ind AS Financial Statements prepared in accordance with Ind AS 34, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at September 30, 2024, and its profit (including other comprehensive income), changes in equity and its cash flows for the six months period ended on that date.

**Basis for Opinion**

I have conducted my audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Interim Ind AS Financial Statements section of my report. I am independent of the Company in accordance with the ethical requirements that are relevant to my audit of the Special Purpose Interim Ind AS Financial Statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Management's Responsibility for the Special Purpose Interim Ind AS Financial Statements**

The Company's Board of Directors are responsible for the preparation and presentation of these Special Purpose Interim Ind AS Financial Statements in accordance with Indian Accounting Standard 34 'Interim Financial Reporting' specified under section 133 of the Act.



**Chartered Accountant**

The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Interim Ind AS Financial Statements that are free from material misstatement, whether due to fraud or error.

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

In preparing the Special Purpose Interim Ind AS Financial Statements, the Board of Directors of the company, are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors of the Company is also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Special Purpose Interim Ind AS Financial Statements**

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of such internal control.



*R. Vijayanand* B.Com., F.C.A.

**Chartered Accountant**

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Special Purpose Interim Ind AS Financial Statements made by the Management.

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

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable related safeguards.

**Restriction on Use**

Without modifying my opinion, I draw attention to Note 2 to the financial statements, which describes the basis of preparation. The Special Purpose Interim Ind AS Financial Statements have been prepared by Management of the Company and approved by the Board of Directors to enable the Company to include and compile Financial Information in their Draft Red Herring Prospectus as of and for the period ended September 30, 2024. As a result, the financial information may not be suitable for any other purpose.

My report is intended solely for the use of Management of the Company and should not be distributed to or used by other parties. I Ramaswamy Vijayanand, Chartered Accountant, shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without my prior consent in writing.



**Ramaswamy Vijayanand**

Chartered Accountant

Membership No. 202118

Date: February 05, 2025

Place: Mysore

UDIN: 25202118BMHZVG4829



**BALANCE SHEET AS AT SEPTEMBER 30, 2024**

	Note No.	As at Sep 30, 2024
<b>ASSETS</b>		
<b>(1) Non-current assets</b>		
(a) Property, plant and equipment	5	691.67
(b) Right-of-use assets	6	1,019.35
(c) Other intangible assets	7	10,232.74
(d) Intangible assets under development	8	392.09
(e) Financial assets		
(i) Investments	9	1,514.06
(ii) Other financial assets	10	143.04
(f) Deferred tax assets (net)		-
(g) Income tax assets (net)	11	165.08
<b>Total non-current assets</b>		<b>14,158.03</b>
<b>(2) Current assets</b>		
(a) Financial assets		
(i) Trade receivables	12	
Billed		1,043.78
Un-billed		3,321.61
(ii) Cash and cash equivalents	13	688.03
(iii) Bank balances other than (ii) above	14	20,929.31
(iv) Loans	15	25.25
(b) Income tax assets (net)		241.62
(c) Other current assets	16	1,433.54
<b>Total current assets</b>		<b>27,683.14</b>
<b>TOTAL ASSETS</b>		<b>41,841.17</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Share capital	17	164.08
(b) Other equity		33,459.26
<b>Total equity</b>		<b>33,623.34</b>
<b>Liabilities</b>		
<b>(1) Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	18	-
(ii) Lease Liabilities	6	826.97
(b) Provisions	19	1,776.68
(c) Deferred tax liabilities (net)	37	638.81
<b>Total non-current liabilities</b>		<b>3,242.46</b>

*Standalone financial statements*



**BALANCE SHEET AS AT SEPTEMBER 30, 2024**

	Note No.	As at Sep 30, 2024
<b>(2) Current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	20	2,056.44
(ii) Lease Liabilities	6	139.35
(iii) Trade payables	21	
(A) Total outstanding dues of micro enterprises and small enterprises		9.90
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,023.10
(b) Other current liabilities	22	1,350.80
(c) Provisions	23	395.78
<b>Total current liabilities</b>		<b>4,975.37</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>41,841.17</b>

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


  
**Ramaswamy Vijayanand**  
Chartered Accountant  
Membership No 202118



Chartered Accountant  
Membership No 202118

Place: Mysore  
Date: 05-Feb-2025

for and on behalf of the Board



**Dhananjaya Sudhanva**  
Chairman and Managing Director  
DIN: 00423641



**Shruthi Sudhanva**  
Whole-time Director  
DIN: 06426159



**Ravi Subramaniam**  
Chief Financial Officer



**Venkatesh Dayananda**  
Company Secretary  
Membership No. F9904



**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD  
ENDED SEPTEMBER 30, 2024**

Particulars	Note No.	Period ended Sep 30, 2024
I Revenue from operations	24	10,826.67
II Other income	25	644.62
<b>III Total income (I+II)</b>		<b>11,471.29</b>
<b>IV Expenses</b>		
Employee benefits expenses	26	6,054.19
Finance costs	27	263.47
Depreciation and amortization expenses	5,6,7	1,297.44
Other expenses	28	2,154.70
<b>Total expenses (IV)</b>		<b>9,769.80</b>
<b>V Profit/(loss) before tax (III-IV)</b>		<b>1,701.49</b>
<b>VI Tax expense</b>	37	
(1) Current tax		730.13
(2) Deferred tax		571.97
<b>VII Profit/(loss) for the period from continuing operations (V-VI)</b>		<b>399.39</b>
<b>VIII Profit/(loss) for the period</b>		<b>399.39</b>
<b>IX Other comprehensive income</b>		
A (i) Items that will not be reclassified to profit or loss		
a) Remeasurements of the defined benefit plans		(87.50)
(i) Income tax relating to items that will not be reclassified to profit or loss		22.02
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		0.00
(i) Income tax relating to items that will be reclassified to profit or loss		-
<b>Total other comprehensive income (IX)</b>		<b>(65.48)</b>
<b>Total comprehensive income for the period (VIII+IX)(Comprising profit/(loss) and other comprehensive income for the period)</b>		<b>333.91</b>





**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD  
 ENDED SEPTEMBER 30, 2024**

Particulars	Note No.	Period ended Sep 30, 2024
XI <b>Earnings per equity share (for continuing operation)</b>	30	
Basic (in ₹)		24.66
Diluted(in ₹)		24.34
(Paid up value per share)		10.00
XII <b>Earnings per equity share(for discontinued &amp; continuing operations)</b>	30	
Basic (in ₹)		24.66
Diluted(in ₹)		24.34

**Significant accounting policies and notes attached form an integral part of the financial statements**

**1 - 40**

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

**Ramaswamy Vijayanand**  
 Chartered Accountant  
 Membership No 202118

Chartered Accountant  
 Membership No 202118

Place: Mysore  
 Date: 05-Feb-2025

for and on behalf of the Board



**Dhananjaya Sudhanva**  
 Chairman and Managing Director  
 DIN: 00423641

**Ravi Subramaniam**  
 Chief Financial Officer



**Shruthi Sudhanva**  
 Whole-time Director  
 DIN: 06426159

**Venkatesh Dayananda**  
 Company Secretary  
 Membership No. F9904



**CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2024**

Particulars	Period ended Sep 30, 2024
<b>A. Cash flow from operating activities</b>	
<b>Profit for the period</b>	<b>399.39</b>
<b>Adjustments to reconcile net profit to net cash from operating activities</b>	
Income tax expenses	1,302.10
Depreciation and amortization expenses	1,297.44
Finance costs	219.17
Impairment loss recognized / (reversed) under expected credit loss model	-
Interest income	(504.69)
Share based payments to employees	37.95
Rental income	(10.47)
Exchange difference on items grouped under financing activities	44.30
Unrealised foreign exchange loss / (gain)	5.68
(Profit)/loss on sale of assets	(0.12)
<b>Operating profit before working capital changes</b>	<b>2,790.75</b>
<b>Movements in working capital</b>	
Trade receivables and unbilled revenue	221.91
Other financial assets and other assets	(25.38)
Trade payables	(159.16)
Other financial liabilities, other liabilities and provisions	18.06
Income tax paid	(730.13)
<b>Net cash from/(used in) operating activities</b>	<b>2,116.05</b>
<b>B. Cash flows from investing activities</b>	
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)	(189.28)
Sale of property, plant and equipment	2,399.99
Closure of Right-of-use assets	23,058.68
Addition in intangible asset under development	(392.09)
Investment	(1,272.22)
Rental income	10.47
Interest received	469.40
Other financial assets	1,297.16
Deposits with banks	(20,922.07)
<b>Net cash from/(used in) investing activities</b>	<b>4,460.04</b>





CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2024

Particulars	Period ended Sep 30, 2024
<b>C. Cash flows from financing activities</b>	
Proceeds from borrowings	724.55
Shares issued on exercise of employee stock options	22.38
Repayment of borrowings	(6,340.59)
Lease Liability	(89.65)
Interest paid	(263.47)
<b>Net cash from/(used in) financing activities</b>	<b>(5,946.78)</b>
<b>Net increase in cash and cash equivalents (A + B + C)</b>	<b>629.31</b>
Cash and cash equivalents at the end of the year	688.03
Cash and cash equivalents at the beginning of the year	58.72
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>629.31</b>
Note 1:	
Cash and cash equivalents include:	
Balance with banks	
- in current accounts	688.03
<b>Total cash and cash equivalents</b>	<b>688.03</b>



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: 05-Feb-2025

for and on behalf of the Board



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Director  
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Company Secretary  
Membership No. F9904



## STATEMENT OF CHANGES IN EQUITY

	As at Sep 30, 2024
<b>A. Share capital</b>	
<b>Balance at the beginning of the year</b>	<b>159.60</b>
Changes in equity share capital during the year	4.48
<b>Balance at the end of the year</b>	<b>164.08</b>

**B. Other equity**

Particulars	Reserves and surplus				Items of other comprehensive income	Total
	Securities premium	Employee stock option reserve	General reserve	Surplus in profit and loss account		
Balance as at April 01, 2024	437.39	715.22	1,386.82	26,762.60	(2.89)	29,299.14
Profit for the year	-	37.95	-	399.39	-	399.39
Share based payments to employees	771.07	(753.17)	-	-	-	37.95
Shares issued on exercise of employee stock options	-	-	-	3,912.18	-	17.90
Cancellation of lease	-	-	-	(141.82)	-	3,912.18
IND AS adjustment	-	-	-	(65.48)	-	(141.82)
Other comprehensive income/(loss)	-	-	-	-	0.00	(65.48)
<b>Balance as at Sep 30, 2024</b>	<b>1,208.46</b>	<b>0.00</b>	<b>1,386.82</b>	<b>30,866.87</b>	<b>(2.89)</b>	<b>33,459.26</b>


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



Place: Mysore  
Date: 05-Feb-2025

  
**Dhananjaya Sudhanva**  
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**Shruthi Sudhanva**

Whole-time Director  
DIN: 06426159

  
**Venkatesh Dayananda**

Company Secretary  
Membership No. F9904

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

Excelsoft Technologies Limited (Excelsoft or the Company) provides innovative technology-based solutions in the education and e-learning space. The Company architects, designs and develops technology solutions and digital content and has established itself in a leadership position in the e-learning business. The Company'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 Company'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.

The Company is a Public Limited Company incorporated and domiciled in Mysore, Karnataka, India. As at September 30, 2024 the Pedanta Technologies Private Limited is the holding company owns controlling stake of the company's equity along with its promoters.

The special purpose interim standalone IND AS financial statements are approved for issue by the company's board of Directors in their meeting held on February 05, 2025.

**2. Basis of preparation**

These special purpose interim standalone 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 Company'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 Company 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.

The special purpose standalone financial statements are prepared for the limited purpose of consideration in preparation of restated consolidated financial information as at and for the period / year ended September 30, 2024, March 31, 2024, March 31, 2023 and March 31, 2022 (Restated consolidated financial information) in relation to proposed initial public offer of equity shares of the company.

**3. Use of estimates and judgements**

The preparation of financial statements in conformity with generally accepted accounting principles requires management of the Company to make estimates and assumptions that



**Notes forming part of the financial statements**

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 Company uses the following critical accounting estimates in preparation of its financial statements:

**a. Revenue recognition**

The Company uses the percentage-of-completion method in accounting for other fixed-price contracts. Use of the percentage-of-completion method requires the Company 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 Company 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 Company 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 Company 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.

**d. Other intangible assets**

The Company 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 Company 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 Company uses the significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.



**Notes forming part of the financial statements****f. Employee benefits**

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

**g. Provisions and contingent liabilities**

The Company 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 Company 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 Company 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.

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

The Company derives revenues primarily from IT services comprising licensing of learning and assessment software products and platforms, software development and related services and maintenance, licensing the educational learning material copy rights and content services. 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 Company 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.

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 Company 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.



**Notes forming part of the financial statements**

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 Company 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 Company 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 Company expects to recover them. Any capitalized contract costs are amortized, with the expense recognized as the Company transfers the related goods or services to the customer. The Company presents revenues net of indirect taxes in its Consolidated Statement of Profit and Loss.

The Company 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.

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 Company 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 Company 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



**Notes forming part of the financial statements**

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 Company 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 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 Company 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.

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 Company 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 Company estimates the recoverable amount of the asset or group of assets,

The recoverable amount of an asset or cash generating unit 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 is computed



**Notes forming part of the financial statements**

using turnover and earnings multiples. If the recoverable amount of the asset or the recoverable amount of the cash generating unit 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 Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company 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 Company 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 below.

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 Company 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 Company 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 Company as a lessor**

Leases under which the Company 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 Company is an intermediate lessor, the Company accounts for the head-lease and the sub-lease as two separate contracts. The sub-lease is further





**Notes forming part of the financial statements**

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 standalone financial statements are presented in Indian rupees, which is the functional currency of the Company.

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

**b. Foreign operations**

For the purpose of presenting financial statements, the assets and liabilities of the Company'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 Company 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) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.



**Notes forming part of the financial statements****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 company has made an irrevocable election for particular investment in equity instrument that would otherwise be measured at fair value through profit or loss, the subsequent changes in fair value are measured in other comprehensive income.

**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. 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) Investment in subsidiaries**

Investment in subsidiaries are measured at cost less impairment loss, if any.

**E) Derecognition of financial assets and liabilities**

The Company 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.

**F) Cash and cash equivalents**

The Company'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 Company's cash management system. In the balance sheet, bank overdrafts are presented under borrowings within current liabilities.



**Notes forming part of the financial statements****G) 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.

**H) 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.

**b. Provident fund**

Eligible employees of the company receive benefits from a provident fund, which is a defined benefit plan. Both the eligible employee and the Company 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 Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") covering eligible employees of the company. 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 company.

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 company 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.



**Notes forming part of the financial statements****d. Compensated absences**

The Company 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 Company's Employee Stock Option Scheme, the Company 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 Company 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 Company 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 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 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 Company 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 Company 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



**Notes forming part of the financial statements**

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 Company 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.

**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 Company are segregated.



## Notes forming part of the financial statements

## 5. 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, 2024	222.91	2,548.23	222.68	1,062.83	134.42	194.99	501.90	4,887.96
Additions	-	-	13.99	105.62	25.03	-	44.64	189.28
Less: Disposals	222.91	2,548.23	-	-	-	-	-	2,771.14
<b>Balance as at Sep 30, 2024</b>	<b>-</b>	<b>-</b>	<b>236.67</b>	<b>1,168.45</b>	<b>159.45</b>	<b>194.99</b>	<b>546.54</b>	<b>2,306.10</b>
<b>Accumulated depreciation/ impairment</b>								
Balance as at April 01, 2024	-	371.03	168.11	717.98	99.50	66.13	410.79	1,833.54
Depreciation and impairment	-	0.12	4.62	99.65	13.57	10.13	23.95	152.04
Less: Disposals	-	371.15	-	-	-	-	-	371.15
<b>Balance as at Sep 30, 2024</b>	<b>-</b>	<b>-</b>	<b>172.73</b>	<b>817.63</b>	<b>113.07</b>	<b>76.26</b>	<b>434.74</b>	<b>1,614.43</b>
<b>Net block</b>								
<b>Balance as at Sep 30, 2024</b>	<b>-</b>	<b>-</b>	<b>63.94</b>	<b>350.82</b>	<b>46.38</b>	<b>118.73</b>	<b>111.80</b>	<b>691.67</b>

\* Lease-hold land with Karnataka Industrial Area Development Board (KIADB).



## Notes forming part of the financial statements

## 6. Right-of-use assets

Gross block	Land	Buildings	Total
Balance as at April 01, 2024	11,692.42	10,576.76	22,269.18
Additions	-	1,003.58	1,003.58
IND AS adjustment	854.83	1,151.14	2,005.97
Less: Disposals	12,547.25	11,350.03	23,897.28
<b>Balance as at Sep 30, 2024</b>	<b>-</b>	<b>1,381.45</b>	<b>1,381.45</b>
<b>Accumulated depreciation</b>			
Balance as at April 01, 2024	2,356.56	2,131.69	4,488.25
Depreciation for the year	73.32	179.12	252.44
IND AS adjustment	64.52	307.67	372.19
Less: Disposals	2,494.40	2,256.38	4,750.78
<b>Balance as at Sep 30, 2024</b>	<b>-</b>	<b>362.10</b>	<b>362.10</b>
<b>Net block</b>			
<b>Balance as at Sep 30, 2024</b>	<b>-</b>	<b>1,019.35</b>	<b>1,019.35</b>

The right-of-use assets includes the amount Rs. 928.63 Lakhs is leased from holding company, Pedanta Technologies Private Limited.

## The break-up of current and non-current lease liabilities is as follows :

Particulars	As at Sep 30, 2024
Current lease liabilities	139.35
Non-current lease liabilities	826.97
	<b>966.32</b>

## The movement in lease liabilities is as follows :

Particulars	As at Sep 30, 2024
<b>Balance at the beginning</b>	-
Additions	890.70
IND AS adjustment	162.62
Finance cost accrued during the period	42.70
Deletions	-
Payment of lease liabilities	(129.70)
Translation difference	-
<b>Balance at the end</b>	<b>966.32</b>



## Notes forming part of the financial statements

## 7. Other intangible assets

Gross block	Internally generated - Product development cost	Other computer software	Total
Balance as at April 01, 2024	22,119.64	67.26	22,186.90
Additions	-	-	-
Less: Disposals	-	-	-
<b>Balance as at Sep 30, 2024</b>	<b>22,119.64</b>	<b>67.26</b>	<b>22,186.90</b>
<b>Accumulated amortisation / impairment</b>			
Balance as at April 01, 2024	10,994.16	67.03	11,061.19
Amortisation	892.97	-	892.97
Impairment	-	-	-
Less: Disposals	-	-	-
<b>Balance as at Sep 30, 2024</b>	<b>11,887.13</b>	<b>67.03</b>	<b>11,954.16</b>
<b>Net block</b>			
<b>Balance as at Sep 30, 2024</b>	<b>10,232.51</b>	<b>0.23</b>	<b>10,232.74</b>





## Notes forming part of the financial statements

## 8. Intangible assets under development

	Intangible assets under development
Balance as at April 01, 2024	-
Additions	392.09
Less: Capitalised	-
<b>Balance as at Sep 30, 2024</b>	<b>392.09</b>

## Ageing of intangible assets under development as on Sep 30, 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	392.09	-	-	392.09
<b>Total</b>	<b>392.09</b>	<b>-</b>	<b>-</b>	<b>392.09</b>



## Notes forming part of the financial statements

## 9 . Investments - non current

Name of the company	As at Sep 30, 2024
<b>a) Investments in equity instruments - Wholly owned subsidiaries (unquoted) fully paid up</b>	
<b>Investments are carried at cost</b>	
Enhanced Education Private Limited, India (5,55,556 shares @ INR 10 per share)	1,272.22
Excelsoft Technologies Pte Ltd, Singapore (2,70,000 shares @ SGD 1 per share)	142.96
Excelsoft Technologies Inc, USA (1,600 shares @ USD 100 per share)	98.88
Freedom to Learn Limited, UK (20 shares @ GBP 1 per share)	0.02
Excelsoft Technologies Limited, UK (formerly known as Meteor Online Learning Limited, UK) (1,000 Fully paid up class 'A' ordinary shares of GBP 1 per share) (11,50,907 Fully paid up class 'B' ordinary shares of GBP 1 per share)	609.68
	<b>2,123.76</b>
<b>Impairment of investments in subsidiaries</b>	
Freedom to Learn Limited, UK	(0.02)
Excelsoft Technologies Limited, UK (formerly known as Meteor Online Learning Limited, UK)	(609.68)
<b>Total</b>	<b>1,514.06</b>



## Notes forming part of the financial statements

**10 . Other financial assets - non current**

	<b>As at Sep 30, 2024</b>
Security deposits	143.04
	<b>143.04</b>

Security deposit includes the amount Rs. 94.31 Lakhs relating to lease deposit paid to holding company, Pedanta Technologies Private Limited on lease of land and building.

**11 . Income tax assets - non current**

	<b>As at Sep 30, 2024</b>
a) Income tax refund receivable for	
- FY 2012-13	11.63
- FY 2013-14	23.84
- FY 2014-15	7.94
- FY 2015-16	78.12
- FY 2016-17	3.62
- FY 2019-20	39.93
	<b>165.08</b>



## Notes forming part of the financial statements

12 . Trade receivables  
(Unsecured)

	As at Sep 30, 2024
Trade receivables considered good	1,043.78
Trade receivables credit impaired	-
	<b>1,043.78</b>
	-
	<b>1,043.78</b>

**Billed**

Trade receivables considered good  
Trade receivables credit impaired

Less: Allowance for bad and doubtful trade receivables

**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 Sep 30, 2024 is as below:**

Particulars	Outstanding for following periods from due date of payment						Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed - considered good	1,039.87	-	3.91	-	-	-	1,043.78
(ii) Undisputed - considered doubtful	-	-	-	-	-	-	-
(iii) Disputed - considered good	-	-	-	-	-	-	-
(iv) Disputed - considered doubtful	-	-	-	-	-	-	-
<b>Total</b>	<b>1,039.87</b>	<b>-</b>	<b>3.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,043.78</b>

Less: Allowance for bad and doubtful trade receivables billed

1,043.78

Trade receivables - unbilled

3,321.61

**4,365.39**



## Notes forming part of the financial statements

**13 . Cash and cash equivalents**

	As at Sep 30, 2024
a) Balances with banks	
- in current accounts	688.03
	<b>688.03</b>

**14 . Bank balances other than cash and cash equivalents**

	As at Sep 30, 2024
a) Balances with banks	
- Fixed deposit	20,925.58
- Margin money deposit against guarantees	3.73
	<b>20,929.31</b>

**15 . Loans**

	As at Sep 30, 2024
Employee advances	25.25
	<b>25.25</b>
Loans credit impaired - Unsecured	
- Loans to subsidiaries	24.34
- Less: Allowance for credit impairment	24.34
	-
	<b>25.25</b>

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

	As at Sep 30, 2024
a) Advance to creditors	41.33
b) Balance with statutory authorities	989.07
c) Prepaid expenses	403.14
	<b>1,433.54</b>

**17 . Equity share capital**

	As at Sep 30, 2024
<b>Authorised</b>	
30,00,000 equity shares of Rs. 10 each	300.00
	<b>300.00</b>
<b>Issued, subscribed and fully paid up</b>	
16,40,724 equity shares of Rs. 10 each fully paid up	164.07
	<b>164.07</b>



## Notes forming part of the financial statements

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

	As at Sep 30, 2024	
	Number of shares	Amount
At the beginning of the year	15,95,962	159.60
Issued during the year	44,762	4.48
<b>At the end of the year</b>	<b>16,40,724</b>	<b>164.08</b>

**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**

	As at Sep 30, 2024	
Name of the share holders	Number of shares	% of Holding
Pedanta Technologies Private Limited	7,07,416	43.12%

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

	As at Sep 30, 2024	
Name of the share holders	Number of shares	% of Holding
i D. Sudhanva	6,36,782	38.81%
ii Lajwanti Sudhanva	1,92,725	11.75%
iii Pedanta Technologies Private Limited	7,07,416	43.12%

**e. Shares reserved for issued under options**

	As at Sep 30, 2024	
Particulars	Number of shares	Amount
Shares reserved for issued under ESOP	-	-



## Notes forming part of the financial statements

## 18 . Borrowings - non current

**Term loans - secured****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 Sep 30, 2024
-
-

## 19 . Provisions - non current

**Provision for employee benefits**

- a) Compensatory absences  
b) Gratuity fund plan liabilities

As at Sep 30, 2024
335.06
1,441.62
<b>1,776.68</b>

## 20 . Borrowings - current

**Secured loans****a) Loans repayable on demand from banks**

- Working capital limit

**For period ending September 2024 :** -Working capital loans from Axis Bank Limited are secured by:

Primary security: 110% FD Lien marked to Axis Bank Limited to be obtained on proportionate basis

No default in repayment of instalment.

**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 Sep 30, 2024
2,056.44
-
<b>2,056.44</b>



## Notes forming part of the financial statements

## 21 . Trade payables

As at Sep 30, 2024
9.90
1,023.10
<b>1,033.00</b>

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 Sep 30, 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*	-	9.74	-	-	-	9.74
(ii) Others	-	199.83	-	-	-	199.83
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
(v) Accrued expenses	823.43	-	-	-	-	823.43
<b>Total</b>	<b>823.43</b>	<b>209.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,033.00</b>

**\* 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 Sep 30, 2024 and during the year the amount was paid to micro, small and medium enterprises with in the appointed date.





## Notes forming part of the financial statements

**22 . Other current liabilities**

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

As at Sep 30, 2024
282.24
232.16
836.40
<b>1,350.80</b>

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

- a) Compensatory absences
- b) Gratuity fund plan liabilities

As at Sep 30, 2024
111.34
284.44
<b>395.78</b>

**24 . Revenue from operations**

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

Period ended Sep 30, 2024
6,541.97
4,284.70
<b>10,826.67</b>

**25 . Other income**

- a) Interest income
- b) Miscellaneous income
- c) Rental income
- d) Profit on sale of fixed assets
- e) Gain or Loss - Lease Termination
- f) Exchange gain

Period ended Sep 30, 2024
504.69
0.11
10.47
0.12
109.71
19.52
<b>644.62</b>

**26 . 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

Period ended Sep 30, 2024
5,586.17
37.95
186.41
122.46
121.20
<b>6,054.19</b>



## Notes forming part of the financial statements

## 27 . Finance costs

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

Period ended Sep 30, 2024	
	219.17
	44.30
	<b>263.47</b>

## 28 . 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) Corporate social responsibility (CSR)  
p) Other expenses

Period ended Sep 30, 2024	
	727.71
	786.04
	17.96
	59.33
	71.24
	1.46
	60.58
	6.13
	0.75
	37.13
	6.40
	42.52
	27.20
	4.76
	1.90
	6.94
	7.02
	145.89
	30.00
	113.74
	<b>2,154.70</b>



## Notes forming part of the financial statements

## 29 . Additional information

a) Expenditure in foreign currency  
(net of with-holding tax)

	Period ended Sep 30, 2024
i) Foreign travel and business promotion expenses	77.01
ii) Service rendered by business associates and others	560.82
iii) Professional charges	30.71
iv) Branch office expenses	60.36
v) Hosting and other software services	61.71
vi) Interest paid	78.30
	<b>868.91</b>

## b) Earnings in foreign exchange

i) Software exports and consultancy	10,057.82
	<b>10,057.82</b>

## 30 . Earnings per equity share

## Profit for the year after tax expense

Weighted average number of equity shares for basic EPS

## Effect of dilution

Share options

Weighted average number of equity shares adjusted for dilution

Paid up value per share

## Earnings per share basic

## Earnings per share diluted

	Period ended Sep 30, 2024
Profit for the year after tax expense	399.39
Weighted average number of equity shares for basic EPS	16,19,819
Share options	20,906
Weighted average number of equity shares adjusted for dilution	16,40,725
Paid up value per share	10.00
Earnings per share basic	24.66
Earnings per share diluted	24.34

## 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

Employer's contribution to provident and pension funds

Period ended  
Sep 30, 2024

179.80

## 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.



## Notes forming part of the financial statements

**1 Reconciliation of opening and closing balances of defined benefit obligation**

	Period ended Sep 30, 2024
<b>Defined benefit obligation at beginning of the year</b>	<b>1,543.12</b>
Current service cost	71.69
Past service cost	-
Interest cost	50.78
Actuarial (gain)/ loss	87.50
Benefits paid	(27.02)
<b>Defined benefit obligation at end of the year</b>	<b>1,726.07</b>

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

	Period ended Sep 30, 2024
<b>Fair value of plan assets at beginning of the year</b>	-
Expected return on plan assets	-
Employer contribution	27.02
Benefits paid	(27.02)
Actuarial gain/(loss)	-
Fair value of plan assets at year end	-
<b>Reconciliation of fair value of assets and obligations</b>	
Fair value of plan assets	-
<b>Present value of obligation</b>	<b>1,726.07</b>
<b>Amount recognized in balance sheet under liabilities</b>	<b>1,726.07</b>

**3 Expense recognized during the year: (under "Note 26" "Employee benefit expenses" in the statement of profit and loss)**

	Period ended Sep 30, 2024
<b>In income statement</b>	
Current service cost	71.69
Past service cost	-
Interest cost	50.78
Expected return on plan assets	-
<b>In other comprehensive income</b>	
Actuarial (gain)/ loss	87.50
<b>Net cost</b>	<b>209.97</b>

**Actuarial assumptions**

Mortality table

Discount rate (per annum)

Expected rate of return on plan assets (per annum)

Period ended Sep 30, 2024
Indian Assured Lives (2012-14) (Ult table)
6.80%
7.00%



## Notes forming part of the financial statements

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.

**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. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

Particulars	Period ended	
	Sep 30, 2024	
	Discount rate	Salary escalation rate
Defined benefit obligation on increase in 50bps	1,673.01	1,766.83
Impact of increase in 50bps on DBO	-3.07%	2.36%
Defined benefit obligation on decrease in 50bps	1,782.28	1,685.46
Impact of decrease in 50bps on DBO	3.26%	-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.

**32 . Segment reporting**

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

Geographic segments	Revenue for the year ended Sep 30, 2024	Segment debtors as at Sep 30, 2024
India	1,473.47	186.81
North America	6,387.35	277.50
Europe and UK	2,337.92	345.70
Asia other than India	545.95	227.10
Australia	81.98	6.70
<b>Total</b>	<b>10,826.67</b>	<b>1,043.81</b>



Standalone financial statements

## Notes forming part of the financial statements

## 33 . Related party disclosures

## a) Relationship between the parent and its subsidiaries

Relationship	Name of the related party	Country
Holding Company	Pedanta Technologies Private Limited	India
Subsidiary Companies (Direct holding)	Excelsoft Technologies Pte Ltd	Singapore
	Freedom to Learn Limited	UK
	Excelsoft Technologies Limited (formerly known as Meteor Online Learning Limited)	UK
	Excelsoft Technologies Inc	USA
	Enhanced Education Private Limited	India
Associate Company	Examic Edtech Private Limited	India
Enterprises in which KMP are having control	Excel Education and E-learning Trust	India
	Excel Empathy Foundation	India
	Desiadda Craftworks LLP	India
	Messier 4 Private Limited*	India
	Nishlaj Consultants	India

## b) List of key management personnel

Key management personnel (KMP)	Late Mr. M. H. Dhananjaya	Former Chairman and Executive Director
	Mr. Dhananjaya Sudhanva	Chairman and Managing Director
	Mrs. Lajwanti Sudhanva	Non-Executive Director
	Mr. Colin Hughes	Non-Executive Director
	Mrs. Shruthi Sudhanva	Whole-time Director (w.e.f 01-Nov-2024)
	Mr. Venkatesh D	Company Secretary
Relatives of KMP	Mrs. Shruthi Sudhanva	
	Mr. Adarsh M S	



## Notes forming part of the financial statements

## c) Transactions with the related parties

Transaction	Related party name	Period ended Sep 30, 2024
<b>Sales:</b>		
Software service and learning solutions	Excelsoft Technologies Pte Ltd	241.62
	Excelsoft Technologies Inc	972.24
	Examic Edtech Private Limited	13.75
Rental income	Excel Education and E-Learning Trust	10.47
Remuneration	Mr. Dhananjaya Sudhanva	120.08
	Mrs. Shruthi Sudhanva	12.07
	Mr. Adarsh M S	17.21
	Mr. Venkatesh D	22.91
Reimbursement of marketing and order securing expenses	Excelsoft Technologies Pte Ltd	79.70
	Excelsoft Technologies Inc	346.05
Service rendered by business associates and others - Outsourcing charges	Enhanced Education Private Limited	84.08
Rental expenses	Mr. Dhananjaya Sudhanva	2.94
	Pedanta Technologies Private Limited	78.47
Business promotion expenses	TIE Mysuru Association	10.00
	Mr. Colin Hughes	9.69
Staff welfare expenses	Messier 4 Private Limited*	9.44
Corporate social responsibility expenses	Excel Empathy Foundation	30.00
Professional Fees - Business Associates and Others	Mr. Colin Hughes	9.38
Travel and others	Mr. Colin Hughes	6.62
	Mr. Adarsh M S	6.44
Reimbursement of expenses	Mr. Venkatesh D	1.62
	Mr. Adarsh M S	0.08
Marketing expenses	Desiadda Craftworks LLP	11.27
Lease deposit paid	Pedanta Technologies Private Limited	163.20
Lease deposit received	Pedanta Technologies Private Limited	24,736.16
Sale of property, plant and equipment	Pedanta Technologies Private Limited	2,400.11
Salary advance paid	Mr. Dhananjaya Sudhanva	12.54
Purchase of equity shares of Enhanced Education Private Limited	Mr. Dhananjaya Sudhanva	916.00
	Mr. Adarsh M S	229.00



## Notes forming part of the financial statements

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

Particulars	Related party name	As at Sep 30, 2024
Trade receivables - Unbilled	Excelsoft Technologies Pte Ltd	200.27
	Excelsoft Technologies Inc	663.59
Expenses payable	Excelsoft Technologies Pte Ltd	79.70
	Excelsoft Technologies Inc	346.05
Trade payables	Excelsoft Technologies Inc	3.25
	Pedanta Technologies Private Limited	20.21
	Desiadda Craftworks LLP	1.21
	Messier 4 Private Limited*	0.75
	Enhanced Education Private Limited	4.15

\*Note: The Company Secretary, Mr. Venkatesh D, was appointed on 01-Mar-2024, hence the remuneration mentioned INR 22.91 lakhs is for the period 01-Apr-2024 to 30-Sep-2024. Hence, payments made before the Company Secretary becoming Key Managerial Personnel is not disclosed.

\* Mr. Dhananjaya Sudhanva was the common shareholder in Messier 4 Private Limited. Mr. Dhananjaya Sudhanva's holding in Messier 4 Private Limited was divested on November 05, 2024. As there are no common share holders as on date of this report, Messier 4 Private Limited is not a related party. Therefore it is not considered as a Group company.

## 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 Sep 30, 2024.

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.

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 Sep 30, 2024 including the effect of hedge accounting.





## Notes forming part of the financial statements

**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 Sep 30, 2024 are as under:

Particulars	As at Sep 30, 2024	
	FCY	Amount ₹
Assets (Receivables)		
USD	4.51	377.91
GBP	2.92	326.99
AUD	0.03	1.63
AED	0.14	3.23
EUR	0.20	18.69
MYR	1.50	30.42
SAR	4.09	91.29
OMR	0.03	6.80
Liabilities (Payables)		
USD	24.61	2,059.85
GBP	0.40	44.78

**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.

**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:



**Notes forming part of the financial statements**

The following is the summary of grants during the period ended September 30, 2024:

Particulars	2008 Plan	2023 Plan
	Period ended	Period ended
	Sep 30, 2024	Sep 30, 2024
Key Management Personnel (KMP)	-	-
Employees other than KMP	-	-
<b>Total Grants</b>	-	-

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

Particulars	Period ended
	Sep 30, 2024
Granted to:	
Key Management Personnel (KMP)	-
Employees other than KMP	37.95
<b>Total</b>	<b>37.95</b>

The activity in the 2008 and 2023 Plan for equity-settled share based payment transactions during the period ended September 30, 2024 is set out as follows:

Particulars	Period ended	
	Sep 30, 2024	
	Shares arising out of options	Weighted average exercise price (₹)
<b>2008 Plan:</b>		
Outstanding at the beginning	3,500.00	-
Granted	-	-
Exercised	3,500.00	50.00
Forfeited and expired	-	-
<b>Outstanding at the end</b>	-	-
Exercisable at the end	-	-
<b>2023 Plan:</b>		
Outstanding at the beginning	41,262.00	50.00
Granted	-	-
Exercised	41,262.00	50.00
Forfeited and expired	-	-
<b>Outstanding at the end</b>	-	-
Exercisable at the end	-	-



**Notes forming part of the financial statements**

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

Particulars	2008 Plan	2023 Plan
	Period ended	Period ended
	Sep 30, 2024	Sep 30, 2024
Weighted average share price of options exercised	-	-

The summary of information about equity ESOPs outstanding as at September 30, 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	-	NA	-
2023 plan	50.00	-	NA	-

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

Particulars	As at Sep 30, 2024
Bank guarantee	3.73
Corporate guarantee	30,000.00

**37 . (i) Income taxes**

The income tax expense consist of following:

Particulars	As at Sep 30, 2024
<b>Current tax</b>	
Tax on the profit	730.13
<b>Total current tax expense (a)</b>	<b>730.13</b>
<b>Deferred tax</b>	
Attributable to -	
Origination and reversal of temporary differences	571.97
<b>Total deferred tax expense (b)</b>	<b>571.97</b>
<b>Total tax expense (a+b)</b>	<b>1,302.10</b>

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.



## Notes forming part of the financial statements

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.

Particulars	As at Sep 30, 2024
<b>Deferred tax assets</b>	
- Provision for gratuity	456.47
- Provision for leave encashment	112.37
- Others	0.47
- Brought forward losses	-
- Lease liabilities	-
- Investment impairment	-
- Provision for doubtful debts and advances	-
- Foreign translation reserve - Branch transfer	-
	<b>569.31</b>
<b>Deferred tax liabilities</b>	
- Excess of depreciation/amortisation on property, plant and equipment under income tax law over depreciation/amortisation provided in accounts	29.49
- Excess of depreciation/amortisation on intangible assets under income tax law over depreciation/amortisation provided in accounts	1,178.63
- Right to use assets	-
- Others	-
	<b>1,208.12</b>
<b>Net deferred tax assets / (liabilities)</b>	<b>(638.81)</b>

## 38 . Corporate social responsibility (CSR)

Particulars	Amount
Two percent of average net profit of the Company as per section 135(5) of the Act	51.32
Prescribed CSR expenditure (2% of average net profits as above)	51.32
Total amount spent for the period ending Sep'24	30.00
Short amount spent for the financial year	(21.32)
Amount excess spent from previous year 2024 carried forward	2.75
<b>Amount to be spent for the financial year</b>	<b>(18.57)</b>

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



## Notes forming part of the financial statements

## 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.
- c) **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.

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.

- d) **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.
- e) **Revaluation of plant, property and equipment:** The Company has no plant, property or equipment that has been revalued during the current year.
- f) **Wilful defaulter:** The Company has not been declared wilful defaulter by any banks, financial institutions or any other lenders.
- g) **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.
- h) **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.
- i) **Crypto currency or virtual currency:** The Company has not transacted or traded or invested in crypto currency or virtual currency during the current year.
- j) **Dues under MSMED Act:** As at 30th September 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.
- k) 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:  
(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.
- l) 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:  
(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

for and on behalf of the Board

**Ramaswamy Vijayanand**  
Chartered Accountant  
Membership No 202118



**Dhananjaya Sudhanva**

Chairman and Managing Director  
DIN: 00423641

**Ravi Subramaniam**  
Chief Financial Officer

**Shruthi Sudhanva**

Whole-time Director  
DIN: 06426159

**Venkatesh Dayananda**  
Company Secretary  
Membership No. F9904

Place: Mysore  
Date: 05-Feb-2025



**Standalone financial statements**