K. R. GNANOBA B.Com., F.C.A.
R. UMESH B.Com., F.C.A.
PHALGUNA. B. N. B.Com., F.C.A., D.I.S.A [ICAI]
BASAVANA GOUD. K. R. F.C.A.

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s Pelatro Limited
[Formerly Pelatro Private Limited]

Report on the Audit of Consolidated Ind-AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind-AS Financial Statements of **M/s Pelatro Limited [formerly Pelatro Private Limited]** (hereinafter referred to as the "the Holding Company"), and its wholly owned foreign subsidiary (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind-AS financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated Ind-AS Financial Statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the *Code of Ethics*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

GNANOBA & BHAT
BANGALORE
CHARTERED ACCOUNTANTS

Emphasis of Matter

We draw attention to the following matters in the Notes to the financial statements:

a. Note no 1(B) to the Consolidated Ind-AS Financial Statements, which indicates that the Subsidiary's current liabilities exceeded its current assets by Rs.2,63,905.96 [in thousands] and net capital deficiency of Rs.1,89,573.29 [in thousands]. As stated in the Note 1(b), these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Subsidiary's ability to continue as a going concern.

b. Note No. 8.1 & 8.2 of the Consolidated Ind-AS Financial Statements regarding export receivables receivable from Genexx Pvt. Ltd. transferred to Pelatro Limited, UK.

Our opinion is not modified in respect of these matters.

Information other than the Consolidated Ind-AS Financial Statements and auditors' report thereon

The Company's board of directors is responsible for the other information. The other information comprises the information comprises the information included in the Annual Report, but does not include the Consolidated Ind-AS Financial Statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Consolidated Ind-AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind-AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind-AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of the Management and Those Charged with Governance for Consolidated Ind-AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind-AS Financial Statements that give a true and fair view of the consolidated financial position and consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. The respective board of directors of the entities included in the Group are also responsible for maintenance of adequate accounting

GNANOBA & BHAT BANGALORE CHARTERED ACCOUNTANTS records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 Ind-AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Ind-AS Financial Statements, the respective Board of Directors of the entities are responsible for assessing the Company's ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind-AS Financial Statements

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

A further description of our responsibilities for the audit of the Consolidated Ind-AS Financial Statements is included in "**Annexure – A**" of this auditor's report.

Report on Other Legal and Regulatory Requirements

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

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of audit of the Consolidated Ind-As Financial Statements.

b. In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph below on reporting under Rule 11(g).

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit & Loss including Other Comprehensive Income, Consolidated Changes in Equity and the and Consolidated Cash Flow Statements dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of Consolidated Financial Statements.

d. In our opinion, the aforesaid Consolidated Ind-AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f. The provisions of Section 197(16) of the Act are not applicable to the Company.

g. With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, we give a separate report in the **Annexure - C**; and

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.

i. The Group does not have any pending litigations which would impact its financial position;

ii. The Group did not have any long-term contracts including derivative contracts which require any provision to be made for material foreseeable losses;

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

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

iv. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the representation given by the Management contain any material misstatement.

v. The Group has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year ***[except for the period from 01-04-2023 to 20-04-2023]*** for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

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As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For GNANOBA & BHAT,
Chartered Accountants,
Firm Regn No. 000939S

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

PHALGUNA B N
Partner
M.No. 226032
UDIN : 24226032BKAGWZ8963

Place: Bangalore
Date : 10th June, 2024

ANNEXURE-A TO THE AUDITOR'S REPORT

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

- Identify and assess the risks of material misstatement of the Consolidated 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company and subsidiary companies which are companies incorporated in India, has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.

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

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

- Evaluate the overall presentation, structure and content of the Consolidated Ind-AS Financial Statements, including the disclosures and whether the Consolidated Ind-AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities withing the group to express an opinion on the Consolidated Ind-AS Financial Statements.

Materiality is the magnitude of misstatements in the Consolidated Ind-AS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Ind-AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Ind-AS Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Ind-As Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

For GNANOBA & BHAT,
Chartered Accountants,
Firm Regn No. 000939S

PHALGUNA B N
Partner
M.No. 226032
UDIN : 24226032BKAGWZ8963

Place: Bangalore
Date : 10th June, 2024

ANNEXURE-B TO AUDITOR'S REPORT

With Reference to the annexure A referred to in the Independent Auditor's report to the members of the Holding company on the consolidation of financial statements for the year ended 31st march 2023, we report the following:

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in consolidated financial statements, have audit comments or remarks given by the respective auditors in their reports under the companies (Auditor's Report) Order, 2020(CARO).

Sr. no	Name	CIN	Holding Company/ subsidiary/Associate/ Joint venture	Clause number of the CARO report which is qualified or adverse
1	Pelatro Limited (formerly known as Pealtro Private Limited)	U72100KA2013PTC068239	Holding company	xx

For GNANOBA & BHAT,
Chartered Accountants,
Firm Regn No. 000939S

PHALGUNA B N
Partner
M.No. 226032
UDIN : 24226032BKAGWZ8963

Place: Bangalore
Date : 10th June, 2024

ANNEXURE - C TO AUDITOR'S REPORT

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

We have audited the internal financial controls with reference to Consolidated Ind-AS Financial Statements of **M/s Pelatro Limited [formerly Pelatro Private Limited]** as on 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended as on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Ind-AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Ind-AS Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Ind-AS Financial Statements of the Company.

GNANOBA & BHAT
BANGALORE
CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to Consolidated Ind-AS Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control with reference to Consolidated Ind-AS Financial Statements includes those policies and procedures that:

i. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

ii. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, that receipt and expenditures of the company are being made only in accordance with authorisations of management and directors of the company.

iii. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Ind-AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Consolidated Ind-AS Financial Statements and such internal financial controls with reference to Consolidated Ind-AS Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components with reference to Consolidated Ind-AS Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For GNANOBA & BHAT,
Chartered Accountants,
Firm Regn No. 000939S

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

PHALGUNA B N
Partner
M.No. 226032
UDIN : 24226032BKAGWZ8963

Place: Bangalore
Date : 10th June, 2024

PELATRO LIMITED
(Formerly known as Pelatro Private Limited)
CIN: U72100KA2013PLC068239

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2024
(All amounts in Indian Rupees Thousands, except where otherwise stated)

	PARTICULARS	Note No.	As At 31-03-2024
A	ASSETS		
I	Non-current assets		
	(a) Property, Plant and Equipment	3	66,633.54
	(b) Right of Use Asset	4	9,037.81
	(c) Other Intangible assets	3	741.69
	(d) Goodwill on consolidation	5	189,602.39
	(e) Deferred tax assets	6	7,454.92
	(f) Other non-current assets	7	6,244.82
	Total Non-current assets		279,715.17
II	Current assets		
	(a) Financial assets		
	(i) Trade receivables	8	217,687.09
	(ii) Cash and cash equivalents	9	75,468.65
	(b) Current tax assets (Net)	10	-
	(c) Other current assets	11	5,221.48
	Total Current assets		298,377.22
	Total Assets		578,092.39
B	EQUITY AND LIABILITIES		
I	Equity		
	(a) Equity Share capital	12	70,000.00
	(b) Other equity	13	50,288.74
	Total Equity		120,288.74
II	Liabilities		
1	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings (non-current)	14	138,655.58
	(ii) Other financial liabilities	15	4,250.55
	(b) Provisions	16	28,360.61
			171,266.74
2	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings (current)	17	48,102.22
	(ii) Trade payables	18	
	- Total outstanding dues of micro enterprises and small enterprises		202.88
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		120,470.54
	(iii) Other financial liabilities	19	10,620.90
	(b) Other current liabilities	20	90,911.73
	(c) Provisions	21	16,228.64
			286,536.91
	Total Equity and liabilities		578,092.39

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For Gnanoba & Bhat
Chartered Accountants
Firm Registration no. 000939S

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

Phalguna B N
Partner
M. No. 226032

For and on behalf of Board

Subash Menon
Managing Director
DIN : 00002486

Arun Kumar Krishna
Director
DIN:08020921

Sharat G Hegde
CFO
PAN: ADAPH9585N

Khushboo Sharma
Company Secretary
M. No. A51813

PELATRO LIMITED Bangalore India ★

Place :Bangalore
Date: 10th June, 2024

PELATRO LIMITED
(Formerly known as Pelatro Private Limited)
CIN: U72100KA2013PLC068239

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR PERIOD ENDED MARCH 31, 2024
(All amounts in Indian Rupees Thousands, except where otherwise stated)

PARTICULARS	Note No.	For the year ended 31-03-2024
1 Revenue from operations (gross)	22	549,922.07
2 Other income	23	3,731.60
3 **Total Income (1+2)**		553,653.67
4 **Expenses**		
(a) Employee benefits expense	24	443,417.97
(b) Finance Costs	25	12,044.56
(c) Depreciation and amortisation expense	3 & 4	22,634.16
(d) Other expenses	26	75,389.57
Total Expenses		553,486.26
5 **Profit/(Loss) before exceptional items and tax (3-4)**		167.41
6 Exceptional items gain / (loss) (net)		-
7 **Profit/(Loss) before tax (5-6)**		167.41
8 **Tax expense**	27	
(a) Current tax		23,968.74
(b) Prior Year Tax		33.84
(c) Deferred tax		(4,273.01)
9 **Profit for the year (7-8)**		(19,562.16)
10 **Other Comprehensive Income**		
A) (i) Items that will not be reclassified to profit or loss		(324.52)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-
B) (i) Items that may be reclassified to profit or loss		(3,078.65)
(ii) Income tax relating to items that may be reclassified to profit or loss		774.84
Total Other comprehensive Income		(2,628.34)
11 **Total Comprehensive Income for the period (9+10)**		(22,190.50)
12 **Earnings per share (of Rs. 10/ each)**		
- Basic	36	(5.15)
- Diluted		(5.15)
See accompanying notes forming part of the Financial Statements		

In terms of our report attached

For and on behalf of Board of Directors

For Gnanoba & Bhat
Chartered Accountants
Firm Registration no. 000939S

GNANOBA & BHAT BANGALORE CHARTERED ACCOUNTANTS

Phalguna B N
Partner
M. No. 226032

Subash Menon
Managing Director
DIN : 00002486

Arun Kumar Krishna
Director
DIN:08020921

PELATRO LIMITED Bangalore India

Sharat G Hegde
CFO
PAN: ADAPH9585N

Khushboo Sharma
Company Secretary
M. No. A51813

Place :Bangalore
Date: 10th June, 2024

PELATRO LIMITED
(Formerly known as Pelatro Private Limited)
CIN: U72100KA2013PLC068239

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in Indian Rupees Thousands, except where otherwise stated)

A) Equity share capital

Particulars	Amount
Balance as at March 31, 2023	1,000.00
Changes in equity share capital during the year	69,000.00
Balance as at March 31, 2024	70,000.00

B) Other equity

Particulars	Reserves and surplus		Items of other comprehensive income	Total
	Securites Premium	Retained earnings	Re -measurement of the defined benefit liabilities / (assets)	
Balance as at March 31, 2023	-	132,284.40	(805.16)	131,479.24
Profit/loss for the year		(19,562.16)		(19,562.16)
Other comprehensive income				
Other comprehensive income for the year (net of tax)			(2,628.34)	(2,628.34)
Monies received during the year	9,000.00			9,000.00
Shares allotted during the year		(68,000.00)		(68,000.00)
Balance as at March 31, 2024	9,000.00	44,722.24	(3,433.50)	50,288.74

See accompanying notes forming part of the financial statements

In terms of our report attached

For Gnanoba & Bhat
Chartered Accountants
Firm Registration no. 000939S

Phalguna B N
Partner
M. No. 226032

Place :Bangalore
[illegible]

For and on behalf of Board of Directors

Subash Menon
Managing Director
DIN : 00002486

Arun Kumar Krishna
Director
DIN.08020921

Sharat G Hegde
CFO
PAN. [illegible]

Khushboo Sharma
Company Secretary
M. No. A51813

PELATRO LIMITED
(Formerly known as Pelatro Private Limited)
CIN: U72100KA2013PLC068239

Notes forming part of the Consolidated financial statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

13 Other equity

Particulars	31-Mar-24
Securitites Premium	
Opening Balance	-
Add: Addition for the year	9,000.00
Closing balance	**9,000.00**
Retained earnings	
Opening Balance	132,284.39
Add: Profit for the year	(19,562.16)
Less: Issue of Bonus Shares	(68,000.00)
Closing balance	**44,722.24**
Items of other comprehensive income	
Opening Balance	(805.16)
Add/(Less) : Other comprehensive income for the year	(3,403.17)
Add/(Less) : Tax impact on above	774.84
Closing balance	**(3,433.50)**
Total	**50,288.74**

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

PELATRO LIMITED Bangalore India

PELATRO LIMITED
(Formerly known as Pelatro Private Limited)
CIN: U72100KA2013PLC068239

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED MARCH 31, 2024
(All amounts in Indian Rupees thousands, except where otherwise stated)

PARTICULARS	Year ended 31-Mar-2024	
A. Cash flow from operating activities :		
Net profits / (Loss) before tax		167.41
Adjustments for :		
Depreciation	22,634.16	
(Profit) / Loss on sale of assets	(1,056.90)	
Lease interest on ROU asset	177.83	
Interest income	(174.27)	
Finance Cost	11,866.73	33,447.54
Operating profit / (loss) before working capital changes		**33,614.95**
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(30,620.80)	
Other non current assets	(538.71)	
Other current assets	(173.56)	
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	117,574.83	
Borrowings (current)	40,807.00	
Other financial liabilities (current)	9,591.22	
Other current liabilities	80,935.03	
Provisions	5,223.36	
Other financial liabilities (non current)	4,559.01	
		227,357.39
Cash Generated from Operations		**260,972.34**
Direct taxes paid (net of refund)		(10,767.88)
Cashflow before extraordinary items		**250,204.46**
Extraordinary / Prior year items		-
Net cash flow from / (used in) operating activities (A)		**250,204.46**
B. Cashflow from investing Activities		
Outflow on fixed assets & CWIP (net of sale)	(37,603.91)	
Goodwill on consolidation	(189,602.39)	
Interest Received	174.27	
Net cash flow from / (used in) investing activities (B)		**(227,032.03)**
C. Cash flow from financing activities		
Finance Cost	(11,866.73)	
Lease payments	(1,768.61)	
Proceeds / (Repayment) of Long Term Borrowings & Loans	11,164.44	
Net cash flow from / (used in) financing activities (C)		**(2,470.91)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)		**20,701.53**
Cash and cash equivalent		
Opening balance		54,767.12
Closing balance		75,468.65

account and fixed deposits placed with banks

For **Gnanoba & Bhat**
Chartered Accountants
Firm Registration no. 000939S

Phalguna B N
Partner
M. No. 226032

For and on behalf of Board of Directors

Subash Menon
Managing Director
DIN : 00002486

Arun Kumar Krishna
Director
DIN:08020921

Sharat G Hegde
CFO
PAN: ADAPH9585N

Khushboo Sharma
Company Secretary
M. No. A51813

Place :Bangalore
Date: 10th June, 2024

PELATRO LIMITED
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Notes Forming Part of the Consolidated Financial Statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

3. PROPERTY, PLANT & EQUIPMENT & OTHER INTANGIBLE ASSETS

PROPERTY, PLANT & EQUIPMENTS

S.No	Description	Gross Block					Depreciation					Net Block	
		As at 01.04.2023	Additions	Consolidation Adjustment	Deletions	As at 31.03.2024	As at 01.04.2023	Depreciation for the year	Consolidation Adjustment	Deletions	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
1	Computers and Peripherals	83,087.99	2,872.50	4,285.08	2,595.75	87,649.81	48,143.92	15,002.39	3,912.43	2,459.05	64,599.68	23,050.13	34,944.07
2	Office Equipments	4,830.26	60.80	115.11	-	5,006.17	3,254.21	758.02	104.32	-	4,116.56	889.62	1,576.04
3	Vehicles	22,329.93	35,870.18	-	7,848.34	50,351.77	12,888.13	4,213.84	-	5,270.21	11,831.80	38,519.97	9,441.75
4	Electricals	2,088.80	-	-	-	2,088.80	780.59	198.98	-	-	979.57	1,109.23	1,308.21
5	Furniture & fixtures	6,746.19	197.20	403.12	-	7,346.51	3,427.33	525.08	374.89	-	4,327.30	3,019.21	3,318.86
6	Leasehold Improvements	-	-	491.53	-	491.53	-	6.37	439.78	-	446.15	45.38	-
	Total	119,083.16	39,000.68	5,294.85	10,444.08	152,934.60	68,494.23	20,704.67	4,831.42	7,729.26	86,301.06	66,633.54	50,588.93

OTHER INTANGIBLE ASSETS

S.No	Description	Gross Block					Amortization					Net Block	
		As at 01.04.2023	Additions		Deletions	As at 31.03.2024	As at 01.04.2023	Depreciation for the year		Deletions	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
1	Computer Software	3,980.40	-	768.75	-	4,749.15	2,918.75	343.09	745.61	-	4,007.46	741.69	1,061.64
	Total	3,980.40	-	768.75	-	4,749.15	2,918.76	343.09	745.61	-	4,007.46	741.69	1,061.64

GNANOBA & BHAT ★ CHARTERED ACCOUNTANTS ★ BANGALORE

PELATRO LIMITED Bangalore India ★

PELATRO LIMITED
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Notes Forming Part of the Consolidated Financial Statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

4. Leases

(i) Amounts Recognised in the Balance Sheet
Right-of-Use Asset

Particulars	Gross block				Accumulated depreciation / amortisation				Net block	
	As on 01-Apr-23	Additions	Deletion	As on 31-Mar-24	As on 01-Apr-23	Depreciation for the year	Deletion	As on 31-Mar-24	As on 31-Mar-24	As on 31-Mar-23
Building	-	6,890.10	-	6,890.10	-	287.09	-	287.09	6,603.01	-
Vehicles	2,336.16	2,374.96	-	4,711.12	977.02	1,299.30	-	2,276.32	2,434.80	1,359.14
Total	**2,336.16**	**9,265.06**	-	**11,601.22**	**977.02**	**1,586.39**	-	**2,563.40**	**9,037.81**	**1,359.14**
Previous year	-	-	-	-	-	-	-	-	-	-

* Transfer/ reclassified from Property, plant and equipment

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Notes Forming Part of the Consolidated Financial Statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

4. Leases

(ii) Lease Liability

Particulars	31-Mar-24
Current	5,082.64
Non-Current	4,002.92
	9,085.56

(iii) Amounts Recognised in the statement of Profit or Loss

Particulars	31-Mar-24
Depreciation Charge of Right-of-use asset	
Buildings	1,299.30
	1,299.30
Interest Expense **(Included in note 28)**	177.83

(iv) Total Cash outflow

Particulars	31-Mar-24
Vehicles	1,465.50
Building	303.11
	1,768.61

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Notes forming part of the Consolidated financial statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

Note No.

5 Goodwill on Consolidation

Particulars	31-Mar-24
Investment	29.10
Less: Share capital of Subsidiary	(29.35)
Less: Captial Reserves	189,602.64
Total	189,602.39

6 Deferred tax asset/ (liability)

Particulars	31-Jan-24
Tax effect on items constituting deferred tax asset / (liability)	7,454.92
	-
Deferred tax asset / (liability) - (net)	7,454.92

7 Other non-current assets

Particulars	31-Jan-24
Other than capital advances (Unsecured, considered good)	
Security deposits	5,439.74
Balances with government authorities:	
- VAT credit receivable	215.11
- GST credit receivable	342.71
Deferred Rent (Leases)	247.26
Total	6,244.82

8 Trade receivables

Particulars	31-Mar-24
Unsecured	
Outstanding for a period exceeding six months from the date they were due for payment	
- Considered good	-
- Credit impaired	-
	-
Less: Provision for doubtful trade receivables	-
	-
Others	
- Considered good	217,687.09
- Credit impaired	-
	217,687.09
Less: Provision for doubtful trade receivables	-
	217,687.09
Total	217,687.09

8.1 Of the receivables, as on the date of these financials, INR 16,876 in thousands represents dues towards supply of software and related services rendered to Genexx Private Limited, Nepal which is an export receivable in Indian Rupees. As the Export of service was on behalf of M/s Pelatro Limited, UK, the same has been assigned to that entity as per the Receivable Transfer Agreement dated 2nd February 2024 between Pelatro Limited, UK, Genexx Pvt. Ltd. and Pelatro Limited, India. The management is confident of realizing the entire dues from this entity in the financial year 2024-25 and accordingly, no provision is considered necessary in respect of these amounts. As the assigned receivables are in respect of Export of Services to Nepal, it is opined that there is no requirement of declaration of exports/reporting to regulatory authorities for the delayed realization of export proceeds and no restrictions for assignment of dues.

GNANOBA & BHAT ★ BANGALORE ★ CHARTERED ACCOUNTANTS

PELATRO LIMITED Bangalore India

(All amounts in Indian Rupees Thousands, except where otherwise stated)

Note No.

8.2 In determining the allowance for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix. This is not applied to receivables that are due from holding company and its subsidiaries.

9 **Cash and cash equivalents**

Particulars	31-Mar-24
Cash on hand	15.00
Balance with banks:	
- In current account	75,453.65
- In deposit account	-
Total	**75,468.65**

10 **Current tax assets (Net)**

Particulars	31-Mar-24
Advance tax (net of provision)	-
Total	-

11 **Other current assets**

Particulars	31-Mar-24
Unsecured, considered good	
Loans and advances to related parties	-
Loans and advances to employees	1,754.61
Loans and advances to suppliers	221.27
Prepaid expenses	3,245.60
Other Trade advances	
- Related Parties	-
- Others	-
Interest Accrued on Term Deposits	-
Total	**5,221.48**

14 **Non-Current Borrowings**

Particulars	31-Mar-24
Term Loans:	
- From Others **(refer note 31)**	138,655.58
Total	**138,655.58**

15 **Other financial liabilities (non current)**

Particulars	31-Mar-24
Deposit Discounting	247.63
Lease Liability **(refer note 4(ii))**	4,002.92
Total	**4,250.55**

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Notes forming part of the Consolidated financial statements
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Note No.

16 Provisions (Non-current)

Particulars	31-Mar-24
Provision for employee benefits:	
- Gratuity **(refer note 37)**	18,034.69
- Leave Encashment **(refer note 37)**	10,325.92
Total	28,360.61

17 Current Borrowings

Particulars	31-Mar-24
Term Loans:	
Current maturities of long term debt	13,102.22
Overdtaft Limit:	
Working capital loan	35,000.00
Total	48,102.22

18 Trade payables

Particulars	31-Mar-24
Trade payables:	
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	202.88
- Total outstanding dues of creditors other than micro enterprises and small enterprises	120,470.54
Total	120,673.42

Note: (i) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	31-Mar-24
(i) Principal amount remaining unpaid to any suppliers as at the end of the accounting year	202.88
(ii) Interest due thereon remaining unpaid to any suppliers as at the end of the accounting year	-
(iii) The amount of interest paid along with the amounts of the payment made to the suppliers beyond the appointed day	-
(iv) The amount of interest due and payable for the year	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-

As per the information available with the Management, there are no dues to Micro, Small and Medium Enterprises. This has been relied upon by the auditors.

19 Other financial liabilities (current)

Particulars	31-Mar-24
(i) Creditors for capital goods	300.90
(ii) Lease Liability **(refer note 4(ii))**	5,082.64
(iii) Unearned revenue	5,237.36
Total	10,620.90
Note : The current maturities represent the instalment payable in the next 12 months	

20 Other current liabilities

Particulars	31-Mar-24
Unearned Revenue	-
Other advances	
Other payables:	
- Statutory remittances	12,252.56
- Advances from customers	47,701.69
- Others	30,957.48
Total	90,911.73

21 Provisions (Current)

Particulars	31-Mar-24
Provision for employee benefits:	
- Gratuity **(refer note 37)**	4,134.42
Other Provisions	
- Provision for CSR Expenditure	1,025.22
- Provision for Tax (Net of TDS)	11,069.00
Total	16,228.64

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Notes forming part of the Consolidated financial statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

12 Share capital

Particulars	31-Mar-24
Authorised	
12,00,000 (Previous year 100,000) Equity shares of Rs. 10/- each with voting rights	120,000.00
Total	120,000.00
Issued, subscribed and fully paid-up	
70,00,000 (Previous year 100,000) Equity shares of Rs. 10/- each with voting rights	70,000.00
(of which 68,00,000 shares (Previous year - NIL) are issued by way of Bonus during the year)	
Total	70,000.00

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

Particulars	31-Mar-24	
	No. of Shares	Rs. in Thousands
Equity share of Rs. 100/- each		
Opening balance	100,000	1,000.00
Issued during the year	6,900,000	69,000
Closing balance	**7,000,000**	**70,000.00**

(b) Detail of the rights, preferences and restrictions attaching to each class of shares outstanding Equity shares of Rs. 100/- each:

The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. In the event the Company plans any dividend payments, the same will be declared and paid in Indian rupees. Any such dividend proposed by the Board of Directors will be subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all other parties concerned. The distribution will be in proportion to number of equity shares held by the shareholders.

(c) Details of equity shares held by each shareholder holding more than 5% of shares:

Particulars	31-Mar-24	
	No. of Shares	% Of shares
Pelatro PLC	-	-
Kiran Menon	2,176,195	31.09%
Varun Menon	2,176,195	31.09%
Sudeesh Yezhuvath	1,264,235	18.06%
Total	5,616,625	80.24%

(d) **The details of promotors shareholding more than 5% is set out below.**

Name of the Promotor	31-Mar-24		
	No of Shares	% of total shares	% change during the year
Kiran Menon	2,176,195	31.09%	100%
Varun Menon	2,176,195	31.09%	100%

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PELATRO LIMITED

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(All amounts in Indian Rupees Thousands, except where otherwise stated)

22 Revenue from operations

Particulars	31-Mar-24
Sale of Services (refer note (i) below)	549,922.07
Total	549,922.07
Less: Service Tax/GST	-
Total	549,922.07

Note: (i) Sale of Services Comprises:

Particulars	31-Mar-24
Services - Domestic	111,117.34
Services - Export	438,804.74
Total	549,922.07

23 Other income

Particulars	31-Mar-24
Interest income	174.27
Interest - EIR	53.60
Profit from sale of fixed assets	1,056.90
Exchange fluctuation gain	2,446.82
Total	3,731.60

24 Employee benefits expenses

Particulars	31-Mar-24
Salaries and wages	414,240.05
Contributions to provident and other funds	12,246.43
Gratuity (refer note 37)	4,602.43
Earned Leave Entitlement	7,761.42
Leave Incentives	-
Staff welfare expenses	4,567.63
Total	443,417.97

25 Finance costs

Particulars	31-Mar-24
Interest expense:	
- Interest on Borrowings	11,174.51
- Interest on Leases	177.83
- Interest on income tax	-
- Bank charges and commission	692.22
Total	12,044.56

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(All amounts in Indian Rupees Thousands, except where otherwise stated)

26 Other expenses

Particulars	31-Mar-24
Insurance	446.84
Legal and professional	19,747.14
Payments to auditors **(refer note below)**	425.00
Power and fuel	1,684.87
Rent	
- Buildings	13,519.34
- IT Server	-
Repairs and maintenance:	
- Others	1,322.41
Rates and taxes	1,357.95
Software Expenses	2,711.00
Communication Expenses	2,442.09
Travelling and conveyance	20,177.54
Business Development Expenses	4,907.21
Membership Subscription	2,695.71
Commission	1,741.56
Asset Written off	-
Recruitment Expenses	150.89
CSR Expenses	1,025.22
Miscellaneous expenses	906.81
Total	75,261.57

27 **Payments to the auditors comprises (net of goods & service tax input credit):**

Particulars	31-Mar-24
Statutory Audit Fee	325.00
Taxation Matters	100.00
Certification and Others	315.00
Total	740.00

28 **(ii) Expenditure on Corporate Social Responsibility:**

Particulars	31-Mar-24
(a) Gross amount required to be spent during the year	1,025.22
(b) Amount spent during the year on :	-
(i) Construction / acquisition of any asset	-
(ii) On purpose other than (i) above	-
(c) Short fall of CSR spent	-
(d) Contribution to a trust controlled by the company in relation to CSR activities	-
(e) Provision towards liability incurred by entering into a contractual obligation for CSR activities	1,025.22
Total	**1,025.22**

<u>Nature of CSR activities:</u>

Contribution to Indian Institute of Technology (IIT) - Madras

Note: Consequent to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022 dated 20 September 2022, the company is not required to spend any sum towards CSR duting the year.

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PELATRO LIMITED Bangalore India ★

Notes forming part of the Consolidated financial statements

(All amounts in Indian Rupees Thousands, except where otherwise stated)

29 Tax expenses

Particulars	31-Mar-24
Income tax:	
Current income tax charge	23,968.74
Prior Year Tax	33.84
Deferred tax:	
Relating to originating and reversal of temporary differences (refer note 31)	(4,273.01)
Income tax expense recognised in the statement of profit or loss	**19,729.57**

30 Movement Of Deferred Tax Asset / Liabilities

Particulars	31-Mar-24
Opening Deferred Tax Asset/ (Liability)	2,407.07
Net Deferred Asset / (Liability) arising from transactions during the year	5,047.85
Closing Deferred Tax Asset/(Liability)	7,454.92
Net Deferred Tax Liability as at the year end comprises the tax impact of timing difference on	
Particulars	31-Mar-24
(i) Tax Effect of Items giving rise to Deferred Tax Liability	
-Depreciation	(2,084.25)
-Impact of IndAS adjustments	-
Total	(2,084.25)
(ii) Tax Effect of Items giving rise to Deferred Tax Asset	
-Provision for gratuity & bonus	1,267.19
-Impact of IndAS adjustments	8,178.41
Total	9,445.60
(iii) Net Deferred Tax (Liability) / Asset	7,361.34

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PELATRO LIMITED
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Notes forming part of the Consolidated financial statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

Note 31
Terms of repayment & security provided in respect of the non-current borrowings:

Bank / Lending Institution	ROI	Original Maturity	Detaiks of Security	Current Maturities 31/01/2024
Toyota Financial Services India Private Limited	10.01%	60 Months	a. Hypothecation of Motor Vehicle	559.85
RBL Bank Limited	9.20%	120 Months	a secured by property of the Relative of the director, property bearing No.86, 86/1, Jayamahal ward no.92, Nandidurga Road, Benson Town, Bangalore - 560046	7,010.48
ICICI Bank Limited (Loan-1)	9.20%	60 Months	a. Hypothecation of Motor Vehicle	3,467.65
ICICI Bank Limited (Loan-2)	9.20%	60 Months	a. Hypothecation of Motor Vehicle	2,064.24
Kotak Mahindra Bank Limited - Working Capital Overdraft Facilities	8.90%	NA	a. secured by property situated at Old Corporation no. 17/4, New No. 90, Nandidurga Road, Premises 17, Old No. 1, Benson Town, Bangalore - 560046 b. Personal Guarantee of Mr Sudeesh Yezhuvath	35,000.00
			Total	**48,102.22**

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32 Related Party Transactions

Description of relationship	Name of related party
Holding Company	Pelatro PLC (Upto 31.01.2024)
Key management personnel	
Managing Director	Subash Menon (w.e.f 05.03.2024)
Director	Sudeesh Yezhuvath
Director	Anuradha (upto 29.04.2022)
Director	Arun Kumar Krishna Reddy
CFO	Sharat G Hegde (w.e.f 22.05.2024)
Company Secretary	Khushboo Sharma (w.e.f 01.05.2024)
Non-Executive Director	Anuradha (w.e.f 05.03.2024)
Relatives of Key management personnel	Kiran Menon Varun Menon Suresh Yezhuvath
Fellow Subsidiary	Pelatro LLC Pelatro Pte. Ltd. (upto 07.01.2024)
Subsidiary	Pelatro Pte. Ltd. (w.e.f 08.01.2024)
Key management personnel of Subsidiary	Sharat G Hegde (w.e.f 08.01.2024)

Details of Transactions	31/03/2024
Sale of Services	
Pelatro PLC	106,120.35
Remuneration paid during the year	
Sudeesh Yezhuvath	4,602.19
Anuradha	-
Arun Kumar	16,746.95
Subash Menon	11,773.44
Sharat G Hegde	1,306.30
Share application money [including Securities Premium] received during the year	
Kiran Menon	1,217.70
Varun Menon	1,217.70
Sudeesh Yezhuvath	3,612.10
Arun Kumar K	710.00
Sharat G Hegde	48.50
Anuradha	110.00
Issue of Bonus Shares during the year	
Kiran Menon	21,140.18
Varun Menon	21,140.18
Sudeesh Yezhuvath	12,281.14
Arun Kumar K	2,485.00
Sharat G Hegde	169.75
Anuradha	305.00
Loans Taken during the year	
Sudeesh Yezhuvath	6,100.00
Loan Repaid during the year	
Sudeesh Yezhuvath	11,600.00

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PELATRO LIMITED ★ Bangalore India

PELATRO LIMITED
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Notes forming part of the Consolidated financial statements
(All amounts in Indian Rupees Thousands, except where otherwise stated)

Details of Transactions	31/03/2024
Reimbursement of expenses incurred on behalf of the Company:	
Sudeesh Yezhuvath	577.66
Arun Kumar	545.35
Subash Menon	7,070.41
Sharat G Hegde	329.62
Reimbursement of expenses incurred by company on behalf of:	
Pelatro PLC	120.01
Pelatro LLC	25.06
	-
Balances outstanding at the end of the year	Cr / (Dr)
Sudeesh Yezhuvath (Loan)	27,500.00
Sudeesh Yezhuvath (Expenses)	19.75
Subhash Menon (Expenses)	589.21
Arun Kumar (Expenses)	
Pelatro PLC (Trade Receivable)	(103,492.72)

33 **Foreign Currency Exposure**

(a) Foreign Currency Exposure as at March 31, 2024 that have not been hedged by a derivative instrument or other wise:

Particulars	As at 31-Mar-24
Receivables	
- USD (in Thousands)	3,329.67
- INR (in Thousands)	71,812.74
Payables	
- SGD (in Thousands)	271.19

34 **Earnings Per share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following table sets out the computation of basic and diluted earnings per share:

Particulars	Year ended 31-Mar-24
Profit for the year attributable to equity share holders	19,562.16
Shares	
Weighted average number of equity shares outstanding during the year - basic	3,796,448
Weighted average number of equity shares outstanding during the year - diluted	3,796,448
Earnings/(Loss) per share	
Earnings per share of par value INT 10 - basic (INR)	-5.15
Earnings per share of par value INT 10 - diluted (INR)	-5.15

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PELATRO LIMITED Bangalore India

PELATRO LIMITED

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Notes forming part of the Consolidated financial statements

(All amounts in Indian Rupees Thousands, except where otherwise stated)

35 Trade receivables ageing for the period ended 31st March 2024

Particulars	Unbilled	Outstanding for the following periods from the due date					Total
		< 6 months	6 months to 1 year	1-2 years	2-3- years	> 3 years	
Undisputed trade receivables							
- considered good	46,070.40	153,575.00	1,165.64	4,327.28	12,548.78	-	217,687.09
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed trade receivables	-	-	-	-	-	-	
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Total	**46,070.40**	**153,575.00**	**1,165.64**	**4,327.28**	**12,548.78**	**-**	**217,687.09**

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36 Trade payables ageing for the year ended 31st March 2024

Particulars	Not due	Outstanding for the following periods from due date				Total
		< 1 year	1-2- years	2-3 years	> 3 years	
Undisputed						
- MSME	202.88	-	-	-	-	202.88
- Others	633.46	119,837.08	-	-	-	120,470.54
Disputed						
- MSME	-	-	-	-	-	-
- Others	-	-	-	-	-	-
Total	836.34	119,837.08	-	-	-	120,673.42

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37. Employee benefit plans

37.1 Defined contribution plans

The employees of the Company are members of a state-managed retirement benefit plan operated by the government. The Company is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Company with respect to the retirement benefit plan is to make the specified contributions.

During the period, the Company has recognized the following amount in the Profit and Loss Account-

Particulars	31-Mar-24
Employers' Contribution to Provident Fund	12,225.43
Employers' Contribution to Employee state insurance scheme	20.95

37.2 Defined benefit plans

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service of 5 years are eligible for gratuity under this Act. The amount of gratuity payable on termination / retirement is the last drawn basic salary per month of the employee proportionate for a period of 15 days per completed year of service. During the year 2017, the Company had constituted a Group Gratuity Trust and the above liability is funded through the Group Gratuity Trust with Life Insurance Corporation of India.

These plans typically expose the Group to actuarial risks such as: Actuarial Risk, Investment Risk, Liquidity Risk, Market Risk & Lesgislative Risk.

Actuarial Risk	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

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Investment Risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter valuation period
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective

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The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

The principal assumptions used for the purposes of the actuarial valuations were as follows.	31-Mar-24
Discount rate(s)	7.20%
Expected rate(s) of salary increase	10.00%

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:	31-Mar-24
Service cost:	
Current service cost	3,607.98
Net interest expense	994.45
Components of defined benefit costs recognised in profit or loss	4,602.43
Remeasurement on the net defined benefit liability:	
Return on plan assets (excluding amounts included in net interest expense)	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-
Actuarial (gains) / losses arising from changes in financial assumptions	93.97
Actuarial (gains) / losses arising from experience adjustments	2,957.20
Benefits paid	(646.78)
Components of defined benefit costs recognised in other comprehensive income	2,404.39
Total	7,006.82

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income

The amount included in the Balance Sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:	31-Mar-24
Present value of defined benefit obligation	22,969.87
Fair value of plan assets	800.76
Funded status	The defined ben
Net liability arising from defined benefit obligation	22,169.11

Movements in the present value of the defined benefit obligation are as follows:	Year ended 31-Mar-24
Opening defined benefit obligation	17,057.56
Current service cost	3,607.98
Interest cost	994.45
Acquisition / Divestituture	-
Remeasurement (gains)/losses:	-
Actuarial gains and losses arising from changes in demographic assumptions	-
Actuarial gains and losses arising from changes in financial assumptions	-
Actuarial gains and losses arising from experience adjustments	-
Others: Amounts recognized in Other Comprehensive (Income)/Expense	3,078.65
Past service cost, including losses/(gains) on curtailments	-
Liabilities extinguished on settlements	-
Liabilities assumed in a business combination	-
Exchange differences on foreign plans	-
Benefits paid	(938.51)
Closing defined benefit obligation	23,800.13

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Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars	01-Apr-23 to 31-Mar-24
Impact of 0.5% increase in discount rate	22,507.78
Impact of 0.5% decrease in discount rate	23,451.79
Impact of 0.5% increase in salary growth rate	23,320.89
Impact of 0.5% decrease in salary growth rate	22,648.07
Impact of 0.5% increase in mortality rate	22,809.01
Impact of 0.5% decrease in mortality rate	23,109.03

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Expected future Cash outflows towards the plan are as follows-

Financial Year	Amount in Rs. Thousands
2024-25	3,790.33
2025 26	5,139.38
2026-27	3,204.24
2027-28	3,010.50
2028-29	3,206.42
2029-34	8,354.30

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Notes to Restated Financial Information
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38. Segment reporting

(a) Operating segment

Ind AS 108 'Operating Segments' ('Ind AS 108') establishes standards for the way that business enterprises report information about operating segments and related disclosures about revenue, geographic areas and major customers. Based on the 'management approach' as defined in Ind AS 108, the Managing Director monitors and reviews the operating results of the Group as one segment i.e., 'Software Solutions for various aspects of Precision Marketing'. Since the entire business falls within a single operational segment, these restated consolidated and standalone financial information are reflecting the information required by Ind AS 108

(b) Geographical segment

(i) Revenue from operations disaggregated based on geography

Particulars	Consolidated
	Year ended
	31-Mar-24
India	1,111.17
Outside India	4,388.05
Revenue From Operations	**5,499.22**

Note: Considering the nature of business in which the Group operates, the Group deals with various customers across multiple geographies. However, none of the geographies contribute materially to the revenue of the Group.

(ii) Non-current assets based on geography (location of assets)

Particulars	Consolidated
	As At
	31-Mar-24
India	897.26
Outside India	1,899.89
Revenue From Operations	**2,797.15**

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Note 39: Financial risk management objectives and policies

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Group's operations. The Group's principal financial assets include trade and other receivables, cash and cash equivalents and refundable deposits that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

(i) 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 two types of risk: interest rate risk and other price risk, such as commodity risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits. The sensitivity analysis in the following sections relate to the position as at March 31, 2024 and March 31, 2023. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt

The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations; provisions.

The below assumption has been made in calculating the sensitivity analysis:

(ii) Interest Rate Risk:
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short-term debt obligations with floating interest rates.

The Group manages its interest rate risk by having a balanced portfolio of variable rate borrowings. The Group does not enter into any interest rate swaps.

Interest rate sensitivity

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

		Increase/decrease in interest rate	Effect on profit before tax
March 31, 2024			
INR in thousands		+1%	(1,867.58)
INR in thousands		-1%	1,867.58

(iii) Credit Risk:

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The credit risk arises principally from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions and other financial instruments.

Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom credit has been granted after obtaining necessary approvals for credit. The collection from the trade receivables are monitored on a continuous basis by the receivables team. The Group establishes an allowance for credit loss that represents its estimate of expected losses in respect of trade and other receivables based on the past and the recent collection trend.

Credit risk on cash and cash equivalent is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies.

(iv) Liquidity Risk:

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

Particulars	On Demand	< 1 Year	1 to 5 years	> 5 Years	Total
Year Ended 31-03-2024					
Short-term Borrowings	35,000.00				35,000.00
Term Loan		13,757.67	59,726.00	51,180.02	124,663.69
Long-term Borrowings		6,500.00	21,000.00		27,500.00
Trade payables	120,673.42				120,673.42
Total	155,673.42	20,257.67	80,726.00	51,180.02	307,837.11

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Note 40: Capital management

The Group's policy is to maintain a stable capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors capital on the basis of return on capital employed as well as the debt to total equity ratio.

For the purpose of debt to total equity ratio, debt considered is long-term and short-term borrowings. Total equity comprise of issued share capital and all other equity reserves.

The capital structure as of March 31, 2024 was as follows:

Particulars	31-Mar-24
Total equity attributable to the equity shareholders of the Group	120,288.74
As a percentage of total capital	39.18%
Long term borrowings including current maturities	151,757.81
Short term borrowings	35,000.00
Total borrowings	**186,757.81**
As a percentage of total capital	60.82%
Total capital (equity and borrowings)	307,046.54

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41 Operating Ratios

Ratio	Numerator	Denominator	31-Mar-24
Current ratio (in times)	Total current assets	Total current liabilities	1.04
Debt Equity ratio (in times)	Total Debt	Share holders' Equity	1.55
Debt service coverage ratio (in times)	Earning for Debt Service	Debt service	1.10
Return on equity ratio (in %)	Net profits after taxes	Average total equity	(0.15)
Trade receivables turnover ratio (in times)	Net Credit Sales	Average trade receivables	2.72
Trade payables turnover ratio (in times)	Net Purchases	Average trade payable	8.36
Net capital turnover ratio (in times)	Net Sales	Working Capital	46.44
Net profit ratio (in %)	Net Profit	Net Sales	(0.04)
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed	0.04
Return on Investment	Unrealised Gain	Weighted average of Investments	-

Notes: Since this is the first year of consolidation, reporting of the comparative figures and the reasons for variance beyond 25% is not applicable

For **Gnanoba & Bhat**
Chartered Accountants
Firm Registration no. 000939S

GNANOBA & BHAT BANGALORE CHARTERED ACCOUNTANTS

Phalguna B N
Partner
M. No. 226032

For and on behalf of Board

Subash Menon
Managing Director
DIN . 00002406

Arun Kumar Krishna
Director
DIN:08020921

Sharat G Hegde
CFO
PAN: ADAPH9585N

PELATRO LIMITED Bangalore India

Khushboo Sharma
Company Secretary
M. No. A51813

Place :Bangalore
Date: 10th June, 2024

NOTE 1

COMPANY INFORMATION

Pelatro Limited [formerly known as Pelatro Private Limited] ["the Company"] and its wholly owned subsidiary, collectively referred to as "the Group" with a vision to create world leading software solutions for various aspects of Precision Marketing.

The Company is a public limited company incorporated and domiciled in India. The address of its corporate office is No.403, 7th A Main, 1st Block HRBR Layout, Bangalore, Karnataka, India, 560043.

NOTE 2

MATERIAL ACCOUNTING POLICIES

A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The Group is required to prepare its consolidated financial statements in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Accordingly, these consolidated financial statements are prepared in accordance with Ind AS under the historical cost convention on the accrual basis with revenues recognized and expenses accounted on their accrual, including provisions / adjustments for committed obligations and amounts determined as payable or receivable during the year except for certain financial instruments that are measured at cost.

The Group has voluntarily adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 'First time adoption of Indian Accounting Standards'. The transition was carried out from accounting principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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.

USE OF ESTIMATES

The preparation of consolidated financial statements in conformity with Ind AS requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements, and the reported amounts of revenue and expenses during the reporting period. Examples of such estimate include profits expected to be earned on projects carried on by the group, contract costs expected to be incurred to completion of project, provision for doubtful debts, income taxes, etc. Actual results could differ from those estimates. Differences, if any, between the actual results and estimates are recognised in the period in which the results are known or materialized.

Material accounting judgements, estimates and assumptions used by management are as below:

- Fair value measurements (Refer note B)
- Identification of leases involving the recognition of a Right of Use asset and its accounting including the adoption of an appropriate discounting rate (Refer note E).
- Useful lives of Property, Plant and Equipment, Investment Property and Intangible Assets (Refer notes G & I).

Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.
An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

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A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

B. SUBSIDIARY COMPANY'S GOING CONCERN

The Subsidiary's current liabilities exceeded its current assets by Rs.2,63,905.96 [in thousands] and net capital deficiency of Rs.1,89,573.29 [in thousands]. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the subsidiary's ability to continue as a going concern.

The ability of the Subsidiary to continue as a going concern is dependent on the undertaking of its holding company, to provide continuing financial support to enable the subsidiary to meet its liabilities as and when they fall due. The holding company has agreed not to recall the balances until the Company's cash flow permit.

If the subsidiary is unable to continue in operational existence for the foreseeable future, the subsidiary may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised other than in the normal course of business and at amounts which could differ significantly from the amounts at which they are currently recorded in the statement of financial position. In addition, the subsidiary may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

The holding company plans to infuse capital into the subsidiary to enable the subsidiary stabilise its cashflow. Consequent to the novation of various customer contracts into the subsidiary during the financial year, the subsidiary is expected to have higher revenue in the future aiding its turnaround.

C. FAIR VALUE MEASUREMENT

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

D. CASH FLOW STATEMENTS

Cash flows are reported using indirect method, whereby net profits / (loss) before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Group are segregated based on the available information.

E. REVENUE RECOGNITION

Revenue from contracts with customers

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Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other credits, if any, as specified in the contract with the customer. The Group presents revenue from contracts with customers net of indirect taxes in its statement of profit and loss.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

The Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. A 5-step approach is used to recognise revenue as below:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligation in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to the performance obligations in the contract
Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

F. LEASES

The Group as a Lessee

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The receipts from the lessee are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If receipts from the lessee vary because of factors other than general inflation, then this condition is not met. The estimated useful lives of right-of-use assets are determined based on the lease period. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease payments are apportioned between finance costs and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance costs are recognised in statement of profit and loss over the lease period.

G. BORROWING COSTS

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of

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disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per Effective Rate of Interest (EIR) method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial liability or a shorter period, where appropriate, to the amortised cost of a financial liability after considering all the contractual terms of the financial instrument.

H. PROPERTY, PLANT & EQUIPMENT

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2022 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Cost of the asset includes expenditure that is directly attributable to the acquisition and installation, including interest on borrowing for the project / property, plant & equipment up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalised as incurred.

Depreciation method, estimated useful lives and residual values

Depreciation on property, plant and equipment is provided using the straight-line method of depreciation over the useful life of the assets estimated by the Management. The Management has estimated the life of the property, plant and equipment as under.

Asset	Useful Life (Years)
Office Equipment	5
Computers & Laptops	3
Software	9
Servers & Networking Equipment	5 to 6
Furniture & Fixtures	3 to 10
Electricals	10
Website Development expenses	3
Motor Vehicles	8

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

I. CAPITAL WORK-IN-PROGESS

Projects under which tangible assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable borrowing costs.

Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

J. INTANGIBLE ASSETS

On transition to IND AS, the Group has elected to continue with the carrying value of all of its Intangible assets recognised as at April 1, 2022, measured as per the previous GAAP, and use that carrying value as the deemed cost of such Intangible assets.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

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The useful lives of intangible assets are assessed as 9 years and the same shall be amortised on straight-line basis over its useful life.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment at each year end either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

K. FINANCIAL INSTRUMENTS

Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through Statement of Profit and Loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Subsequent measurement

a. Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective 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 to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

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 collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Group has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit and loss (FVTPL)

A financial asset which is not classified in any of the above categories is subsequently fair-valued through Statement of Profit and Loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through Statement of Profit and Loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

b. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Group's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

Impairment of financial assets

The Group recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a

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significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized, is recognised as an impairment gain or loss in Statement of Profit and Loss.

L. PROVISIONS AND CONTINGENCIES

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

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

M. FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency').

The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.

Foreign currency transactions and balances

i. Initial recognition—Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion—Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange differences—The Group accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as income or as expense in the period in which they arise.

N. INCOME TAXES

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

i. 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 that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

ii. Deferred income tax

Deferred income tax is recognized on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, 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 recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, 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 utilized.

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The carrying amount of deferred income tax assets is reviewed at each balance sheet 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 utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

O. EARNINGS PER SHARE

Earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving the basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share and are deemed to be converted at the beginning of the period, unless they have been issued at a later date.

P. EMPLOYEE BENEFITS

i. Retirement benefits in the form of Provident Fund and Pension Schemes are charged on an accrual basis to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the Regional Provident Fund Commissioner.

ii. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

iii. 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 the 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 recognised is the period in which the absences occur.

Q. Contingent liabilities & contingent assets

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

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