

INDEPENDENT AUDITOR'S REPORT

To The Members of Alldigi Tech Limited (Formerly known as "Allsec Technologies Limited") Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Alldigi Tech Limited (Formerly known as "Allsec Technologies Limited") (the "Company"), which comprise the Balance Sheet as at 31 March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue Recognition</p> <p>Revenue for the year ended 31 March 2025 is ₹ 32,610 Lakhs.</p> <p>Revenues from such contracts is recognised and measured based on (1) efforts incurred multiplied by agreed rate in the contract with customers and / or (2) the unit of work delivered multiplied by agreed rate in the contract with customers.</p> <p>These contracts are subject to revision periodically for (1) rate agreed; (2) efforts due to deployment of additional resources and/ or (3) rate and efforts as more fully described above.</p> <p>Revenue is recognised only based on customer acceptances for delivery of work.</p> <p>Given the periodical changes to contracts with customers, there is significant audit effort to ensure that revenue is recorded based on (1) contractual terms which are legally enforceable and (2) the work delivered is duly acknowledged by the customer.</p>	<p>Principal audit procedures performed:</p> <p>We understood and evaluated the Company's process for recording and measuring revenues and compared that to the Company's accounting policies to ensure consistency.</p> <p>We tested the effectiveness of controls over (1) enforceability of contracts including inspecting that key terms in the contracts are agreed with customers and (2) revenue is recognised only based on agreed terms and customer acceptances for work delivered.</p> <p>For a sample of contracts, we performed the following procedures:</p> <p>We tested that revenue recognised for new contracts and revision to existing contracts was based on contractual terms agreed with customers multiplied by efforts or unit of work delivered duly acknowledged by customer.</p> <p>We tested unbilled revenues at year end by comparing subsequent invoicing to customer acknowledgement for delivery of service.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the Board of Director's report, Annexures to the Board of Director's report, Management Discussion and Analysis, Business Responsibility and Sustainable Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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



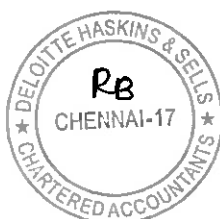
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

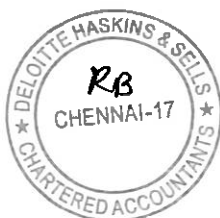


Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi).
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 29 to the standalone financial statements;



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 40(h) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), 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.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 40(h) to the financial statements, 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.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.

- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except for the instances mentioned below (Refer Note 39 to the standalone financial statements):
 - (i) audit trail was not enabled at the database level for SAP accounting software to log direct data changes, and
 - (ii) audit trail logs were not enabled for certain standard SAP tables.



Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of said accounting software for the period for which the audit trail feature was enabled and operating.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Company as per the statutory requirements for record retention.

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



Place: Chennai
Date: 14 May 2025

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Rekha Bai

Rekha Bai
Partner
(Membership No. 214161)
(UDIN: 25214161BMIQLQ9395)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to standalone financial statements 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 standalone financial statements of Alldigi Tech Limited (Formerly known as "Allsec Technologies Limited") (the "Company") as at 31 March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

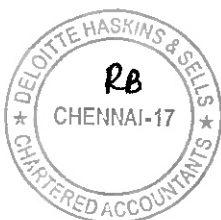
The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements criteria established by the Company considering 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. 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 the 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 with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2025, based on the criteria for internal financial control with reference to standalone 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.



Place: Chennai
Date: 14 May 2025

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 0080725)

Rekha Bai

Rekha Bai
Partner
(Membership No. 214161)
(UDIN: 25214161BMIQLQ9395)

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

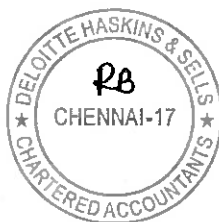
In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) In respect of Company's Property, Plant and Equipment and Intangible Assets:
 - (a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
 - (ii) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of verification of property, plant and equipment, so to cover all the items once every 18 months which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, no such assets were due for physical verification during the year. Since no physical verification of property, plant and equipment was due during the year the question of reporting on material discrepancies noted on verification does not arise.
 - (c) The Company does not have any immovable properties and hence reporting under clause (i)(c) of the Order is not applicable.
 - (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.



- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company's business / activities, reporting under clause (vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Professional taxes, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Professional taxes, Income-tax, cess and other material statutory dues in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.
 - (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2025.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix)
 - (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
 - (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
 - (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, not been used during the year for long-term purposes by the Company.
 - (e) The Company has not made any investment in or given any new loan or advances to any of its subsidiaries during the year and hence, reporting under clause (ix)(e) of the Order is not applicable. The Company did not have any associate or joint venture during the year.
 - (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.



- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) The internal audit plan agreed with the internal auditors and approved by the Audit Committee of the Company is for the period January 1, 2024 to December 31, 2024. We have considered the internal audit reports of the Company issued till the date of our report covering the period April 1, 2024 to January 31, 2025 as per the said approved internal audit plan in determining the nature, timing, and extent of our audit procedures.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary companies, or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- The Group does not have any CIC as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, the Company has not transferred the unspent Corporate Social Responsibility (CSR) amount as at the Balance Sheet date out of the amounts that was required to be spent during the year, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report. However, the time period for such transfer i.e. six months from the expiry of the financial year as permitted under the second proviso to section 135(5) of the Act, has not elapsed till the date of our report.
- (b) In respect of ongoing projects, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.






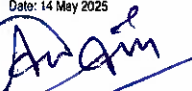



For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Rekha Bai

Rekha Bai
Partner
(Membership No. 214161)
(UDIN: 25214161BMIQLQ9395)

Place: Chennai
Date: 14 May 2025

Aldigi Tech Limited (formerly known as Allsec Technologies Limited)				
Standalone Balance Sheet as at 31 March 2025				
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)				
Particulars		Note No.	As at 31 March 2025	As at 31 March 2024
A	ASSETS			
I	Non-Current Assets			
	(a) Property, plant and equipment	3(a)	1,140	1,061
	(b) Right of use asset	26(a)	1,688	2,158
	(c) Capital work-in-progress	3(c)	179	-
	(d) Other intangible assets	3(a)	1,438	1,423
	(e) Intangible assets under development	4	234	-
	(f) Financial assets			
	(i) Investments	5(A)	1,020	1,020
	(ii) Other financial assets	6	990	1,206
	(g) Deferred tax assets (net)	25.2	725	603
	(h) Income tax assets (net)	7	-	1,543
	(i) Other non-current assets	8	12	26
	Total Non-Current Assets		7,626	9,240
II	Current Assets			
	(a) Financial assets			
	(i) Investments	5(B)	8,273	5,628
	(ii) Trade receivables	9	5,124	4,522
	(iii) Cash and cash equivalents	10	4,269	5,590
	(iv) Bank balances other than cash and cash equivalents above	11	89	28
	(v) Other financial assets	6	2,662	1,975
	(b) Other current assets	8	508	636
	(c) Assets classified as held for sale	32	-	801
	Total Current Assets		20,925	19,110
	Total Assets (I + II)		28,551	28,420
B	EQUITY AND LIABILITIES			
III	Equity			
	(a) Equity Share Capital	12	1,524	1,524
	(b) Other equity	13	18,167	18,281
	Total Equity		19,691	19,805
IV	Non-Current Liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26(b)	760	1,182
	(b) Provisions	15	538	738
	Total Non-Current Liabilities		1,298	1,920
V	Current Liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26(b)	1,267	1,192
	(ii) Trade payables	16		
	(a) Total outstanding dues of micro enterprises and small enterprises		53	6
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,172	3,148
	(iii) Other financial liabilities	14	1,624	862
	(b) Other current liabilities	17	488	584
	(c) Provisions	15	1,003	643
	(d) Current Tax Liabilities	18	955	-
	(e) Liabilities directly associated with assets classified as held for sale	32	-	260
	Total current Liabilities		7,562	6,695
	TOTAL LIABILITIES (IV + V)		8,860	8,615
	Total Equity and Liabilities (III + IV + V)		28,551	28,420
See accompanying notes forming part of the Standalone Financial Statements				
In terms of our report attached For Deloitte Haskins & Sells Chartered Accountants			For and on behalf of the Board of Directors of Aldigi Tech Limited (formerly known as Allsec Technologies Limited) CIN: L72300TN1998PLC041033	
 Rekha Bai Partner Place : Chennai Date: 14 May 2025			 Ajit Abraham Isaac Chairman (DIN 00087168) Place : Bengaluru Date: 14 May 2025	
				
			 Naozer Cusrow Dalal Chief Executive Officer Place : Chennai Date: 14 May 2025	
			 Avinash Jain Chief Financial Officer Place : Chennai Date: 14 May 2025	
			 Shrivani Sharma Company Secretary Place : Bengaluru Date: 14 May 2025	

Aldigi Tech Limited (formerly known as Allsec Technologies Limited)
Standalone Statement of Profit and Loss for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars		Note No.	For the year ended 31 March 2025	For the year ended 31 March 2024
I	Revenue from operations	19	32,619	31,405
II	Other income	20	2,814	4,518
III	Total Income (I + II)		35,433	35,923
IV	Expenses			
	Employee benefits expense	21	20,055	18,843
	Finance costs	22	292	344
	Depreciation and amortisation expense	3(b)	2,763	2,428
	Other expenses	23	5,024	6,031
	Total expenses		28,134	27,646
V	Profit before exceptional items and tax (III - IV)		7,299	8,277
VI	Exceptional items (net) (Refer Note 32)		1,689	-
VII	Profit before tax (V+VI)		8,988	8,277
VIII	Tax expense			
(iv)	(a) Current tax	25.1	1,924	1,725
	(b) Deferred tax	25.1	139	(85)
			2,063	1,640
IX	Profit for the year (VII-VIII)		6,925	6,637
X	Other comprehensive income:			
	(i) Items that will not be reclassified to profit or loss			
	Remeasurements of the defined benefit plans		(243)	(83)
	Income tax relating to items that will not be reclassified to profit or loss		61	21
			(182)	(62)
XI	Total other comprehensive loss for the year		(182)	(62)
XII	Total comprehensive income for the year (IX+XI)		6,743	6,575
XIII	Earnings per equity share (Face value of ₹ 10 each)	28		
	(a) Basic (in ₹)		45.44	43.55
	(b) Diluted (in ₹)		45.44	43.55

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rekha Bai

Rekha Bai
Partner
Place : Chennai
Date: 14 May 2025



For and on behalf of the Board of Directors of
Aldigi Tech Limited (formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033

Aji Abraham Isaac

Aji Abraham Isaac
Chairman (DIN 00087168)
Place : Bengaluru
Date: 14 May 2025



Avinash Jahn
Avinash Jahn
Chief Financial Officer
Place : Chennai
Date: 14 May 2025

Naozer Cusrow Dalal

Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025

Shivani Sharma

Shivani Sharma
Company Secretary
Place : Bengaluru
Date: 14 May 2025

Aldigi Tech Limited (formerly known as Allsec Technologies Limited)
Standalone Cash Flow Statement for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	8,988	8,277
Adjustments to reconcile net profit to net cash provided by operating activities :		
Exceptional items (net) (Refer Note 32)	(1,689)	-
Depreciation and amortisation expense	2,763	2,428
Unrealized foreign exchange (gain)	(26)	(29)
Loss allowance for doubtful trade receivables (Net)	118	424
Income recognised on account of Lease Termination	(39)	-
Finance costs	225	292
Fair Value gain on Current Investments (measured at Fair Value through Profit & Loss)	(421)	(62)
Profit on redemption of current investments	(197)	(308)
Interest Income	(61)	(29)
Dividend income received from Subsidiary	(1,763)	(3,973)
Operating profit before Working Capital changes	7,898	7,020
(iv) Bank balances other than cash and cash equivalents above	(518)	(1,260)
(Increase)/Decrease in other financial assets	(318)	188
(Increase)/Decrease in other assets	142	169
Increase/(Decrease) in trade payables	(1,120)	100
Increase/(Decrease) in other financial liabilities	488	594
Increase/(Decrease) in other liabilities	(96)	192
Increase/(Decrease) in provisions	(177)	156
Cash Generated from Operations	6,299	7,159
Net income tax refund / (paid)	838	(1,431)
Net cash flow generated from operating activities	7,137	5,728
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, Capital work-in-progress, other intangible assets and intangible assets under development	(941)	(455)
Purchase of current investments	(6,355)	(3,400)
Proceeds from sale of current investments	4,288	2,785
Other bank balances	(61)	-
Interest received on fixed deposits	61	5
Proceeds from sale of LLC business (net) and transfer for certain customers of PRC business	1,781	-
Dividend income received from subsidiary	1,763	3,973
Tax Expenses on Dividend received from subsidiary	(264)	(596)
Net cash generated from Investing activities	272	2,312
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of Lease Liabilities	(1,654)	(1,536)
Interest paid	(225)	(292)
Dividend paid	(6,850)	(4,571)
Net cash flow used in Financing activities	(8,729)	(6,399)



Aldigi Tech Limited (formerly known as Allsec Technologies Limited)
Standalone Cash Flow Statement for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net (decrease)/increase in cash and cash equivalents	(1,320)	1,641
Effect of exchange differences on cash & cash equivalents held in foreign currency	(1)	18
Cash and cash equivalents at the beginning of the year	5,590	3,931
Cash and cash equivalents at the end of the year	4,269	5,590
Components of cash and cash equivalents		
Cash on hand	-	-
Balance with banks	4,269	5,590
Total cash and cash equivalents	4,269	5,590

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Rekha Bai

Rekha Bai
Partner
Place : Chennai
Date: 14 May 2025



For and on behalf of the Board of Directors of
Aldigi Tech Limited
(formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac

Ajit Abraham Isaac
Chairman (DIN 0006716)
Place : Bengaluru
Date: 14 May 2025

Naozer Cusrow Dalal

Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025



Avinash Jain

Avinash Jain
Chief Financial Officer
Place : Chennai
Date: 14 May 2025

Shivani Sharma

Shivani Sharma
Company Secretary
Place : Bengaluru
Date: 14 May 2025

Alldigi Tech Limited (formerly known as Allsec Technologies Limited)
Statement of Changes in Equity
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	1,524	1,524
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	1,524	1,524
Changes in equity share capital during the year	-	-
Balance as at end of the year	1,524	1,524

B. Other equity

Particulars	Reserves and Surplus				Total
	General reserve	Retained earnings*	Capital reserve	Securities premium	
Balance at 01 April 2023	1,413	5,020	(2,175)	12,019	16,277
Profit for the year	-	6,637	-	-	6,637
Dividends (Refer Note 37)	-	(4,571)	-	-	(4,571)
Remeasurement of defined benefits plan (net of taxes)	-	(62)	-	-	(62)
Balance at 31 March 2024	1,413	7,024	(2,175)	12,019	18,281
Profit for the year	-	6,925	-	-	6,925
Dividends (Refer Note 37)	-	(6,857)	-	-	(6,857)
Remeasurement of defined benefits plan (net of taxes)	-	(182)	-	-	(182)
Balance at 31 March 2025	1,413	6,910	(2,175)	12,019	18,167

* Remeasurement of defined benefits plan (net of taxes) are recognised as part of Retained earnings

See accompanying notes forming part of the Standalone Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rekha Bai

Rekha Bai
Partner
Place : Chennai
Date: 14 May 2025



For and on behalf of the Board of Directors of
Alldigi Tech Limited (formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Ajit Abraham Isaac
Chairman (DIN00087168)
Place : Bengaluru
Date: 14 May 2025

Naozer Cusrow Dalal
Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025

Avinash Jain
Avinash Jain
Chief Financial Officer
Place : Chennai
Date: 14 May 2025

Shivani Sharma
Shivani Sharma
Company Secretary
Place : Bengaluru
Date: 14 May 2025



Aldigi Tech Limited (formerly known as Allsec Technologies Limited)

Notes forming part of the Standalone Financial Statements for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

1 General Information

Aldigi Tech Limited (formerly known as Allsec Technologies Limited) ('Aldigi' or the 'Company') was incorporated on 24 August 1998. The Company is engaged in the business of providing Customer Experience Management (CXM) and Employee Experience Management (EXM) services for customers located in India and outside India. The services provided by the Company include data verification, processing of orders received through telephone calls, telemarketing, monitoring quality of calls of other call centres, customer services and HR and payroll processing. The Company has delivery centres at Chennai, Bengaluru and NCR. The Company has delivery centres at Chennai, Bengaluru and NCR. The Company has two wholly owned subsidiaries, Aldigi Tech Inc., USA and Aldigi Tech Manila Inc., Philippines.

2 Summary of material accounting policies

2.1.a Basis of preparation and presentation

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, 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 Company 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.

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:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- (ii) 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
- (iii) Level 3 inputs are unobservable inputs for the asset or liability.

Going Concern:

Board of Directors of the Company have, at the time of approving the financial statements, a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements



2.1.b Current and non-current classification

Current and non-current classification: The Company 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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.

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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

2.2 Use of estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for taxation, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.

(i) Impairment of financial assets:

The Company recognises loss allowances using the Expected credit loss (ECL) model for the financial assets which are not fair valued through profit or 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 significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled).

(ii) Measurement of defined benefit obligations:

For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a yearly basis. (Refer note 31)

(iii) Income taxes:

Significant judgments are involved in determining provision for income taxes, including

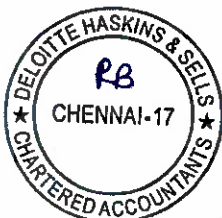
(a) the amounts claimed for certain deductions under the Income Tax Act, 1961 and (b) the amount expected to be paid or recovered in connection with uncertain tax positions. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

2.3 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand, balances with banks in current accounts and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

2.4 Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.



2.5 Revenue from contracts with customers

The Company derives revenues primarily from services comprising the CXM (Customer Experience Management) and EXM (Employee Experience Management) services for customer in India and outside India. Effective 01 April 2018, the Company has adopted Ind AS 115, Revenue from Contracts with Customers, using modified retrospective method, applied to contracts that were not completed as at 01 April 2018. The following is a summary of the material accounting policies related to revenue recognition.

To determine whether to recognise revenue from contracts with customers, the Company follows a 5-step process:

- 1 Identifying the contract with customer
- 2 Identifying the performance obligations
- 3 Determining the transaction price
- 4 Allocating the transaction price to the performance obligations
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customer at an amount that reflects the consideration the company expects to receive in exchange for those products or services. Agreements with customers are either on a fixed price, fixed time frame or on a time- and - material basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

In arrangements for one time services, the Company has applied the guidance in Ind AS 115, *Revenue from Contracts with Customers*, by applying the revenue recognition criteria for each distinct performance obligation. The contracts with customers generally meet the criteria for considering the principal service and one-time service as distinct performance obligations and consideration for the each of such service is clearly specified in the contract, that enables to arrive at the transaction price for each performance obligations which is best evidence of its standalone selling price.

The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor and has pricing latitude which establishes control before transferring products and services to the customer. The Company's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of invoicing are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

2.6 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established, provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.7 Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net of Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work-in- Progress".



Depreciation:

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management, basis its past experience and technical assessment, has estimated the useful life in order to reflect the actual usage of the assets. The estimated useful lives of assets are as follows:

Asset Description	Useful lives (years) followed by the company
Computers and Servers	1-10
Call centre Equipment	3-10
Furnitures and Fixtures	3-10
Office Equipment	5
Motor Vehicles	3-5

Leasehold improvements are amortised over the estimated useful lives or the remaining primary lease period, whichever is less.

The estimated useful lives mentioned above are different from the useful lives specified for certain categories of these assets, where applicable, as per the Schedule II of the Companies Act, 2013. The estimated useful lives followed in respect of these assets are based on Management's assessment and technical advice, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes and maintenance support etc.

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

2.8 Other intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets :

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

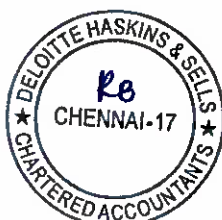
Amortisation

Intangible assets are amortised on a straight line basis over the estimated useful economic life. Costs incurred towards purchase of computer software are amortised using the straight-line method over a period based on management's estimate of useful lives of such software or over the license period of the software, whichever is shorter.

Internally-generated intangible asset are amortised using the straight-line method over a period of 5 years.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.



2.9 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.10 Leases

The Company's lease asset classes primarily consist of leases for buildings and computers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company, as a lessee, recognize, at the inception of the lease a right-of-use asset and a lease liability (representing present value of unpaid lease payments). Such right-of-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost subject to certain re-measurement adjustments.

At the date of commencement of the lease, the Company recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Company changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option)

For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.11 Foreign currency Transactions

Initial Recognition:

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

Subsequent Recognition:

As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

2.12 Financial Instruments

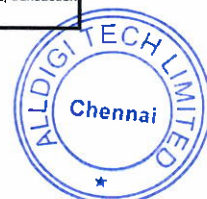
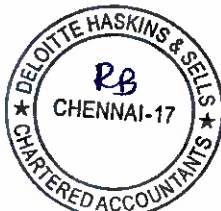
Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

2.12.1 Financial Assets

(a) Recognition and Initial measurement

(i) The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.



(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset 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.

All other financial assets are subsequently measured at fair value.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e

All other financial assets are subsequently measured at fair value.

(c) Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

(d) Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.



(e) Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

(f) Derecognition of financial assets

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.



2.12.2 Financial Liabilities and Equity Instruments

(a) Classification as debt or equity

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

(b) Equity instruments

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

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

(c) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

(d) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

(e) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Company enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for capital expenditure. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 3 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

(f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified parties fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.



(g) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

(h) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Forward contracts

The company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to probable forecast transactions. Such forward contracts are initially recognized at fair value on the date on which the contract is entered into and subsequently re-measured at fair value. These forward contracts are stated at fair value at each reporting date and these changes in fair value of these forward contract is recognized in statement of profit or loss. At each reporting date the net balance after fair valuation is shown as part as of other financial asset or liability.

2.13 Investment in Subsidiaries

Investment in equity instruments issued by subsidiaries are measured at cost less impairment. Dividend income from subsidiaries is recognised when its right to receive the dividend is established. The acquired investment in subsidiaries are measured at acquisition date fair value. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

2.14 Employee Benefits

Retirement benefit costs and termination benefits:

Defined Benefit Plans:

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit 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) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or 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.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

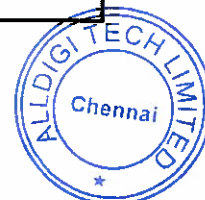
The Company makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees upto the reporting date.



Defined Contribution Plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset). If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the company reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the company reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Employee defined contribution plans include provident fund and Employee state insurance. All employees of the Company receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Company make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Company has no further obligations under the plan beyond its monthly contributions. The Company contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.

2.15 Earnings per equity share

Basic 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 period.

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 the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and 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 from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.16 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

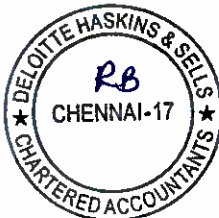
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the year:

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.



2.17 Assets & liabilities classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of de-recognition.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal company classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal company classified as held for sale are presented separately from other liabilities in the Balance Sheet.

2.18 Contingent liabilities, Contingent Assets and Provisions

Provisions are recognized when the Company has a present obligation (legal/ constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the standalone financial statements since this may result in the recognition of income that may never be realized.

2.19 Segment Reporting

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".



2.20 Goods and Service Tax Input Credit

Goods and service tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.21 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.22 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.23 Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets
- Evaluation of Impairment indicators and assessment of recoverable value
- Provision for taxation
- Provision for disputed matters
- Allowance for Expected Credit Loss
- Fair value of financial assets and liabilities
- Assets and obligations relating to employee benefits

Determination of functional and presentation currency:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (₹), the national currency of India, which is the functional currency of the Company. All the financial information have been presented in Indian Rupees except for share data and as otherwise stated.



Alldigi Tech Limited (formerly known as Allsec Technologies Limited) Notes forming part of the Standalone Financial Statements for the year ended 31 March 2025 (All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)										
3(a) Property, Plant and Equipment, Intangible Assets and Capital work-in-progress										
Particulars	Property, Plant and Equipment						Other Intangible assets	Capital work-in-progress		
	Computers and servers	Call centre equipment	Furniture and Fixtures	Office equipment	Leasehold improvements	Total				
Gross block										
Balance as at 01 April 2023	911	855	130	409	417	2,722	1,413	-	-	
Additions	257	138	14	33	25	467	1,244	-	-	
Less : Transferred to assets classified as held for sale (Refer Note 32)	(15)	-	-	-	-	(15)	-	-	-	
Disposals	-	(46)	-	-	-	(46)	-	-	-	
Balance as at 31 March 2024	1,153	947	144	442	442	3,128	2,657	-	-	
Additions	391	180	20	127	12	730	464	-	179	
Disposals	-	-	-	-	-	-	-	-	-	
Balance as at 31 March 2025	1,544	1,127	164	569	454	3,858	3,121	-	179	
Accumulated depreciation/amortisation										
Balance as at 01 April 2023	503	620	61	248	191	1,623	935	-	-	
Depreciation/amortisation expense for the year	90	234	17	56	98	497	299	-	-	
Less : Transferred to assets classified as held for sale (Refer Note 32)	(7)	-	-	-	-	(7)	-	-	-	
Disposals	-	(46)	-	-	-	(46)	-	-	-	
Balance as at 31 March 2024	586	808	78	306	289	2,067	1,234	-	-	
Depreciation/amortisation expense for the year	265	225	18	60	85	653	449	-	-	
Disposals	(2)	-	-	-	-	(2)	-	-	-	
Balance as at 31 March 2025	849	1,033	96	366	374	2,718	1,683	-	-	
Net block										
Balance as at 31 March 2024	567	139	66	136	153	1,061	1,423	-	-	
Balance as at 31 March 2025	695	94	68	203	80	1,140	1,438	-	179	
3(b) Depreciation and amortisation expense:										
Particulars	For the Year ended 31 March 2025		For the Year ended 31 March 2024							
Depreciation of Property, Plant and Equipment	653		487							
Amortisation of Other intangible assets	449		299							
Depreciation of Right of use asset (Refer Note 28(c))	1,661		1,632							
Total	2,763		2,418							



Alldigi Tech Limited (formerly known as Altsec Technologies Limited)

Notes forming part of the Standalone Financial Statements for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

3(c) Capital work-in-progress ageing schedule is as follows:

Description	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
FY 2024-25					
Project in Progress	179	-	-	-	179
FY 2023-24					
Project in Progress	-	-	-	-	-

Capital work-in-progress completion schedule

For Capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of 31 March, 2025 and 31 March, 2024 :

Description	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2024-25				
Project in Progress	179	-	-	-
Grand Total	179	-	-	-

4 a. Intangible Assets under development (IAUD)

Description	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 2024-25					
Project in Progress	234	-	-	-	234
FY 2023-24					
Project in Progress	-	-	-	-	-

b. Intangible Assets under development completion schedule

For intangible Assets under development, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of 31 March, 2025 and 31 March, 2024 :

Description	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2024-25				
Project in Progress	234	-	-	-
Grand Total	234	-	-	-



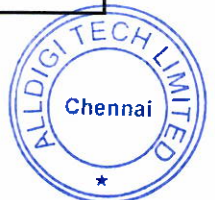
5 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
A. Non-current (Unquoted)		
Investments carried at cost		
Investments in equity instruments of subsidiaries (fully paid-up)		
Aldigi Tech Inc., USA	1,214	1,214
- 100 (31 March 2024 - 100) Common stock of US \$23,100 each, fully paid up		
Aldigi Tech Manila Inc., Philippines	1,020	1,020
- 8,12,500 (31 March 2024 - 8,12,500) Equity shares of Philippine Pesos (PHP) 100 each fully paid up		
Total	2,234	2,234
Provision for impairment	(1,214)	(1,214)
Total non-current investments	1,020	1,020
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate value of unquoted investments	2,234	2,234
Aggregate amount of impairment in the value of investments	1,214	1,214
Extent of investment in subsidiaries		
Aldigi Tech Inc., USA	100%	100%
Aldigi Tech Manila Inc., Philippines	100%	100%
B. Current (Quoted)		
Investments carried at fair value through profit and loss		
Investment in mutual funds	8,273	5,628
Total current investments	8,273	5,628
Aggregate amount of quoted investments and market value thereof	8,273	5,628
Aggregate book value of investments	8,273	5,628
Aggregate amount of impairment in the value of investments	-	-

Details of investment in Mutual Funds

Name of Mutual fund	Number of Units *		Carrying Value	
	As At		As At	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Axis Corporate Bond Fund - Direct - Growth	28,65,332	-	505	-
Axis Liquid Fund - Direct Growth	3,646	-	105	-
Axis Money Market Fund Direct Growth	36,670	-	519	-
Axis Overnight Fund - Growth - Direct	-	24,246	-	307
Axis Short Duration Fund - Direct Plan - Growth	14,45,678	-	476	-
Axis Treasury Advantage Fund - Regular Growth	6,750	-	205	-
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	10,08,804	10,08,804	502	463
HDFC Liquid Fund - Growth - Direct	-	9,733	-	462
HDFC Low Duration Fund - Direct Plan - Growth Option	5,01,382	-	307	-
HDFC Overnight Fund - Growth - Direct	-	8,640	-	307
HDFC Short Term Debt Fund - Direct Plan - Growth Option	14,64,332	-	473	-
HDFC Ultra Short Term Fund - Direct Plan - Growth option	6,93,880	-	105	-
ICICI Prudential Long Term Bond Fund - Direct Plan - Growth	3,97,371	-	386	-
ICICI Prudential Banking & PSU Debt Fund Growth	17,86,852	17,86,852	573	530
ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth	90,616	-	30	-
ICICI Prudential Liquid Fund - Growth - Direct	-	1,29,206	-	462
ICICI Prudential Overnight Fund - Growth - Direct	-	23,792	-	307
ICICI Prudential Savings Fund - Direct Plan - Growth	95,321	50,646	514	253
ICICI Prudential Savings Fund - Growth	19,823	19,823	106	98
ICICI Prudential Short Term Fund - Growth	15,25,236	15,25,236	888	830
Kotak Banking and PSU Debt - Direct Growth / Growth (Regular Plan)	-	5,15,558	-	316
Kotak Banking and PSU Debt Fund Direct Growth	7,99,387	-	532	-
Kotak Bond Fund (Short Term) - Direct Plan - Growth	9,08,299	-	510	-
Kotak Corporate Bond Fund Direct Growth	13,115	-	505	-
Kotak Low Duration Fund Direct Growth	8,614	-	307	-
Kotak Savings Fund - Direct Plan - Growth	2,39,012	-	105	-
SBI Liquid Fund - Growth - Direct	-	17,563	-	664
SBI Magnum Ultra Short Duration Fund Direct Growth	1,765	-	105	-
SBI Overnight Fund - Growth - Direct	-	8,567	-	256
UTI Liquid Fund - Direct Plan - Growth	-	6,379	-	252
UTI Low Duration Fund - Direct Plan Growth	14,320	3,707	505	121
			8,273	5,628

* Number of units are in absolute numbers



Aldigi Tech Limited (formerly known as Allsec Technologies Limited)

Notes forming part of the Standalone Financial Statements for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

6 Other Financial Assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Security Deposits		
- Unsecured, considered good *	990	1,206
Total	990	1,206
Current		
Security Deposits - Unsecured, considered good	290	-
Foreign currency forward contracts receivable	30	19
Unbilled Revenue	2,329	2,087
Less : Transferred to assets classified as held for sale (Refer Note 32)	-	(190)
Interest Receivable from Related Parties	12	41
Other Advances	1	18
Total	2,662	1,975

* Deposit includes Rs. 688 Lakhs paid under protest towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to outstanding demands pertaining to FY 2005-2011 arising out of reclassification of tariff. (As at 31 March, 2024 - Rs.688 Lakhs) (Refer Note 29(a))



7 Non-Current tax asset

Particulars	As at 31 March 2025	As at 31 March 2024
Advance Taxes (Net of Provision for taxes)	-	1,543
Total	-	1,543

8 Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non-Current		
Prepaid expenses	12	26
Total	12	26
Current		
Prepaid expenses	151	580
Advance to suppliers	357	29
Advance to Employees	-	27
Total	508	636

9 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Receivables - Undisputed considered good, Unsecured *	5,422	5,361
Less: Allowance for Expected Credit Losses	(296)	(236)
Trade Receivables - Undisputed considered good, Unsecured	5,124	5,125
Trade Receivable - Undisputed - Significant increase in credit risk, Unsecured	251	214
Less: Allowance for Expected Credit Losses	(251)	(214)
Trade Receivable - Undisputed Significant increase in credit risk, Unsecured	-	-
Trade Receivable - Doubtful - Unsecured	107	115
Less: Allowance for Expected Credit Losses	(107)	(115)
Trade Receivable - Doubtful - Unsecured	-	-
Total Trade Receivables	5,124	5,125
Less: Transferred to assets classified as held for sale (Refer Note 32)	-	(503)
	5,124	4,622
* Includes Trade Receivables from Related Parties (Refer Note 27)	1,346	1,130

Trade receivables ageing schedule for the year ended as on 31 March, 2025:

Ageing for trade receivables from the due date of payment for each of the category as at 31 March, 2025 as follows:

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	
Undisputed trade receivables							
- Considered good	4,131	975	127	107	52	30	5,422
- Significant increase in credit risk	-	-	29	206	14	2	251
- Credit impaired	-	-	-	-	-	-	-
	4,131	975	156	313	66	32	5,673
Disputed trade receivables							
- Considered good	-	-	-	-	-	23	23
- Significant increase in credit risk	-	-	-	61	17	6	84
- Credit impaired	-	-	-	-	-	-	-
Total	4,131	975	156	374	83	61	5,780
Less: Allowance for Expected Credit Losses	-	-	-	-	-	-	(566)
Total Trade Receivables							5,124

Trade receivables ageing schedule for the year ended as on 31 March, 2024:

Ageing for trade receivables (including Rs.603 lakhs related to assets classified as held for sale) from the due date of payment for each of the category as at 31 March 2024 as follows:

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	
Undisputed trade receivables							
- Considered good	3,617	1,424	164	101	39	16	5,361
- Significant increase in credit risk	-	13	179	20	-	2	214
- Credit impaired	-	-	-	-	-	-	-
	3,617	1,437	343	121	39	18	5,575
Disputed trade receivables							
- Considered good	-	-	-	-	10	13	23
- Significant increase in credit risk	1	23	33	29	6	-	92
- Credit impaired	-	-	-	-	-	-	-
Total	3,618	1,460	376	150	55	31	5,690
Less: Expected Credit Loss Allowance	-	-	-	-	-	-	(565)
Total Trade Receivables							5,125

9.1 Credit period and risk

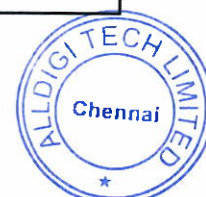
The average credit period for the services rendered:

- (a) Trade receivables (Domestic) are non-interest bearing and are generally on terms ranging from 30 days to 90 days. (31 March 2024: Ranging from 30 days to 90 days)
(b) Trade receivables (International) are non-interest bearing and are generally on terms ranging from 30 days to 180 days. (31 March 2024: Ranging from 30 days to 180 days)

Of the trade receivable balance as at 31 March, 2025, ₹ 1673 Lakhs are due from two customer i.e. having more than 10% of the total outstanding trade receivable balances.

[₹ 919 Lakhs is due from one customer i.e. having more than 10% of the total outstanding trade receivable balance as at 31 March 2024]

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor are any trade receivable due from firms or private companies respectively in which any director is a partner, a director or a member.



9.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information. Based on the assessment of the Company, there is no risk associated with the dues from the related parties both from a credit risk or time value of money as these are managed through the company's cash management process and can be recovered on demand by the Company. Accordingly, no provisions has been considered necessary. With regard to other parties, the company had, based on past experience, wherein collections are done within a year of it being due and expectation in the future Credit loss, has made necessary provisions.

9.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at beginning of the year	565	241
Add: Allowance towards Expected credit loss provided	118	424
Less: Provisions reversed against receivables written off	(27)	(100)
Balance at end of the year	656	565

10 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Cash on hand *	-	-
(b) Balance with banks	4,269	5,590
Total	4,269	5,590

* Entity has cash balance of Rs. Nil as on 31 March 2025

11 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Other Bank Balances (Including amounts held as margin money, etc.)	89	28
	89	28

12 Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of Shares *	Amount	Number of Shares *	Amount
Authorised				
Equity shares of Rs.10/- each	2,00,00,000	2,000	2,00,00,000	2,000
Convertible preference shares of Rs. 100/- each	13,50,000	1,350	13,50,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of Rs. 10/- each fully paid up	1,52,38,326	1,524	1,52,38,326	1,524
	1,52,38,326	1,524	1,52,38,326	1,524

* No of shares are in absolute numbers

a) There is no change in issued and subscribed share capital during the current period and in the previous year.

b) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares of Rs.10/- each fully paid

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of Shares *	% holding	Number of Shares *	% holding
Quess Corp Limited *	-	-	1,11,82,912	73.39%
Digitide Solutions Limited *	1,11,82,912	73.39%	-	-

* No of shares are in absolute numbers.

* Transferred from Quess Corp Limited to Digitide Solutions Limited on 31 March 2025 on account of Demerger of Quess Corp Limited.

c) Rights, preferences and restrictions attached to equity shares

The Company has issued only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2025.

e) Shareholding of Promoters

Promoter Name	31 March 2025			31 March 2024		
	No. of Shares *	% of total Shares	% changes during the year	No. of Shares *	% of total Shares	% changes during the year
Quess Corp Limited *	-	0.00%	-73.39%	1,11,82,912	73.39%	-73.39%
Digitide Solutions Limited *	1,11,82,912	73.38%	73.39%	-	0.00%	0.00%

* No of shares are in absolute numbers.

* Transferred from Quess Corp Limited to Digitide Solutions Limited on 31 March 2025 on account of Demerger of Quess Corp Limited.



13 Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
a) Securities Premium (Refer Note 13.1 below)		
Balance at the beginning of the year	12,019	12,019
Add : Additions made during the year	-	-
Balance at the end of the year	12,019	12,019
b) Capital reserve (Refer Note 13.2 below)		
Balance at the beginning of the year	(2,175)	(2,175)
Add : Additions made during the year	-	-
Balance at the end of the year	(2,175)	(2,175)
c) General reserve (Refer Note 13.3 below)		
Balance at the beginning of the year	1,413	1,413
Add : Additions made during the year	-	-
Balance at the end of the year	1,413	1,413
Retained earnings (Refer Note 13.4 below)		
Balance at the beginning of the year	7,024	5,020
Less: Dividends (Refer Note 37)	(6,857)	(4,571)
Add: Profit for the year	6,925	6,637
Add : Remeasurement of defined benefits plan (net of taxes)	(182)	(62)
Balance at the end of the year	6,910	7,024
Total	18,167	18,281

Notes:

13.1: Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

13.2: Capital reserve comprises initial application money on warrants received, forfeited subsequently and reserve arising on business combination.

13.3: This represents appropriation of profit by the Company.

13.4: Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

14 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Creditor for Capital Goods*	903	231
Unclaimed dividend	31	24
Unearned Revenue	488	202
Other payables **	202	405
Total	1,624	862

* Includes balance of Rs.245 Lakhs due to MSME vendor against capex invoices (As at 31 March 2024, Rs.3 Lakhs)

** Includes liability of Rs.147 Lakhs collected from those customers which are novated by the Company to the buyer as at 31 March 2025 (Refer Note 32)



15 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Provision for Gratuity	538	767
Less : Liabilities directly associated with assets classified as held for sale (Refer Note 32)	-	(29)
	538	738
Current		
Gratuity	424	73
Compensated absences*	346	308
Provision for CSR Expenditure (Refer Note 24)	12	41
Provision for Electricity Board tariff dispute claim (Refer Note 29 (a))	221	221
Total	1,003	643

*The amount of compensated absences provision is presented as current, since the Company does not have an unconditional right to defer settlement for this obligation.

16 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
- Other than Acceptances (Refer Note 30)		
- Dues of Micro Enterprises and Small Enterprises	53	6
- Dues of creditors other than Micro Enterprises and Small Enterprises*	2,172	3,379
- Less : Liabilities directly associated with assets classified as held for sale (Refer Note 32)	-	(231)
Total Trade payables	2,225	3,154
* Includes Trade Payable to Related Parties (Refer Note 27)	167	320

Includes Rs.9 Lakhs (Rs. Nil Lakhs as at 31 March 2024) towards interest provision on dues of micro enterprises and small enterprises as per MSMED ACT, 2006

Trade payables ageing schedule for the year ended as on 31 March, 2025 :

Ageing for trade payables from the due date of payment for each of the category as at 31 March 2025 is as follows:

Particulars	Outstanding for the following periods from due date					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	-	53	-	-	-	53
(ii). Others	1,917	265	-	-	-	2,172
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	1,917	308	-	-	-	2,225

Trade payables ageing schedule for the year ended as on 31 March, 2024 :

Ageing for trade payables (Including Rs. 231 Lakhs related to liabilities directly associated with assets held for sale) from the due date of payment for each of the category as at 31 March 2024 is as follows:

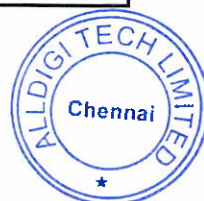
Particulars	Outstanding for the following periods from due date					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	3	3	-	-	-	6
(ii). Others	3,024	355	-	-	-	3,379
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	3,027	358	-	-	-	3,385

17 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Advances from customers	58	71
Statutory dues payable	430	513
Total	488	584

18 Current tax liabilities (Net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for Income taxes (Net of Advance Tax)	955	-
Total	955	-



Aldigi Tech Limited (formerly known as Allsec Technologies Limited)

Notes forming part of the Standalone Financial Statements for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

19 Revenue from operations

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Revenue from Services:		
A. Customer Experience Management (CXM)		
(i) International	9,476	8,314
(ii) Domestic	10,322	8,788
B. Employee Experience Management (EXM)		
(i) International	2,892	2,672
(ii) Domestic	9,929	11,651
Total	32,619	31,405

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and Unbilled Revenue

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables and contract assets from contracts with customers:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024*
Receivables, which are included in 'Trade and other receivables'	5,124	4,522
Unbilled Revenue	2,329	1,897

* The amount excludes the portion of trade receivables and unbilled revenue which are reclassified to Assets held for sale. (Refer Note 32)

Unbilled Revenue primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. Unbilled Revenue are transferred to receivables when the rights become unconditional.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

20 Other Income

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Dividend Income from Subsidiaries	1,763	3,973
Interest Income		
- on fixed deposits	61	5
- income tax refund	211	24
- on foreign related parties overdue payment	-	41
- others	40	35
Other Income on Termination of Leases	39	-
Net gain/(loss) arising on Financial Assets designated as at Fair Value through Profit or Loss	381	27
Profit on redemption of current investments	197	308
Net gain on foreign currency transaction and translation	122	105
Profit on sale of assets *	-	-
Total	2,814	4,518

* Amount is less than a lakh rupees

21 Employee benefits expense

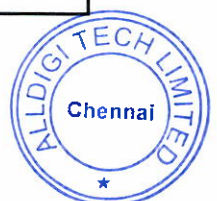
Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Salaries, wages and bonus	17,772	16,832
Contribution to provident and other funds*	1,234	1,168
Staff welfare expenses	1,049	843
	20,055	18,843

* During the current year, the Company had reclassified net interest on defined benefit obligation from Employee benefits expense to Finance costs as this results in better representation of the costs according to the nature of expense. Pursuant to this change, the Employee benefits expense for year ended 31 March 2025 is lower by Rs.58 lakhs. Accordingly, Finance cost is higher by Rs.58 lakhs. Prior period figures presented have also been reclassified.

22 Finance costs

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Interest expense		
(i) Interest accrued on lease liabilities	225	292
(ii) Interest Cost on Defined benefit Plan*	58	52
(iii) Other Interest costs	9	-
Total	292	344

* During the current year, the Company had reclassified net interest on defined benefit obligation from Employee benefits expense to Finance costs as this results in better representation of the costs according to the nature of expense. Pursuant to this change, the Employee benefits expense for year ended 31 March 2025 is lower by Rs.58 lakhs. Accordingly, Finance cost is higher by Rs.58 lakhs. Prior period figures presented have also been reclassified.



23 Other expenses

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Professional and Consultancy Charges	1,185	1,796
Travelling and Conveyance	262	235
Power and Fuel	516	489
Rent	20	60
Repairs and maintenance		
-Machinery	1,013	1,314
-Others	342	297
Insurance expenses	3	13
Fees, rates and taxes	1	1
Sales and marketing expenses	196	195
Connectivity and communication cost	879	744
Security charges	270	298
Bank charges	33	23
Allowance for Expected Credit Losses	118	424
Trade Receivables Written off	27	100
Less: Release of allowance for expected credit losses	(27)	(100)
Corporate social responsibility expenditure (Refer note 24)	72	53
Directors' sitting fees	7	7
Directors' commission	21	16
Miscellaneous expenses	86	66
Total	5,024	6,031

Details of payment to auditors

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
As auditor:		
Audit fee*	54	54
Others*	20	-
In other capacities:		
Certification fees*	3	3
Re-imbursement of expenses*	5	4
Total	82	61

*excluding taxes

24 Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013, 2% of the average net profit of the last 3 years as computed under Section 198 of the Act, are as follows:

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Gross amount required to be spent by the Company during the year	72	53
Amount spent during the year		
(i) Construction or acquisition of any asset	-	-
(ii) On purpose other than (i) above*	108	37
Shortfall at the end of the year	12	41
Total of previous years shortfall	-	10
Reason for Shortfall (Refer note below)	Pertains to other than ongoing projects	Pertains to ongoing projects
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

* Contribution made to entity in which Directors having significant influence refer Note 27(B)

The provisions of Section 135 of the Companies Act, 2013, relating to the mandatory requirement of amount to be spent towards corporate social responsibility is applicable for the Company during the current year based on the stipulated criteria. Accordingly the Company needs to spend at least 2% of its average net profit of the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. During the current financial year, the Company has spent an amount of Rs.60 Lakh against current year obligation and Rs.48 Lakh towards previous year obligation brought forward towards various activities as enumerated in the CSR Policy of the Company which covers promoting education, health and civic amenities etc. As at 31 March 2025, the Company has an unspent CSR obligation of Rs. 12 lakhs. The Company will be transferring such amount to the funds as specified under Schedule VII of the Companies Act 2013 within the timelines specified under the Act.



25 Taxation

25.1 Income tax expense

25.1.1 Recognised In Statement of Profit and Loss

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Current Tax:		
In respect of the current year *	1,924	1,725
	1,924	1,725
Deferred Tax		
In respect of the current year	139	(85)
	139	(85)
Total income tax expense recognised in statement of profit and loss	2,063	1,640

*The Company has opted to avail deduction under Section 80M of Income Tax Act, 1961 in respect of dividend income received from its wholly owned subsidiary, Aldigi Tech Manila Inc., Philippines amounting to Rs.1,763 lakhs and Rs. 3,973 Lakhs during the year ended 31 March 2025 and 31 March 2024, respectively. Consequently, the Company charged off foreign tax credit on the dividend income to 'current tax expense' which aggregates to Rs.264 lakhs and Rs.596 lakhs during the year ended 31 March 2025 and 31 March 2024, respectively.

25.1.2 Recognised in Other Comprehensive Income

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	61	21
Total income tax recognised in other comprehensive income	61	21
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	61	21
	61	21

25.1.3 Reconciliation of Income tax

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.17%. The Company opted for new tax scheme u/s 115BAA. A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows :

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Profit before tax	8,968	8,277
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	2,262	2,083
Tax on Dividend Income treated under special provision	(180)	(404)
Effect of non-deductible expenses	18	13
Effect of Special deductions	(47)	(59)
Tax on Gain from sale of LLC Business under special provision	(39)	-
Tax on Gain from Mutual Fund investments (LTCG) under special provision	-	(9)
Deferred Tax on impairment of IAUD	38	-
Others	11	16
Total income tax expense recognised in the statement of profit and loss	2,063	1,640

25.2 Deferred Tax Balances

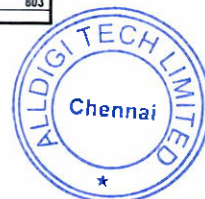
The following is the analysis of the net deferred tax asset position as presented in the financial statements

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Deferred tax assets	1,409	1,444
Less: Deferred tax liabilities	(684)	(641)
Deferred tax asset (net)	725	803

Movement in the deferred tax balance :

Particulars	For the Year ended 31 March 2025			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	355	50	-	405
Employee Benefit Expenses	310	(42)	61	329
Provision for Expected Credit Loss on Financial Assets	142	23	-	165
Impact on account of ROU asset	(562)	53	-	(509)
Impact on account of lease liabilities	599	(89)	-	510
Fair valuation adjustments - Financial Assets	(79)	(96)	-	(175)
Provision for Impairment of Intangible Asset under development	38	(38)	-	-
Deferred Tax Asset /(Liabilities)	803	(139)	61	725

Particulars	For the Year ended 31 March 2024			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	410	(55)	-	355
Employee Benefit Expenses	249	40	21	310
Provision for Expected Credit Loss on Financial Assets	59	83	-	142
Impact on account of ROU asset	(880)	318	-	(562)
Impact on account of lease liabilities	909	(310)	-	599
Fair valuation adjustments - Financial Assets	(86)	9	-	(79)
Provision for Impairment of Intangible Asset under development	38	-	-	38
Deferred Tax Asset /(Liabilities)	697	85	21	803



26 Leases

The Company has leases for Buildings and Computers.

(a) Right of Use Asset "ROU"

The following are the changes in the carrying value of right of use assets outstanding at year ended :

Particulars	Category of ROU Asset		Total
	Buildings	Computers	
Balance as at 01 April 2023	3,263	229	3,492
Additions [^]	453	-	453
Deletions [^]	(155)	-	(155)
Depreciation*	(1,403)	(229)	(1,632)
Balance as at 31 March 2024	2,158	-	2,158
Balance as at 01 April 2024	2,158	-	2,158
Additions	1,447	173	1,620
Deletions [^]	(229)	-	(229)
Depreciation*	(1,488)	(173)	(1,661)
Balance as at 31 March 2025	1,888	-	1,888

[^] Net of adjustments on account of modifications / remeasurements

*The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease Liabilities

The following is the movement in lease liabilities outstanding at year ended :

Particulars	Buildings	Computers	Total
Balance as at 01 April 2023	3,385	227	3,612
Additions [^]	453	-	453
Finance cost accrued during the year	282	10	292
Deletions [^]	(155)	-	(155)
Payment of lease liabilities	(1,591)	(237)	(1,828)
Balance as at 31 March 2024	2,374	-	2,374
Balance as at 01 April 2024	2,374	-	2,374
Additions	1,401	173	1,574
Finance cost accrued during the year	216	9	225
Deletions [^]	(267)	-	(267)
Payment of lease liabilities	(1,697)	(182)	(1,879)
Balance as at 31 March 2025	2,027	-	2,027

[^] Net of adjustments on account of modifications / remeasurements

The following is the break-up of current and non-current lease liabilities :

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current lease liabilities	760	1,182
Current lease liabilities	1,267	1,192

(c) Amounts recognized in profit and loss were as follows

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Depreciation Expenditure	1,661	1,632
Finance Cost on Lease Liabilities	225	292

(d) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Not later than 1 year	1,392	1,359
Later than 1 year and not later than 5 years	831	1,272
Later than 5 years	-	-

Note: The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



27 Related party transactions

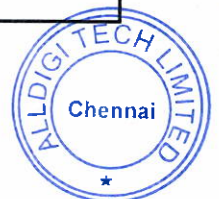
A. Names of related parties and related party relationships

Nature of Relationship*	Name of the related party
Holding Company	Digifide Solutions Limited
Fellow Subsidiaries	Billion Careers Private Limited Heptagon Technologies Private Limited MFXchange US, Inc. Monster.Com (India) Private Limited Quess (Philippines) Corp. Quess Corp Lanka (Private) Limited Quess Corp Manpower Supply Services LLC Quess International Services Private Limited (Formerly known as Golden Star Facilities And Services Private Limited) Quessglobal (Malaysia) Sdn. Bhd. Temier Security Services (India) Private Limited Trimax Smart Infraprojects Private Limited Vedang Cellular Services Private Limited
Related parties where control exists Subsidiaries (Wholly owned)	Aldigi Tech Inc., USA Aldigi Tech Manila Inc., Philippines
Entity in which key managerial personnel have significant influence	Quess Corp Limited Bluspring Enterprises Limited Careworks Foundation Quess Foundation
Key management personnel Chief Executive Officer Chief Financial officer Chief Financial officer Company Secretary Company Secretary	Mr. Naozer Custrow Dalal Mr. Gaurav Mehra (till 25 September 2024) Mr. Avinash Jain (from 25 October 2024) Mr. Neeraj Manchanda (till 27 March 2025) Ms. Shivani Sharma (from 14 May 2025)
Directors Chairman of the Board of Directors Independent director Independent director Independent director Non-executive Non-independent director Non-executive Non-independent director Non-executive Non-independent director Non-executive Non-independent director Independent director	Mr. Ajit Abraham Isaac Mr. Sanjay Anandaram Mr. Milind Chaisgaonkar Ms. Lakshmi Sarada R Mr. Guruprasad Srinivasan (till 14 May 2025) Mr. Kamal Pal Hoda (till 14 May 2025) Mr. Gurmeet Singh Chahal (from 14 May 2025) Ms. Ruchi Ahluwalia (from 14 May 2025) Mr. Sunil Ramakant Bhumrekar (from 14 May 2025)

* Related Party relationships are as identified by the Management.

B. Transactions with related parties

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from services billed to		
Aldigi Tech Inc., USA	7,791	6,412
Aldigi Tech Manila Inc., Philippines	9	-
Heptagon Technologies Private Limited	-	1
MFXchange US, Inc.	1,235	1,278
Monster.Com (India) Private Limited*	0	3
QDigi Services limited #	-	19
Quess (Philippines) Corp.	5	5
Quess Corp Lanka (Private) Limited	4	-
Quess Corp Limited	294	345
Quessglobal (Malaysia) Sdn. Bhd.	4	4
Interest Income		
Aldigi Tech Inc., USA	-	30
MFXchange US, Inc.	-	11
Quess (Philippines) Corp.*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	-	-

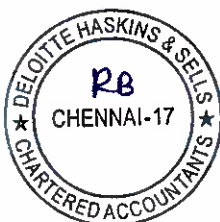


27 Related party transactions (continued)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Expense incurred for recruitment/professional/consulting/security/AMC etc		
Monster.Com (India) Private Limited	-	3
Quess Corp Limited	592	573
Quess Corp Manpower Supply Services LLC	137	85
Terrier Security Services (India) Private Limited	286	276
Cost of Asset		
Quess Corp Limited	127	169
Dividend paid to Holding company		
Quess Corp Limited	5,032	3,355
Dividend from wholly owned subsidiary company		
Aldigi Tech Manila Inc., Philippines	1,763	3,973
Reimbursement of expenses incurred by the company		
Quess Corp Limited	-	39
Recovery made by the company towards facilities cost		
Aldigi Tech Inc., USA	11	5
MFExchange US, Inc.	210	184
Payments made / (Refund received) towards Corporate Social Responsibility Expense		
Careworks Foundation	41	(5)
Quess Foundation	67	42
Remuneration and other benefits*		
Chief Executive officer	257	172
Chief Financial Officer	80	66
Company Secretary	24	18
Other than whole-time directors	28	23

* Amount less than a lakh rupees

Ceased to be a fellow subsidiary effective from 01 April 2024. Transactions reported for previous year are upto 31 March 2024



27 Related party transactions (continued)

C. Balances with related parties

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Investments in equity instruments of subsidiaries		
Aldigi Tech Inc., USA	1,214	1,214
Aldigi Tech Manila Inc., Philippines	1,020	1,020
Trade receivables		
Aldigi Tech Inc., USA	839	919
MFExchange US, Inc.	447	107
Monster.Com (India) Private Limited*	0	1
QDigi Services limited #	-	1
Quess (Philippines) Corp.	-	1
Quess Corp Lanka (Private) Limited	3	-
Quess Corp Limited	57	100
Quessglobal (Malaysia) Sdn. Bhd.	-	1
Trade Payable		
MFExchange US, Inc.	-	7
Quess Corp Limited	116	262
Quess Corp Manpower Supply Services LLC	13	-
Terrier Security Services (India) Private Limited	38	32
Salaries payable to KMP	-	19
Directors' commission payable	21	16
Other financial assets		
Aldigi Tech Inc., USA	214	167
Aldigi Tech Manila Inc., Philippines	9	-
Careworks Foundation*	-	-
MFExchange US, Inc.	127	105
QDigi Services limited #	-	2
Quess Corp Limited	10	13
Quess International Services Private Limited (formerly Golden Star Facilities And Services Private Limited)*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	1	-
Quess Corp Lanka (Private) Limited	1	-
Vedang Cellular Services Private Limited *	-	-
Other Financial Assets - interest Income Receivable		
Aldigi Tech Inc., USA	-	30
MFExchange US, Inc.	12	11
Quess (Philippines) Corp.*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	-	-
Other financial liabilities		
MFExchange US, Inc.	-	79
Quess Corp Limited	263	270
Quess Corp Manpower Supply Services LLC	8	-
Terrier Security Services (India) Private Limited	39	15

* Amount less than a lakh rupees

Ceased to be a fellow subsidiary effective from 01 April 2024. Transactions reported are upto 31 March 2024



27 Related party transactions (continued)

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Investments made in subsidiaries		
Aldigi Tech Inc., USA	1,214	1,214
Aldigi Tech Manila Inc., Philippines	1,020	1,020

Notes:

- (i) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2025 and 31 March 2024, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.
- (ii) Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.
- (iii) The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.
- (iv) All transactions with these related parties are priced at arm's length basis. The amounts outstanding are unsecured and will be settled in cash. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.

28 Earnings per equity share

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Profit after tax considered as numerator for calculating basic and diluted earnings per share	6,925	6,637
Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS	1,52,38,326	1,52,38,326
Nominal value of equity shares (in ₹)	10	10
Basic EPS (in ₹)	45.44	43.55
Diluted EPS (in ₹)	45.44	43.55

29 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the company not acknowledged as debt

(i) Direct tax matters

Income Tax - Rs. 266.03 Lakhs

The company has filed appeals before the relevant authorities as on the date of financials statements. Based on management's assessment, the company is confident no amounts will be payable by the company in this regard and expects that the outcome of the proposed appeal to be made will be favourable to the company.

(ii) Other matters

In January 2008, the Company had received a demand from the Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO") for an amount of ₹ 109 lakhs towards differential amount of charges arising from reclassification on the tariff category applicable to the Company with retrospective effect from June 2005 till June 2007. The Company had filed a writ with Hon'ble High Court of Madras seeking relief from the demand. During the previous year, the Hon'ble High Court of Madras vide its order dated 12 January 2022 directed the Company to approach the Electricity Regulatory Commission to get the grievances settled and instructed the Commission to conclude the plea in line with applicable provisions laid down by the Commission in this regard. While the procedural approach as directed by the Hon'ble High Court was in progress, the company received demand notices from the TANGEDCO towards this disputed claim of ₹109 Lakh for the above cited period and additional demand for the period from July 2007 to July 2010 amounting to ₹112 Lakhs along with Related Payment Surcharge ("BPSC") on the principal amounts pertaining to the period June 2005 to July 2010 and was demanded to be settled within the stipulated time frame, failure to which the supply of electricity was threatened to be disconnected. The Company proposed to pay the dues in instalments under protest and simultaneously proceed with the legal resolutions in the manner directed by the Hon'ble Madras High Court. The Company made provision towards principal charges of ₹221 Lakhs. The BPSC amounting to ₹457 lakh has been considered by the Company as contingent liability. Based on management assessment and professional advice received by the management, company is confident that the demand raised will not be payable by the company and expects that the outcome of the appeal is yet to be made will be favourable to the company.

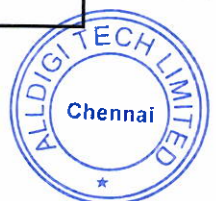
(b) Commitments

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed	289	93

30 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars*	2024-2025	2023-2024
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	289	6
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	9	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier 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	-	-

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.



31 Employee Benefits

a) Defined Contribution plans

The Company makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Company also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Expenses recognised :

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	145	157
Contributions to provident and other funds	983	898

b) Defined Benefit Plans:

The Company offers 'Gratuity' (Refer Note 21 Employees Benefits Expense) as a post employment benefit for qualifying employees and operates a gratuity plan. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company's obligation towards its gratuity liability is a defined benefit plan.

Description of Risk Exposures

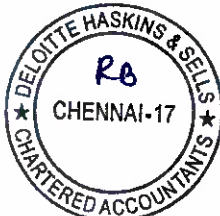
Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Company is exposed to various risks in providing the above gratuity benefit which are as follows:

- A) Interest Rate risk:** The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).
- B) Investment Risk:** The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.
- C) Salary Escalation Risk:** The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.
- D) Demographic Risk :** The Company has used certain mortality and attrition assumptions in valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.
- E) Liquidity Risk:** This is the risk that the Company is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2025. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

The following table sets out the funded status of the Gratuity Plan and the amounts recognized in the financial statement :

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	929	843
Interest cost	64	63
Current service cost	106	108
Past service cost	-	-
Benefits paid	(190)	(160)
Actuarial loss/(gain)	253	75
Present value of defined benefit obligation at the end of the year	1,162	929
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	89	145
Expected return	6	10
Contributions by the Company	284	106
Benefits paid and charges deducted	(189)	(160)
Administration Expenses	-	(4)
Actuarial gains	10	(8)
Fair value of plan assets at the end of the year	200	89
Net defined benefit obligation (deficit)	962	840
Non-current	538	767
Current	424	73



Aldigi Tech Limited (formerly known as Ailsec Technologies Limited)
Notes forming part of the Standalone Financial Statements for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Amount recognised in profit or loss		
Current service cost	106	108
Past service cost	-	-
Interest cost	64	63
Expected return on planned assets	(6)	(10)
Administration Expenses	-	4
Total amount recognised in profit or loss	164	165
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	243	83
Total amount recognised in other comprehensive income	243	83
Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	6.50%	6.97%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 5 years as at valuation date	35.73%	39.00%
- employees with service more than 5 years as at valuation date	35.73%	1.50%

- a. The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- b. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.
- c. Attrition rate considered is the management's estimate based on the past trend of employee turnover in the Company

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. It is assumed that the active members of the scheme will experience in service mortality in accordance with the Indian Assured Lives Mortality (2012-14) Ultimate Table. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	Attrition Rate		Discount Rate		Future Salary Increase	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2025						
Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	(2)	2	(30)	31	30	(29)
31 March 2024						
Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	15	(17)	(89)	105	101	(89)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2025 is Rs. 424 lakhs. The weighted average duration of the defined benefit obligation is 2 years (31 March 2024: 8 years).

The expected benefit payments for the 15 years after balance sheet date is as follows:

Particulars	1 year	2-5 years	6-10 years	More than 10 years	Total
31 March 2025					
Defined benefit obligation	424	772	179	24	1,399
31 March 2024					
Defined benefit obligation	132	170	259	1,688	2,249

c) Compensated Absences

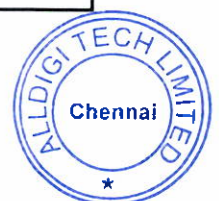
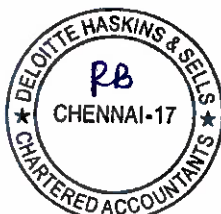
Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
(a) Included under 'Salaries and Bonus' *	38	80
* Net of encashments		

Particulars	As at 31 March 2025	As at 31 March 2024
(b) Net asset / (liability) recognised in the Balance Sheet	346	308
Current portion of the above *	346	308
Non-current portion of the above	-	-

*The amount of compensated absences provision is presented as current, since the Company does not have an unconditional right to defer settlement for this obligation.

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2024-2025	2023-2024
Discount Rate (% p.a)	6.50%	6.93%
Future Salary Increase (% p.a)	5.00%	5.00%



32 Sale of Labour Law Compliance (LLC) Division and Transfer of certain customer contracts pertaining to payroll compliance business

On 06 February 2024, the Board of Directors of the Company approved the sale of its Labour Law Compliance (LLC) Division of Employee Experience Management (EXM) segment on a going concern basis by way of slump sale, subject to closing adjustments as defined in Business Transfer Agreement (BTA) dated 06 February 2024. During the year ended 31 March 2025, the Company has completed the sale of its LLC division on 30 April 2024 for a net sales consideration of Rs. 2,211 Lakhs with net assets transferred aggregating to Rs. 417 Lakhs. The gain of Rs. 1,708 Lakhs (net of expenditure incurred wholly and exclusively in connection with this sale of Rs. 86 Lakhs) is presented under exceptional item for the year ended 31 March 2025.

During the current year, the company has made a provision of Rs.80 Lakhs towards indemnification of liability arising on account of non-collection of trade receivables and unbilled revenue as at 31 March 2025 in accordance with the said BTA. The gain of Rs. 1,628 Lakhs (net of expenditure incurred wholly and exclusively in connection with this sale of Rs. 86 Lakhs) is presented under exceptional item for the year ended 31 March 2025.

The details of operations related to LLC business is as follows:

Sl. No.	Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2024
1	Total Income	204	2,504
2	Total Expense	144	2,001
3	Profit before tax (1-2)	60	503
4	Tax expense	-	100
5	Profit after tax (3-4)	60	403

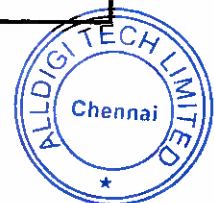
The Company has transferred certain customer contracts pertaining to payroll compliance business to the buyer to whom the LLC business was transferred during the nine months ended 31 December 2024, pursuant to the request of those customers in order to avail all their statutory compliance services with one service provider. Accordingly the gain on such transfer of Rs. 61 Lakhs has been disclosed under exceptional item for the year ended 31 March 2025.

Accordingly, the total gain of Rs.1,689 Lakhs has been presented under exceptional item for the year ended 31 March 2025.

Information of assets and associated liabilities classified as held for sale

Consequently, the closing conditions were met on 30 April 2024 and the transaction was effective from that day. Accordingly, the assets and liabilities of the LLC business have been classified as held for sale as at March 31, 2024.

Particulars	As at 31 March 2024
Non-Current Assets	
Property, plant and equipment	8
Current assets	
Trade receivables	603
Other financial assets	190
Total assets classified as held for sale	801
Non-current liabilities	
Provisions	29
Current liabilities	
Trade payables	231
Liabilities directly associated with assets classified as held for sale	260



33 Ratios

The following are analytical ratios for the year ended 31 March 2025 and 31 March 2024

Particulars	Numerator	Denominator	31 March 2025	31 March 2024	Variance	Remarks
Current Ratio	Current assets	Current liabilities	2.8	2.9	-3%	
Debt – Equity Ratio	Total Debt (including lease liabilities)*	Shareholder's Equity	0.1	0.1	-14%	
Debt Service Coverage Ratio	Earnings available for debt service **	Debt Service @	5.0	5.1	-1%	
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	35%	35%	-1%	
Trade receivables turnover ratio	Revenue	Average Trade Receivable	6.8	7.1	-5%	
Trade payables turnover ratio	Purchase of Goods and Services	Average Trade Payables	9.3	7.7	21%	
Net Capital turnover ratio	Revenue	Working Capital	2.4	2.5	-3%	
Net Profit ratio	Net Profit	Revenue	21%	21%	0%	
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed #	43%	39%	10%	
Return on Investment (ROI)	Income generated on investments **	Average Investments ***	9%	7%	39%	Refer Note 1

* Total debts for the year ended 31 March 2025 and 31 March 2024 comprises of Lease liabilities alone

** Comprises of Net Profit after taxes + Non-cash operating expenses + Interest + other adjustments like loss on sale of Fixed assets etc.

@ Debt Service comprises of lease payments, Interest payments and repayment of borrowings

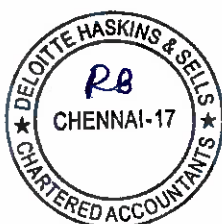
Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liabilities

Income generated on investments = Interest income on fixed deposits + Mutual fund investment gain

Average Investments = Average of investments in mutual funds, margin money and other bank deposits.

Variance in on account of the following reasons:

1 Increase is on account of gain in fair value on mutual fund investments



34 Financial Instruments

34.1 Capital Management

The Company manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Company's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities net of Cash and bank balances. The Company monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Company compared to last year.

Gearing Ratio :

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings	-	-
Cash and Bank Balance	(4,358)	(5,618)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	19,691	19,805
Net Debt to equity ratio (A/B)	- %	- %

34.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2025 and 31 March 2024 is as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
(a) Financial Assets				
Measured at fair value through P&L				
- Current Investments	8,273	5,628	8,273	5,628
- Other financial assets	-	-	-	-
Measured at amortised cost				
- Cash and Bank balances	4,269	5,590	4,269	5,590
- Other Bank balances	89	28	89	28
- Trade receivables	5,124	4,522	5,124	4,522
- Other financial assets	3,652	3,181	3,652	3,181
	21,407	18,949	21,407	18,949
(b) Financial Liabilities :				
Measured at amortised cost				
- Trade Payables	2,225	3,154	2,225	3,154
- Lease Liabilities	2,027	2,374	2,027	2,374
- Other financial liabilities	1,624	862	1,624	862
	5,876	6,390	5,876	6,390

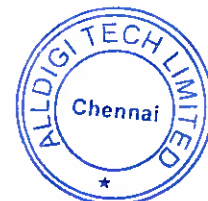
Investment in subsidiaries carried at cost is not appearing as financial asset in the table above being investment in subsidiaries and associates accounted under Ind AS 27. Separate Financial Statements and is hence scoped out under Ind AS 109.

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

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

The following methods and assumptions were used to estimate the fair value/amortized cost

- 1) Long-term fixed-rate receivables/borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables
- 2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.



Fair Value Hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

There were no items of financial assets or financial liabilities which were valued at fair value as of 31 March 2025 and 31 March 2024.

34.3 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk.

The Company's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Company cannot meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation. The Company maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Company periodically. The Company believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Liquidity and Interest Risk Tables :

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2025				
Interest bearing*	1,267	760	-	2,027
Non-interest bearing	3,849	-	-	3,849
Total	5,116	760	-	5,876
31 March 2024				
Interest bearing*	1,192	1,182	-	2,374
Non-interest bearing	4,016	-	-	4,016
Total	5,208	1,182	-	6,390

*Includes Lease liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Company does not hold any derivative financial instrument.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
31 March 2025				
Interest bearing	89	-	-	89
Non-interest bearing	20,328	990	-	21,318
Total	20,417	990	-	21,407
31 March 2024				
Interest bearing	28	-	-	28
Non-interest bearing	17,715	1,206	-	18,921
Total	17,743	1,206	-	18,949

(b) Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Company generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits.



(c) Market Risk :

Market risk is the risk of loss of any future earnings, in realizable fair values or in future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk and the market value of its investments. Thus, the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

(c.1) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest rate sensitivity analysis

The Company is debt free as at 31 March 2024 and 31 March 2023 and hence the Company is not exposed to changes in market interest rates.

(c.2) Foreign Currency Risk Management :

The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at 31 March 2025	As at 31 March 2024
		Amount ₹ In lakhs	Amount ₹ In lakhs
Financial Assets (Trade Receivables, Unbilled Revenue & Cash and Cash equivalents)	USD	3,012	5,188
Financial Assets (Trade Receivables & Unbilled Revenue)	SGD	7	7
Financial Assets (Trade Receivables & Unbilled Revenue)	GBP	3	5
Financial Liabilities (Trade Payables and Provisions)	USD	68	205
Financial Liabilities (Trade Payables and Provisions)	AED	31	-
Financial Liabilities (Trade Payables and Provisions)	EUR	10	-

Foreign Currency sensitivity analysis:

The following table details the Company's sensitivity to a 10% increase and decrease in ₹ against the relevant foreign currencies. 10% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Impact on Profit and loss for the reporting period

Particulars	For the Year ended 31 March 2025	For the Year ended 31 March 2025	For the Year ended 31 March 2024	For the Year ended 31 March 2024
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
AED	3	(3)	-	-
USD	294	(294)	498	(498)
SGD	1	(1)	1	(1)
GBP	-	-	1	1
EUR	1	1	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
AED	3	(3)	-	-
USD	294	(294)	498	(498)
SGD	1	(1)	1	(1)
GBP	-	-	1	1
EUR	1	-	-	-

Note :

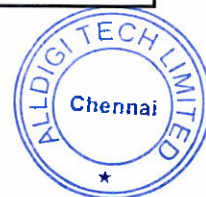
This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the reporting period.

34.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

34.5 Offsetting of financial assets and financial liabilities

The Company has not offset financial assets and financial liabilities.



35 Fair value measurement

Financial Assets and Financial Liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at end of the each reporting period. The following table gives information about how the fair value of these financial assets and liabilities are considered:

Financial Assets / Financial Liabilities	Fair Value as at		Fair Value Hierarchy	Value Techniques and Key Inputs
	31 March 2025	31 March 2024		
Investments in Mutual Funds	8,273	5,628	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	30	19	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2025 and 31 March 2024

Measurement of fair value of financial instruments

Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the chief financial officer (CFO) and to the audit committee. Valuation processes and fair value changes are discussed among the audit committee and the valuation team at least every year, in line with the Company's reporting dates.

The valuation techniques used for instruments categorised in Levels 1, 2 and 3 are described below:

Investments in mutual fund units (Level 1)

The Mutual funds are valued using the closing NAV

Foreign exchange forward contracts (Level 2)

The Company's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

Investments in equity instruments of other companies (Level 3)

These investments are not traded in active markets, and management considers the cost of investments to approximate the fair value.

Financial instruments measured at amortised cost for which the fair value is disclosed

The carrying amount of all financial instruments measured at amortised cost are considered to be a reasonable approximation of the fair value.

Fair value measurement of non-financial assets

There are no non-financial assets that were measured at fair value on the reporting dates.

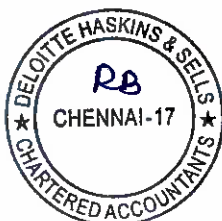
36 Capital management policies and procedures

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Company is not subject to any externally imposed capital requirements.

37 Dividend

During the current year, the Company declared and paid out Interim Dividend of ₹ 30 per equity share (300% of par value of ₹10 each) pursuant to the approval of the Board of Directors, at their meeting held on 24 October 2024.

During the previous year, the Company declared and paid out Interim Dividend of ₹ 30 per equity share (300% of par value of ₹ 10 each) each pursuant to the approval of the Board of Directors, at their meeting held on 26 October 2023 and final dividend of ₹ 15 per equity share (150% of par value of ₹ 10 each) pursuant to the approval of the Shareholders, at their meeting held on 02 August 2024.



38 Relationship with struck off companies

Details of transactions and balances outstanding with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 as of and for the year ended 31 March 2025.

Name of struck off Company	Nature of transactions with struck off Company	Transactions during the year	Balance outstanding as of 31 March 2025	Relationship with the struck off Company, if any, to be disclosed
Chennai Innovation Factory	Sales	-	1.00	Third Party Customer

39 Audit Trail and Backup of Accounting records

1. The Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2025 which have a feature of recording audit trail (edit log) facility and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the softwares except that :
- (i) Audit trail was not enabled at the database level for SAP accounting software to log direct data changes, and
 - (ii) audit trail logs were not enabled for certain standard SAP tables.

Further, during the year, there are no instance of the audit trail feature being tampered with, and the generated audit trail has been preserved as per the statutory requirements for record retention.

2. The Company has maintained the backup of the books of accounts on a daily basis on server situated in India.

40 Other Disclosures

- (a) The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the income tax assessments under the provisions of Income Tax Act, 1961.
- (b) The Company neither has any immovable property nor any title deeds of Immovable Property not held in the name of the Company
- (c) The Company neither has traded nor invested in Crypto currency or Virtual Currency during the Financial year.
- (d) The Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period, as at the year ended 31 March 2025 and 31 March 2024.
- (e) During the Financial year, the Company has not revalued any of its Property, Plant and Equipment, Right of Use Asset and Intangible Assets.
- (f) The company does not have any investment properties as at 31 March 2025 and 31 March 2024 as defined in Ind AS 40.
- (g) As at 31 March 2025, the Company has two wholly owned subsidiaries (Refer Note 1) and the Company complies with clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
- (h) The Company has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (i) The Company has not granted any loans or advance in the nature of loans to promoters, directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (j) No proceedings have been initiated during the year or are pending against the company as at 31 March 2025 and 31 March 2024 for holding any benami property under Benami Property Transactions (Prohibition) Act, 1988.
- (k) Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification /disclosure.



Aildigi Tech Limited (formerly known as Allsec Technologies Limited)

Notes forming part of the Standalone Financial Statements for the year ended 31 March 2025


(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)


41 Approval of Financial Statements

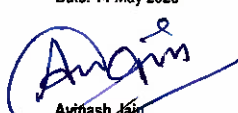
In connection with the preparation of the standalone financial statements for the year ended 31 March 2025, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the standalone financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these standalone financial statements in its meeting held on 14 May 2025 in accordance with the provisions of Companies Act, 2013.



For and on behalf of the Board of Directors of
Aildigi Tech Limited (formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033


Ajit Abraham Isaac
Chairman (DIN 00087168)
Place : Bengaluru
Date: 14 May 2025


Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025


Avinash Jain
Chief Financial Officer
Place : Chennai
Date: 14 May 2025


Shivani Sharma
Company Secretary
Place : Bengaluru
Date: 14 May 2025

INDEPENDENT AUDITOR'S REPORT

To The Members of Alldigi Tech Limited (Formerly known as "Allsec Technologies Limited")

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Alldigi Tech Limited (Formerly known as Allsec Technologies Limited) (the "Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as the "Group"), which comprise the Consolidated Balance Sheet as at 31 March 2025, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

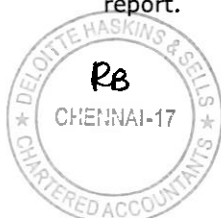
In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial information of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") prescribed under section 133 of the Act ("Accounting Standards") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2025, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

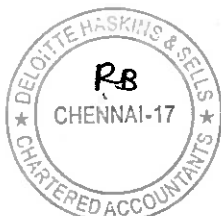
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue Recognition</p> <p>Revenue for the year ended 31 March 2025 is ₹ 54,631 Lakhs.</p> <p>Revenues from such contracts is recognised and measured based on (1) efforts incurred multiplied by agreed rate in the contract with customers and / or (2) the unit of work delivered multiplied by agreed rate in the contract with customers.</p> <p>These contracts are subject to revision periodically for (1) rate agreed; (2) efforts due to deployment of additional resources and/ or (3) rate and efforts as more fully described above.</p> <p>Revenue is recognised only based on customer acceptances for delivery of work.</p> <p>Given the periodical changes to contracts with customers, there is significant audit effort to ensure that revenue is recorded based on (1) contractual terms which are legally enforceable and (2) the work delivered is duly acknowledged by the customer.</p>	<p>Principal audit procedures performed:</p> <p>We understood and evaluated the Company's process for recording and measuring revenues and compared that to the Company's accounting policies to ensure consistency.</p> <p>We tested the effectiveness of controls over (1) enforceability of contracts including inspecting that key terms in the contracts are agreed with customers and (2) revenue is recognised only based on agreed terms and customer acceptances for work delivered.</p> <p>For a sample of contracts, we performed the following procedures:</p> <p>We tested that revenue recognised for new contracts and revision to existing contracts was based on contractual terms agreed with customers multiplied by efforts or unit of work delivered duly acknowledged by customer.</p> <p>We tested unbilled revenues at year end by comparing subsequent invoicing to customer acknowledgement for delivery of service.</p>

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the Board of Director's report, Annexures to the Board of Director's report, Management Discussion and Analysis, Business Responsibility and Sustainable Report and Report on Corporate Governance, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting 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 judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the 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 intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

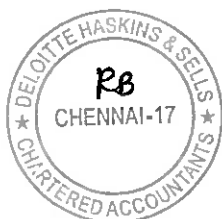
The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 financial statements.

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

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



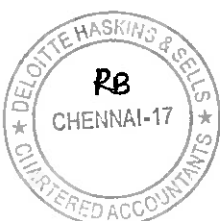
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls 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 the 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 ability of the Group 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 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



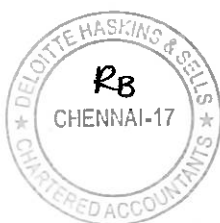
Other Matters

- (a) We did not audit the financial information of two subsidiaries, whose financial statements / financial information reflect total assets of Rs. 18,641 lakhs as at 31 March 2025, total revenues of Rs. 44,848 lakhs and net cash inflows amounting to Rs. 1,293 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements/ financial information of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group including relevant records so far as it appears from our examination of those books, returns and the reports of the other auditors, except in relation to compliance with the requirements of audit trail, refer paragraph (i)(vi) below.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent as on 31 March 2025 taken on record by the Board of Directors of the Company, none of the directors of the Company is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
 - g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of the Company.

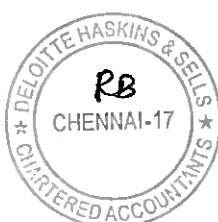


- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 29(a) to the consolidated financial statements;
 - ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent.
 - iv) (a) The Management of the Parent, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note 31 to the consolidated financial statements, 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 Parent to or in any other person(s) or entity(ies), 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 Parent ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management of the Parent, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note 31 to the consolidated financial statements, no funds have been received by the Parent from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent 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.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Companies Act 2013.



vi) Based on our examination, which included test checks, the Parent has used accounting software for maintaining its books of account for the year ended 31 March 2025, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares, except for the instances mentioned below (Refer Note 40 to the consolidated financial statements):

(i) audit trail was not enabled at the database level for SAP accounting software to log direct data changes, and

(ii) audit trail logs were not enabled for certain standard SAP tables.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of said accounting software for the period for which the audit trail feature was enabled and operating.

Additionally, the audit trail that was enabled and operated for the year ended March 31, 2024, has been preserved by the Parent as per the statutory requirements for record retention.

2. With respect to the matters specified in Clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/"the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the audit report under section 143 issued by us, we report that CARO is applicable only to the Parent and not to any other company included in the consolidated financial statements. We have not reported any qualification or adverse remark in the CARO report of the Parent.



Place: Chennai
Date: 14 May 2025

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Rekha Bai

Rekha Bai
Partner
(Membership No. 214161)
(UDIN: 25214161BMIQLR7839)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of Alldigi Tech Limited (Formerly known as "Allsec Technologies Limited") (hereinafter referred to as the "Parent"), as of that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors of the Parent, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Parent'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 Parent's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 Parent's internal financial controls with reference to consolidated financial statements.



Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) 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 financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated 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 to the best of our information and according to the explanations given to us, the Parent, has, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2025, based on the internal control with reference to consolidated financial statements 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.



For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm's Registration No. 008072S)

Rekha Bai

Rekha Bai
Partner
(Membership No. 214161)
(UDIN: 25214161BMIQLR7839)

Place: Chennai
Date: 14 May 2025

Aldigi Tech Limited (formerly known as Allsec Technologies Limited)
Consolidated Balance Sheet as at 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars		Note No.	As at 31 March 2025	As at 31 March 2024
A	ASSETS			
I	Non-current assets			
	(a) Property, plant and equipment	3(a)	2,579	2,167
	(b) Right of use asset	26(a)	6,110	4,148
	(c) Capital work-in-progress	3(c)	179	-
	(d) Other intangible assets	3(a)	1,482	1,507
	(e) Intangible assets under development	4	234	-
	(f) Financial assets			
	(i) Other financial assets	6	1,413	1,467
	(g) Deferred tax assets (net)	25.2	725	803
	(h) Income tax assets (net)	7	-	1,543
	(h) Other non-current assets	8	12	26
	Total Non-current assets		12,734	11,661
II	Current assets			
	(a) Financial assets			
	(i) Investments	5	8,273	5,628
	(ii) Trade receivables	9	7,188	6,573
	(iii) Cash and cash equivalents	10	8,140	8,172
	(iv) Bank balances other than cash and cash equivalents above	11	94	28
	(v) Other financial assets	6	4,781	2,966
	(b) Other current assets	8	738	933
	(c) Assets classified as held for sale	34	-	801
	Total Current assets		29,194	25,101
	TOTAL ASSETS (I+II)		41,928	36,762
B	EQUITY AND LIABILITIES			
III	Equity			
	(a) Equity share capital	12	1,524	1,524
	(b) Other equity	13	24,425	23,022
	Total equity		25,949	24,546
IV	Non-current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26(b)	4,332	2,641
	(b) Provisions	15	804	927
	Total Non-current liabilities		5,136	3,568
V	Current liabilities			
	(a) Financial liabilities			
	(i) Lease liabilities	26(b)	1,988	1,824
	(ii) Trade payables	16		
	(a) Total outstanding dues of micro enterprises and small enterprises		53	6
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,389	4,181
	(iii) Other financial liabilities	14	1,625	863
	(b) Other current liabilities	17	879	744
	(c) Provisions	15	1,003	643
	(d) Current tax liabilities (net)	18	1,106	127
	(e) Liabilities directly associated with assets classified as held for sale	34	-	260
	Total Current liabilities		10,843	8,648
	TOTAL LIABILITIES (IV + V)		15,979	12,216
	TOTAL EQUITY AND LIABILITIES (III + IV + V)		41,928	36,762

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rekha Bai

Rekha Bai
Partner
Place : Chennai
Date : 14 May 2025



For and on behalf of the Board of Directors of
Aldigi Tech Limited (formerly known as Allsec Technologies Limited)
CIN: L72300TN1988PLC041033

Ajit Abraham Isaac

Ajit Abraham Isaac
Chairman (DIN 00087165)
Place : Bengaluru
Date : 14 May 2025

Naoozer Cusrow Dalal

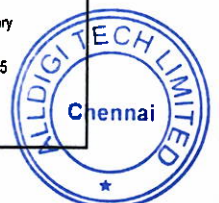
Naoozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date : 14 May 2025

Avinash Jain

Avinash Jain
Chief Financial Officer
Place : Chennai
Date : 14 May 2025

Shivani Sharma

Shivani Sharma
Company Secretary
Place : Bengaluru
Date : 14 May 2025



Alldigi Tech Limited (formerly known as Allsec Technologies Limited)
Consolidated Statement of Profit and Loss for the Year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars		Note	For the year ended 31 March 2025	For the year ended 31 March 2024
I	Revenue from operations	19	54,631	46,937
II	Other income	20	1,078	690
III	Total income (I+II)		55,709	47,627
IV	Expenses			
(a)	Employee benefit expense	21	31,269	26,361
(b)	Finance costs	22	459	441
(c)	Depreciation and amortisation expense	3(b)	4,269	3,358
(d)	Other expenses	23	10,401	8,957
	Total expenses		46,398	39,117
V	Profit before exceptional items and tax (III-IV)		9,311	8,510
VI	Exceptional items (net) (Refer Note 34)		1,689	-
VII	Profit before tax (V+VI)		11,000	8,510
VIII	Tax expense			
(a)	Current tax	25.1	2,531	2,195
(b)	Deferred tax	25.1	139	(85)
			2,670	2,110
IX	Profit for the year (VII-VIII)		8,330	6,400
X	Other comprehensive income:			
(i)	<u>Items that will not be reclassified to profit or loss</u>			
	Remeasurement of the defined benefit liability		(253)	(110)
	Income tax relating to items that will not be reclassified subsequently to profit or loss		61	21
			(192)	(89)
(ii)	<u>Items that will be reclassified subsequently to profit or loss</u>			
	Exchange differences on translation of foreign operations		122	(162)
	Income tax relating to above items		-	-
			122	(162)
XI	Total other comprehensive loss for the year		(70)	(251)
XII	Total comprehensive income for the year (IX+XI)		8,260	6,149
	Profit for the year attributable to			
	Equity holders of the company		8,330	6,400
	Non- controlling interest		-	-
	Other comprehensive income attributable to			
	Equity holders of the company		(70)	(251)
	Non- controlling interest		-	-
	Total comprehensive income for the year attributable to			
	Equity holders of the company		8,260	6,149
	Non- controlling interest		-	-
XIII	Earnings per equity share (Face value of ₹ 10 each)	28		
(a)	Basic (in ₹)		54.66	42.00
(b)	Diluted (in ₹)		54.66	42.00

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rekha Bai

Rekha Bai
Partner
Place : Chennai
Date: 14 May 2025



For and on behalf of the Board of Directors of
Alldigi Tech Limited (formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Ajit Abraham Isaac
Chairman (DIN 000571168)
Place : Bengaluru
Date: 14 May 2025

Avinash Jain
Avinash Jain
Chief Financial Officer
Place : Chennai
Date: 14 May 2025

Naozer Cusrow Dalal
Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025

Shivani Sharma
Shivani Sharma
Company Secretary
Place : Bengaluru
Date: 14 May 2025



Alldigi Tech Limited (formerly known as Allsec Technologies Limited)
Consolidated Cash flow Statement for the year ended 31 March, 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before income tax	11,000	8,510
Adjustments to reconcile profit to net cash provided by operating activities :		
Exceptional items (net)	(1,689)	-
Depreciation and amortisation expense	4,269	3,358
Unrealized foreign exchange (gain)	(133)	(293)
Income recognised on account of Lease Termination	(39)	-
Finance costs	380	380
Loss allowance for doubtful trade receivables (Net)	127	442
Fair Value (gain) / loss on financial assets (measured at Fair Value through Profit & Loss)	(439)	(75)
Profit on redemption of current investments	(197)	(308)
Interest Income	(119)	(31)
Operating profit before working capital changes	13,160	11,983
(Increase)/Decrease in Trade receivables	(541)	(1,683)
(Increase)/Decrease in other financial assets	(1,614)	(916)
(Increase)/Decrease in other assets	209	6
Increase/(Decrease) in trade payables	64	609
Increase/(Decrease) in other financial liabilities	488	613
Increase/(Decrease) in other liabilities	(65)	247
Increase/(Decrease) in provisions	(110)	184
Cash Generated from Operations	11,591	11,043
Net income tax (refund) / paid	255	(1,960)
Net cash flow generated from operating activities	11,846	9,083
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment, Capital work-in-progress, other intangible assets and intangible assets under development	(1,744)	(1,748)
Purchase of current investments	(6,355)	(3,400)
Proceeds from sale of current investments	4,288	2,785
Proceeds from sale of LLC business (net) and transfer for certain customers of PRC business	1,781	-
Other bank balances	(66)	-
Interest received on fixed deposits	119	7
Tax Expenses on Dividend income received by Alldigi Tech Limited ("the Parent") from Alldigi Tech Manila Inc., Philippines ("the subsidiary")	(264)	(596)
Net cash flow used in Investing activities	(2,241)	(2,952)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(380)	(380)
Payment of Lease Liabilities	(2,421)	(2,140)
Dividend paid	(6,850)	(4,571)
Net cash flow used in Financing activities	(9,651)	(7,091)



Alldigi Tech Limited (formerly known as Allsec Technologies Limited)
Consolidated Cash flow Statement for the year ended 31 March, 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Net Increase / (decrease) in cash and cash equivalents	(46)	(960)
Effect of exchange differences on cash & cash equivalents held in foreign currency	14	120
Cash and cash equivalents at the beginning of the year	8,172	9,012
Cash and cash equivalents at the end of the year	8,140	8,172
Components of cash and cash equivalents		
Cash on hand	1	1
Balance with banks in current accounts	8,139	8,171
Total cash and cash equivalents	8,140	8,172

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For **Deloitte Haskins & Sells**
Chartered Accountants

Rekha Bai

Rekha Bai
Partner
Place : Chennai
Date: 14 May 2025



For and on behalf of the Board of Directors of
Alldigi Tech Limited
(formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Ajit Abraham Isaac
Chairman (DIN 0007163)
Place : Bengaluru
Date: 14 May 2025

Naozer Cusrow Dalal
Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025

Avinash Jain

Avinash Jain
Chief Financial Officer
Place : Chennai
Date: 14 May 2025

Shivani Sharma

Shivani Sharma
Company Secretary
Place : Bengaluru
Date: 14 May 2025



Aildigi Tech Limited (formerly known as Allsec Technologies Limited)
Consolidated Statement of Changes in Equity
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity share capital

Particulars	As at 31 March 2025	As at 31 March 2024
Balance as at beginning of the year	1,524	1,524
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the current reporting period	1,524	1,524
Changes in equity share capital during the year	-	-
Balance as at end of the year	1,524	1,524

B. Other equity

Particulars	Reserves and Surplus					Total
	General reserve	Retained earnings*	Capital reserve	Securities premium	Foreign Currency Translation Reserve	
Balance at 01 April 2023	1,413	8,913	(2,175)	12,019	1,274	21,444
Profit for the year	-	6,400	-	-	-	6,400
Dividends (Refer Note 39)	-	(4,571)	-	-	-	(4,571)
Remeasurement of defined benefits plan (net of taxes)	-	(89)	-	-	-	(89)
Exchange differences on translation of foreign operations	-	-	-	-	(162)	(162)
Balance at 31 March 2024	1,413	10,653	(2,175)	12,019	1,112	23,022
Profit for the year	-	8,330	-	-	-	8,330
Dividends (Refer Note 39)	-	(6,857)	-	-	-	(6,857)
Remeasurement of defined benefits plan (net of taxes)	-	(192)	-	-	-	(192)
Exchange differences on translation of foreign operations	-	-	-	-	122	122
Balance at 31 March 2025	1,413	11,934	(2,175)	12,019	1,234	24,425

*Remeasurement of defined benefits plan (net of taxes) are recognised as part of Retained earnings

See accompanying notes forming part of the Consolidated Financial Statements

In terms of our report attached
For Deloitte Haskins & Sells
Chartered Accountants

Rakha Bai

Rakha Bai
Partner
Place : Chennai
Date: 14 May 2025



For and on behalf of the Board of Directors of
Aildigi Tech Limited (formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033

Ajit Abraham Isaac
Ajit Abraham Isaac
Chairman (DIN 00087168)
Place : Bengaluru
Date: 14 May 2025

Naozer Cusrow Dalal
Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025

Avinash Jain
Avinash Jain
Chief Financial Officer
Place : Chennai
Date: 14 May 2025

Shivani Sharma

Shivani Sharma
Company Secretary
Place : Chennai
Date: 14 May 2025

SIGN HERE



1 General Information

Aldigi Tech Limited (formerly known as Allsec Technologies Limited) ('Aldigi' or the 'Company') was incorporated on 24 August 1998. The Company is engaged in the business of providing Customer Experience Management (CXM) and Employee Experience Management (EXM) services for customers located in India and outside India. The services provided by the Company include data verification, processing of orders received through telephone calls, telemarketing, monitoring quality of calls of other call centers, customer services and HR and payroll processing. The Company has delivery centers at Chennai, Bengaluru and NCR. The Company, together with its subsidiaries is hereinafter referred to as "the Group".

Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March each year. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable Ind ASs).

The financial statements of subsidiaries are consolidated on a line by line basis and intra-group balances and transactions including unrealised gain / loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.

S.No	Name of the Subsidiary	Country of Incorporation	Relationship	Effective Ownership Interest as at 31 March 2025
1	Aldigi Tech Manila Inc.,	Philippines	Subsidiary	100%
2	Aldigi Tech Inc.,	USA	Subsidiary	100%



2 Summary of material accounting policies

2.1.a Basis of preparation of financial statements

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The group has adopted the amendments to Ind AS1 for the first time in the current year. The amendments change the requirements of Ind AS1 with regard to disclosure of the term "significant accounting policies" with material accounting policy information. Accounting policy information is material if when considered together with other information includes an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statement make on the basis of those financial statements.

The supporting paragraphs in Ind AS1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other event or condition is itself material.

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.

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:

- (i) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- (ii) 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
- (iii) Level 3 inputs are unobservable inputs for the asset or liability.

2.1.b Current and non-current classification

Current and 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 realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised 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.

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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

Going Concern:

Board of Directors of the Company have, at the time of approving the financial statements, a reasonable expectation that the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.2 Use of estimates

The preparation of the financial statements requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Examples of such estimates include provision for doubtful debts/advances, provision for employee benefits, useful lives of fixed assets, provision for taxation, provision for contingencies etc. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively in the year in which the estimate is revised and/or in future years, as applicable.



(i) Impairment of financial assets:

The Group recognises loss allowances using the Expected credit loss (ECL) model for the financial assets which are not fair valued through profit or 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 significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The loss rates for the trade receivables considers past collection history from the customers, the credit risk of the customers and have been adjusted to reflect the Management's view of economic conditions over the expected collection period of the receivables (billed and unbilled).

ii) Measurement of defined benefit obligations:

For defined benefit obligations, the cost of providing benefits is determined based on actuarial valuation. An actuarial valuation is based on significant assumptions which are reviewed on a yearly basis. (Refer note 33)

iii) Income taxes:

Significant judgments are involved in determining provision for income taxes, including (a) the amounts claimed for certain deductions under the Income Tax Act, 1961 and (b) the amount expected to be paid or recovered in connection with uncertain tax positions. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred tax liabilities and the projected future taxable income in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward periods are reduced.

2.3 Cash and cash equivalents (for purposes of cash flow statement)

Cash comprises cash on hand, balances with banks in current accounts and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Bank balances other than the balance included in cash and cash equivalents represents balance on account of unpaid dividend and margin money deposit with banks.

2.4 Cash flow statement

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

2.5 Revenue from contracts with customers

The Group derives revenues primarily from services comprising the CXM (Customer Experience Management) and EXM (Employee Experience Management) services for customer in India and outside India. Effective 01 April 2018, the Group has adopted Ind AS 115, Revenue from Contracts with Customers, using modified retrospective method, applied to contracts that were not completed as at 01 April 2018. The following is a summary of the material accounting policies related to revenue recognition.

To determine whether to recognise revenue from contracts with customers, the Group follows a 5-step process:

- 1 Identifying the contract with customer
- 2 Identifying the performance obligations
- 3 Determining the transaction price
- 4 Allocating the transaction price to the performance obligations
- 5 Recognising revenue when/as performance obligation(s) are satisfied.

Revenue from contracts with customers is recognised upon transfer of control of promised products or services to the customer at an amount that reflects the consideration the group expects to receive in exchange for those products or services. Agreements with customers are either on a fixed price, fixed time frame or on a time- and - material basis.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue on time-and-material basis contracts is recognised as the related services are performed and revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue. Revenue from fixed-price, fixed-time frame contracts, where the performance obligations are satisfied over time and where there is no uncertainty as to measurement or collectability of consideration, is recognized as per the percentage-of-completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity.

In arrangements for one time services, the Group has applied the guidance in Ind AS 115, Revenue from Contracts with Customers, by applying the revenue recognition criteria for each distinct performance obligation. The contracts with customers generally meet the criteria for considering the principal service and one-time service as distinct performance obligations and consideration for the each of such service is clearly specified in the contract, that enables to arrive at the transaction price for each performance obligations which is best evidence of its standalone selling price.



2.6 Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive the payment has been established, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income from a financial asset is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.7 Property, plant and equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment loss (if any). The cost of Property, Plant and Equipment comprises its purchase price net of any trade discounts and rebates and includes taxes, duties, freight, incidental expenses related to the acquisition and installation of the assets concerned and is net of Goods and Service Tax (GST), wherever the credit is availed. Borrowing costs paid during the period of construction in respect of borrowed funds pertaining to construction / acquisition of qualifying property, plant and equipment is adjusted to the carrying cost of the underlying property, plant and equipment.

Any part or components of Property, Plant and Equipment which are separately identifiable and expected to have a useful life which is different from that of the main assets are capitalised separately, based on the technical assessment of the management.

Cost of modifications that enhance the operating performance or extend the useful life of Property, Plant and Equipment are also capitalised, where there is a certainty of deriving future economic benefits from the use of such assets.

Advances paid towards the acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as "Capital Advances" under Other Non Current Assets and cost of Property, Plant and Equipment not ready to use before such date are disclosed under "Capital Work-in-Progress".

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The management, basis its past experience and technical assessment, has estimated the useful life in order to reflect the actual usage of the assets. The estimated useful lives of assets are as follows:

Asset Description	Useful lives (years) followed by the company
Computers and Servers	1-10
Call centre Equipment	3-10
Furnitures and Fixtures	3-10
Office Equipment	5
Motor Vehicles	3-5

Leasehold improvements are amortised over the estimated useful lives or the remaining primary lease period (3 – 4 years), whichever is less.

The estimated useful lives mentioned above are different from the useful lives specified for certain categories of these assets, where applicable, as per the Schedule II of the Companies Act, 2013. The estimated useful lives followed in respect of these assets are based on Management's assessment and technical advice, taking into account factors such as the nature of the assets, the estimated usage pattern of the assets, the operating conditions, past history of replacement, anticipated technological changes and maintenance support etc.

Depreciation is accelerated on property, plant and equipment, based on their condition, usability etc., as per the technical estimates of the Management, where necessary.

Derecognition of Property, Plant and Equipment:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.



2.8 Other intangible assets

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Internally-generated intangible assets :

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Amortisation

Intangible assets are amortised on a straight line basis over the estimated useful economic life. Costs incurred towards purchase of computer software are amortised using the straight-line method over a period based on management's estimate of useful lives of such software or over the license period of the software, whichever is shorter.

Internally-generated intangible asset are amortised using the straight-line method over a period of 5 years.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

2.9 Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets or cash generating units to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, or whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit and loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.



2.10 Leases

The Group's lease asset classes primarily consist of leases for buildings and computers. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company, as a lessee, recognize, at the inception of the lease a right-of-use asset and a lease liability (representing present value of unpaid lease payments). Such right-of-use assets are subsequently depreciated and the lease liability reduced when paid, with the interest on the lease liability being recognized as finance cost subject to certain re-measurement adjustments.

At the date of commencement of the lease, the Group recognises a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the option to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related ROU asset if the Group changes its assessment of whether it will exercise an extension or a termination option. Lease liability and ROU assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets:

The Group applies the short-term lease recognition exemption to its short-term leases of buildings (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option)

For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

2.11 Foreign currency Transactions

Initial Recognition:

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

Subsequent Recognition:

As at the reporting date, non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Treatment of Exchange Differences:

All monetary assets and liabilities in foreign currency are restated at the end of accounting period at the closing exchange rate and exchange differences on restatement of all monetary items are recognized in the Statement of Profit and Loss.

2.12 Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

2.12.1 Financial Assets

(a) Recognition and initial measurement

(i) The Group initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.



(b) Classification of financial assets

On initial recognition, a financial asset is classified to be measured at amortised cost, fair value through other comprehensive income (FVTOCI) or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognized at FVTPL:

- The asset 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.

All other financial assets are subsequently measured at fair value.

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previous accumulated in this reserve is reclassified to profit or loss.

For the impairment policy in financial assets measured at amortised cost, refer Note 2.12.e

All other financial assets are subsequently measured at fair value.

(c) Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

(d) Financial assets at fair value through profit or loss (FVTPL)

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria (see above) are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the group, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

(e) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, and other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.



If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

(f) Derecognition of financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

(g) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

2.12.2 Financial Liabilities and Equity Instruments

(a) Classification as debt or equity

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

(b) Equity instruments

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

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

(c) Financial Liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.



(d) Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Group that are designated by the Group as at fair value through profit or loss are recognised in profit or loss.

(e) Other financial liabilities

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The Group enters into deferred payment arrangements (acceptances) whereby overseas lenders such as banks and other financial institutions make payments to supplier's banks for capital expenditure. The banks and financial institutions are subsequently repaid by the Group at a later date. These are normally settled up to 3 months (for capital expenditure). These arrangements for raw materials are recognized as Acceptances (under trade payables) and the arrangements for capital expenditure are recognised as other financial liabilities.

(f) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified parties fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by an entity are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

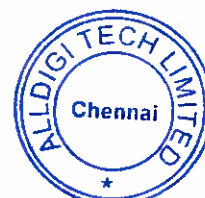
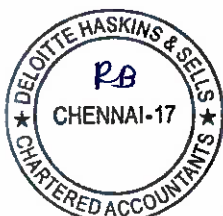
(g) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss.

(h) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.



Forward contracts

The group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to probable forecast transactions. Such forward contracts are initially recognized at fair value on the date on which the contract is entered into and subsequently re-measured at fair value. These forward contracts are stated at fair value at each reporting date and these changes in fair value of these forward contract is recognized in statement of profit or loss. At each reporting date the net balance after fair valuation is shown as part as of other financial asset or liability.

2.13 Employee Benefits

Retirement benefit costs and termination benefits:

Defined Benefit Plans:

Employee defined benefit plans include gratuity.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit 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) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of profit or 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.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Group presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

The Group makes contribution to a scheme administered by the insurer to discharge gratuity liabilities to the employees.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees upto the reporting date.

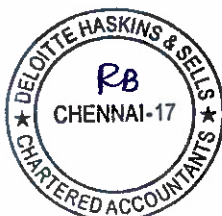
Defined Contribution Plans

Discretionary contributions made by employees or third parties reduce service cost upon payment of these contributions to the plan.

When the formal terms of the plans specify that there will be contributions from employees or third parties, the accounting depends on whether the contributions are linked to service, as follows:

If the contributions are not linked to services (e.g. contributions are required to reduce a deficit arising from losses on plan assets or from actuarial losses), they are reflected in the remeasurement of the net defined benefit liability (asset). If contributions are linked to services, they reduce service costs. For the amount of contribution that is dependent on the number of years of service, the Group reduces service cost by attributing the contributions to periods of service using the attribution method required by Ind AS 19.70 for the gross benefits. For the amount of contribution that is independent of the number of years of service, the Group reduces service cost in the period in which the related service is rendered / reduces service cost by attributing contributions to the employees' periods of service in accordance with Ind AS 19.70.

Employee defined contribution plans include provident fund and Employee state insurance. All employees of the Group receive benefits from Provident Fund and Employee's State Insurance, which are defined contribution plans. Both, the employee and the Group make monthly contributions to the plan, each equalling to a specified percentage of employee's basic salary. The Group has no further obligations under the plan beyond its monthly contributions. The Group contributes to the Employee Provident Fund and Employee's State Insurance scheme maintained by the Central Government of India and the contribution thereof is charged to the Statement of Profit and Loss in the year in which the services are rendered by the employees.



2.14 Earnings per equity share

Basic 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 period.

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 the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and 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 from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.15 Taxation

Current Tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period :

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

2.16 Assets & liabilities classified as held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the asset is recognised at the date of de-recognition.

Assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Assets classified as held for sale are presented separately from the other assets in the Balance Sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the Balance Sheet.

2.17 Contingent liabilities, Contingent Assets and Provisions

Provisions are recognized when the Group has a present obligation (legal/ constructive) as a result of past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of receivable can be measured reliably.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Group or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.



2.18 Segment Reporting

Operating segments reflect the Group's management structure and the way the financial information is regularly reviewed by the Group's Chief operating decision maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue, where applicable, is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

2.19 Goods and Service Tax Input Credit

Goods and service tax input credit is accounted for in the books during the period when the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

2.20 Dividend

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.21 Insurance Claims

Insurance claims are accrued for on the basis of claims admitted / expected to be admitted and to the extent there is no uncertainty in receiving the claims.

2.22 Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the directors of the parent are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if revision affects both current and future periods.

The following are the significant areas of estimation, uncertainty and critical judgements in applying accounting policies:

- Useful lives of Property, plant and equipment and intangible assets
- Evaluation of Impairment indicators and assessment of recoverable value
- Provision for taxation
- Provision for disputed matters
- Allowance for Expected Credit Loss
- Fair value of financial assets and liabilities
- Assets and obligations relating to employee benefits

Determination of 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 (i.e. the "functional currency"). The financial statements are presented in Indian Rupees (₹), the national currency of India, which is the functional currency of the Group. All the financial information have been presented in Indian Rupees except for share data and as otherwise stated.



Aldigi Tech Limited (formerly known as Allsec Technologies Limited)
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

3(a) Property, Plant and Equipment, Intangible Assets and Capital work-in-progress

Particulars	Property, plant and equipment						Total	Other Intangible assets	Capital work-in-progress
	Computers and servers	Call centre equipment	Furniture and Fixtures	Office equipment	Leasehold improvements				
Gross block									
Balance at 01 April 2023	1,957	855	286	459	543		4,100	1,482	-
Additions	978	141	256	36	269		1,680	1,325	-
Less: Transferred to assets classified as held for sale (Refer Note 34)	(15)	-	-	-	-		(15)	-	-
Disposals	-	(46)	-	-	-		(46)	-	-
Foreign exchange fluctuation	(56)	-	-	-	-		(56)	-	-
Balance at 31 March 2024	2,864	950	542	495	812		5,663	2,807	-
Additions	936	180	264	127	19		1,526	466	179
Disposals	-	-	-	-	-		-	-	-
Foreign exchange fluctuation	81	-	-	-	-		81	-	-
Balance at 31 March 2025	3,881	1,130	806	622	831		7,270	3,273	179
Accumulated depreciation/amortisation and impairment									
Balance at 01 April 2023	1,465	621	215	275	304		2,880	970	-
Depreciation/amortisation expense for the year	276	234	50	58	106		724	330	-
Less: Transferred to assets classified as held for sale (Refer Note 34)	(7)	-	-	-	-		(7)	-	-
Disposals	-	(46)	-	-	-		(46)	-	-
Foreign exchange fluctuation	(55)	-	-	-	-		(55)	-	-
Balance at 31 March 2024	1,679	809	265	333	410		3,496	1,300	-
Depreciation/amortisation expense for the year	600	225	117	60	165		1,167	491	-
Disposals	(2)	-	-	-	-		(2)	-	-
Foreign exchange fluctuation	30	-	-	-	-		30	-	-
Balance at 31 March 2025	2,307	1,034	382	393	575		4,691	1,791	-
Net block									
Balance at 31 March 2024	1,185	141	277	162	402		2,167	1,507	-
Balance at 31 March 2025	1,574	96	424	229	256		2,579	1,482	179

3(b) Depreciation and amortisation expense:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of Property, Plant and Equipment	1,167	724
Amortisation of Other intangible assets	491	330
Depreciation of Right of use asset (Refer Note 26(c))	2,611	2,304
Total	4,269	3,358



Alldigi Tech Limited (formerly known as Allsec Technologies Limited)

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

3(c) Capital work-in-progress ageing schedule is as follows:

Description	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 2024-25					
Project in Progress	179	-	-	-	179
FY 2023-24					
Project in Progress	-	-	-	-	-

Capital work-in-progress completion schedule

For Capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of 31 March, 2025 and 31 March, 2024 :

Description	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2024-25				
Project in Progress	179	-	-	-
Grand Total	179	-	-	-

4 a. Intangible Assets under development (IAUD)

Description	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
FY 2024-25					
Project in Progress	234	-	-	-	234
FY 2023-24					
Project in Progress	-	-	-	-	-

b. Intangible Assets under development completion schedule

For intangible Assets under development, whose completion is overdue or has exceeded its cost compared to its original plan the project wise details of when the project is expected to be completed is given below as of 31 March, 2025 and 31 March, 2024 :

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
FY 2024-25				
Project in Progress	234	-	-	-
Grand Total	234	-	-	-



5 Investments

Particulars	As at 31 March 2025	As at 31 March 2024
Current (Quoted)		
Investments carried at fair value through profit and loss		
Investment in mutual funds	8,273	5,628
Total current investments	8,273	5,628

Aggregate amount of quoted investments and market value thereof

8,273

5,628

Aggregate book value of investments

8,273

5,628

Aggregate amount of impairment in the value of investments

-

-

Details of investment in mutual funds

Name of Mutual fund	Number of Units*		Carrying Value	
	As At		As At	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Axis Corporate Bond Fund - Direct - Growth	28,65,332		505	
Axis Liquid Fund - Direct Growth	3,648		105	
Axis Money Market Fund - Direct - Growth	36,670		519	
Axis Overnight Fund - Growth - Direct		24,246	-	307
Axis Short Duration Fund - Direct Plan - Growth	14,45,678		476	
Axis Treasury Advantage Fund - Regular Growth	6,750		205	
HDFC Floating Rate Debt Fund - Direct Plan - Growth Option	10,08,604	10,08,604	502	463
HDFC Liquid Fund - Growth - Direct		9,733	-	462
HDFC Low Duration Fund - Direct Plan - Growth Option	5,01,362		307	
HDFC Overnight Fund - Growth - Direct		8,640	-	307
HDFC Short Term Debt Fund - Direct Plan - Growth Option	14,64,332		473	
HDFC Ultra Short Term Fund - Direct Plan - Growth Option	8,93,880		105	
ICICI Prudential Long Term Bond Fund - Direct Plan - Growth	3,97,371		366	
ICICI Prudential Banking & PSU Debt Fund Growth	17,66,852	17,66,852	573	530
ICICI Prudential Banking and PSU Debt Fund - Direct Plan - Growth	90,616		30	
ICICI Prudential Liquid Fund - Growth - Direct		1,29,206	-	462
ICICI Prudential Overnight Fund - Growth - Direct		23,792	-	307
ICICI Prudential Savings Fund - Direct Plan - Growth	95,321	50,646	514	253
ICICI Prudential Savings Fund - Growth	19,823	19,823	106	96
ICICI Prudential Short Term Fund - Growth	15,25,236	15,25,236	898	830
Kotak Banking and PSU Debt - Direct Growth / Growth (Regular Plan)		5,15,558	-	316
Kotak Banking&PSU Debt Fund Direct Growth	7,99,367		532	
Kotak Bond Fund (Short Term) - Direct Plan - Growth	9,08,299		510	
Kotak Corporate Bond Fund Direct Growth	13,115		505	
Kotak Low Duration Fund Direct Growth	8,614		307	
Kotak Savings Fund - Direct Plan - Growth	2,39,012		105	
SBI Liquid Fund - Growth - Direct		17,563	-	664
SBI Magnum Ultra SDF Direct Growth	1,765		105	
SBI Overnight Fund - Growth - Direct		6,587	-	256
UTI Liquid Fund - Direct Plan - Growth		5,379	-	252
UTI Low Duration Fund - Direct Plan Growth	14,320	3,707	505	121
			8,273	5,628

* Number of units are in absolute numbers

6 Other financial assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Security Deposits		
- Unsecured, considered good *	1,413	1,467
Total	1,413	1,467
Current		
Security Deposits - Unsecured, considered good	290	-
Foreign currency forward contracts receivable	30	20
Unbilled revenue	4,244	3,062
Less: Transferred to assets classified as held for sale (Refer Note 34)	-	(190)
Interest Receivable from Related Parties	12	41
Other advances	185	33
Total	4,761	2,966

* Deposit includes Rs. 688 Lakhs paid under protest towards outstanding demand from Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) in relation to outstanding demands pertaining to FY 2005-2011 arising out of reclassification of tariff. (As at 31 March, 2024 - Rs.688Lakhs) (Refer Note 29(a))

7 Non-current tax asset

Particulars	As at 31 March 2025	As at 31 March 2024
Advance Taxes (Net of Provision for taxes)	-	1,543
Total	-	1,543

8 Other assets

Particulars	As at 31 March 2025	As at 31 March 2024
Non current		
Prepaid expenses	12	26
Total	12	26
Current		
Prepaid expenses	260	864
Advance to suppliers	359	31
Advance to Employees	99	18
Total	738	933



9 Trade receivables

Particulars	As at 31 March 2025	As at 31 March 2024
Trade Receivables - Undisputed considered good, Unsecured *	7,543	7,478
Less: Allowance for Expected Credit Losses	(355)	(302)
Trade Receivables - Undisputed considered good, Unsecured	7,188	7,176
Trade Receivable - Undisputed - Significant increase in credit risk, Unsecured	42	48
Less: Allowance for Expected Credit Losses	(42)	(48)
Trade Receivable - Undisputed Significant increase in credit risk, Unsecured	-	-
Trade Receivable - Disputed - Unsecured	358	300
Less: Allowance for Expected Credit Losses	(358)	(300)
Trade Receivable - Disputed - Unsecured	-	-
Total Trade Receivables	7,188	7,176
Less: Transferred to assets classified as held for sale (Refer Note 34)	-	(603)
	7,188	6,573
* Includes receivable from Related Parties (Refer Note 27)	507	211

Trade receivables ageing schedule for the year ended as on 31 March, 2025:

Ageing for trade receivables from the due date of payment for each of the category as at 31 March, 2025 as follows:

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	
Undisputed trade receivables							
- Considered good	5,631	1,548	160	120	56	28	7,543
- Significant increase in credit risk	-	-	-	26	14	2	42
- Credit impaired	-	-	-	-	-	-	-
	5,631	1,548	160	146	72	30	7,585
Disputed trade receivables							
- Considered good	-	-	28	32	-	23	83
- Significant increase in credit risk	-	-	-	252	17	6	275
- Credit impaired	-	-	-	-	-	-	-
	-	-	28	284	17	29	358
Total	5,631	1,548	188	430	89	59	7,943
Less: Allowance for Expected Credit Losses	-	-	-	-	-	-	(755)
Total Trade Receivables							7,188

Trade receivables ageing schedule for the year ended as on 31 March, 2024:

Ageing for trade receivables (including Rs.603 lakhs related to assets classified as held for sale) from the due date of payment for each of the category as at 31 March 2024 as follows:

Particulars	Outstanding for the following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years	
Undisputed trade receivables							
- Considered good	5,260	1,856	192	115	39	16	7,478
- Significant increase in credit risk	-	13	13	20	-	2	48
- Credit impaired	-	-	-	-	-	-	-
	5,260	1,869	205	135	39	18	7,526
Disputed trade receivables							
- Considered good	-	-	-	-	10	13	23
- Significant increase in credit risk	1	23	218	29	6	-	277
- Credit impaired	-	-	-	-	-	-	-
	1	23	218	29	16	13	300
Total	5,261	1,892	423	164	55	31	7,826
Less: Expected Credit Loss Allowance	-	-	-	-	-	-	(650)
Total Trade Receivables							7,176

9.1 Credit period and risk

The average credit period for the services rendered:

- (a) Trade receivables (Domestic) are non-interest bearing and are generally on terms ranging from 7 days to 90 days. (31 March 2024: 7 days to 90 days)
(b) Trade receivables (International) are non-interest bearing and are generally on terms ranging from 7 days to 180 days. (31 March 2024: Ranging from 7 days to 180 days)

Of the trade receivable balance as at 31 March, 2025, Rs. 2,732 due from three customers i.e. having more than 10% of the total outstanding trade receivable balance.
(No due from customers i.e. having more than 10% of the total outstanding trade receivables balance as at 31 March 2024)

9.2 Expected credit loss allowance

The Company has used a practical expedient by computing the expected loss allowance for trade receivables based on provision matrix. The provision matrix takes into account the historical credit loss experience and adjustments for forward looking information.

Based on the assessment of the Company, there is no risk associated with the dues from the related parties both from a credit risk or time value of money as these are managed through the group's cash management process and can be recovered on demand by the Company. Accordingly, no provision has been considered necessary.

With regard to other parties, the company had, based on past experience, wherein collections are done within a year of it being due and expectation in the future Credit loss, has made necessary provisions.

9.3 Movement in the allowance for doubtful receivables (including expected credit loss allowance)

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at beginning of the year	650	242
Add: Allowance towards Expected credit loss provided during the year	127	508
Less: Provisions reversed against receivables written off / transferred	(22)	(100)
Balance at end of the year	755	650



10 Cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Cash on hand	1	1
(b) Balance with banks	8,139	8,171
Total	8,140	8,172

11 Bank balances other than cash and cash equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Other Bank Balances (Including amounts held as margin money, etc.)	94	28
Total	94	28

12 Equity share capital

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of Shares *	Amount	Number of Shares *	Amount
Authorised				
Equity shares of Rs.10/- each	2,00,00,000	2,000	2,00,00,000	2,000
Convertible preference shares of Rs.100/- each	13,50,000	1,350	13,50,000	1,350
Issued, subscribed and fully paid-up				
Equity shares of Rs. 10/- each fully paid up	1,52,38,326	1,524	1,52,38,326	1,524
	1,52,38,326	1,524	1,52,38,326	1,524

* No of shares are in absolute numbers

a) There is no change in issued and subscribed share capital during the current period and in the previous year.

b) Details of shares held by Shareholders holding more than 5% of the aggregate shares in the Company

Equity shares of Rs.10/- each fully paid

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of Shares *	% holding	Number of Shares *	% holding
Quess Corp Limited ^	-	-	1,11,82,912	73.39%
Digitide Solutions Limited ^	1,11,82,912	73.39%	-	-

* No of shares are in absolute numbers

^ Transferred from Quess Corp Limited to Digitide Solutions Limited on 31 March 2025 on account of Demerger of Quess Corp Limited.

c) Rights, preferences and restrictions attached to equity shares

The Company has issued only one class of equity shares having a face value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except interim dividend, which can be approved by the Board of Directors. In the event of liquidation, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

d) There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues or brought back during the last five years immediately preceding 31 March 2025.

e) Shareholding of Promoters

Promoter Name	31 March 2025			31 March 2024		
	No. of Shares *	% of total Shares	% changes during the year	No. of Shares *	% of total Shares	% changes during the year
Quess Corp Limited ^	-	0.00%	-73.39%	1,11,82,912	73.39%	73.39%
Digitide Solutions Limited	1,11,82,912	73.39%	73.39%	-	0.00%	0.00%

* No of shares are in absolute numbers

^ Transferred from Quess Corp Limited to Digitide Solutions Limited on 31 March 2025 on account of Demerger of Quess Corp Limited.



13 Other equity

Particulars	As at 31 March 2025	As at 31 March 2024
a) Securities premium (Refer Note 13.1 below)		
Balance at the beginning of the year	12,019	12,019
Add : Additions made during the year	-	-
Balance at the end of the year	12,019	12,019
b) Capital reserve (Refer Note 13.2 below)		
Balance at the beginning of the year	(2,175)	(2,175)
Add : Additions made during the year	-	-
Balance at the end of the year	(2,175)	(2,175)
c) General reserve (Refer Note 13.3 below)		
Balance at the beginning of the year	1,413	1,413
Add : Additions made during the year	-	-
Balance at the end of the year	1,413	1,413
d) Retained earnings (Refer Note 13.4 below)		
Balance at the beginning of the year	10,653	8,913
Less: Dividends (Refer Note 39)	(6,857)	(4,571)
Add : Profit attributable to owners of the Company	8,330	6,400
Add : Remeasurement of defined benefits plan (net of taxes)	(192)	(89)
Balance at the end of the year	11,934	10,653
e) Foreign currency translation reserve (Refer Note 13.5 below)		
Balance at the beginning of the year	1,112	1,274
Add : Transfer from other comprehensive income	122	(162)
Balance at the end of the year	1,234	1,112
Total	24,425	23,022

Notes:

13.1: Amounts received on issue of shares in excess of the par value has been classified as securities premium, net of utilisation.

13.2: Capital reserve comprises initial application money on warrants received, forfeited subsequently and reserve arising on business combination.

13.3: This represents appropriation of profit by the Company.

13.4: Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

13.5: This relates to the exchange difference arising from the translation of financial statements of foreign operations with functional currency other than INR.

14 Other financial liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Creditor for Capital Goods *	903	231
Unclaimed dividend	31	24
Unearned Revenue	489	203
Other payables **	202	405
Total	1,625	863

* Includes balance of Rs.245 Lakhs due to MSME vendor against capex invoices (As at 31 March 2024, Rs.3 Lakhss)

** Includes liability of Rs.147 Lakhs collected from those customers which are novated by the Company to the buyer as at 31 March 2025 (Refer Note 34)



15 Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current		
Gratuity	804	956
Less : Liabilities directly associated with assets classified as held for sale (Refer Note 34)	-	(29)
Total	804	927
Current		
Gratuity	424	73
Compensated absences*	346	308
Provision for CSR Expenditure (Refer Note 24)	12	41
Provision for Electricity Board tariff dispute claim (Refer Note 29 (a))	221	221
Total	1,003	643

*The amount of compensated absences provision is presented as current, since the Company does not have an unconditional right to defer settlement for this obligation.

16 Trade payables

Particulars	As at 31 March 2025	As at 31 March 2024
- Other than Acceptances (Refer Note 30)		
- Dues of Micro Enterprises and Small Enterprises	53	6
- Dues of Creditors other than Micro Enterprises and Small Enterprises*	4,389	4,412
- Less : Liabilities directly associated with assets classified as held for sale (Refer Note 34)	-	(231)
Total Trade payables *	4,442	4,187
Total	190	320

* Includes Trade Payable to Related Parties (Refer Note 27)

Trade payables ageing schedule for the year ended as on 31 March, 2025 :

Ageing for trade payables from the due date of payment for each of the category as at 31 March 2025 is as follows:

Particulars	Outstanding for the following periods from due date					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	-	53	-	-	-	53
(ii). Others	3,831	558	-	-	-	4,389
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	3,831	611	-	-	-	4,442

Trade payables ageing schedule for the year ended as on 31 March, 2024 :

Ageing for trade payables (Including Rs. 231 Lakhs related to liabilities directly associated with assets held for sale) from the due date of payment for each of the category as at 31 March 2024 is as follows:

Particulars	Outstanding for the following periods from due date					
	Not Due	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	Total
(i). MSME	3	3	-	-	-	6
(ii). Others	3,787	625	-	-	-	4,412
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iii). Disputed Dues - Others	-	-	-	-	-	-
Total Trade payables	3,790	628	-	-	-	4,418

17 Other current liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Advances from customers	71	74
Statutory dues	608	670
Total	679	744

18 Current tax liabilities (Net)

Particulars	As at 31 March 2025	As at 31 March 2024
Provision for Income taxes (Net of Advance Tax)	1,106	127
Total	1,106	127



19 Revenue from operations

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Revenue from Services:		
A. Customer Experience Management (CXM)		
(i) International	30,172	22,775
(ii) Domestic	10,322	8,768
B. Employee Experience Management (EXM)		
(i) International	4,208	3,743
(ii) Domestic	9,929	11,651
Total	54,631	46,937

(i) Disaggregation of revenue

The above break up presents disaggregated revenues from contracts with customers by each of the business segments. The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of our revenues and cash flows are affected by industry, market and other economic factors.

(ii) Trade receivables and Unbilled Revenue

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables and contract assets from contracts with customers:

Particulars	Year ended 31 March 2025 *	Year ended 31 March 2024
Receivables, which are included in 'Trade and other receivables'	7,188	6,573
Unbilled Revenue	4,244	2,872

* The amount excludes the portion of trade receivables and unbilled revenue which are reclassified to assets classified as held for sale (Refer Note 34)

Unbilled Revenue primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. Unbilled Revenue are transferred to receivables when the rights become unconditional.

(iii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Group expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group has not disclosed the value of remaining performance obligations for (i) contracts with an original expected duration of one year or less and (ii) contracts for which the Group recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

20 Other income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest Income		
- on fixed deposits	119	7
- income tax refund	211	24
- on foreign related parties overdue payment	-	12
- others	58	48
Other Income on Termination of Leases	39	-
Net gain/(loss) arising on Financial Assets designated as at Fair Value through Profit or Loss	381	27
Profit on redemption of current investments	197	308
Net gain on foreign currency transaction and translation	73	264
Profit on sale of assets *	-	-
Total	1,078	690

* Amount is less than a lakh rupees

21 Employee benefits expense

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Salaries, wages and bonus	27,120	23,330
Contribution to provident fund and other funds	2,123	1,658
Staff welfare expenses	2,026	1,373
Total	31,269	26,361

* During the current year, the Company had reclassified net interest on defined benefit obligation from Employee benefits expense to Finance costs as this results in better representation of the costs according to the nature of expense. Pursuant to this change, the Employee benefits expense for year ended 31 March 2025 is lower by Rs.61 lakhs. Accordingly, Finance cost is higher by Rs.61 lakhs. Prior period figures presented have also been reclassified.



22 Finance costs

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Interest expense		
(i) Interest accrued on lease liabilities	380	380
(ii) Interest Cost on Defined benefit Plan*	70	61
(iii) Others	9	-
Total	459	441

* During the current year, the Company had reclassified net interest on defined benefit obligation from Employee benefits expense to Finance costs as this results in better representation of the costs according to the nature of expense. Pursuant to this change, the Employee benefits expense for year ended 31 March 2025 is lower by Rs.61 lakhs. Accordingly, Finance cost is higher by Rs.61 lakhs. Prior period figures presented have also been reclassified.

23 Other expenses

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Professional and Consultancy Charges	2,734	2,460
Travelling and Conveyance	789	684
Power and Fuel	902	829
Rent	97	131
Repairs and maintenance		
-Equipment	1,131	1,400
-Others	714	587
Insurance expenses	36	43
Fees, rates and taxes	178	111
Sales and marketing expenses	1,920	704
Connectivity and communication cost	1,116	892
Security charges	395	397
Bank charges	36	25
Allowance for Expected Credit Losses	127	505
Trade Receivables Written off	22	100
Less: Release of allowance for expected credit losses	(22)	(100)
Corporate social responsibility expenditure (Refer note 24)	72	53
Directors' sitting fees	7	7
Directors' commission	21	16
Miscellaneous expenses	126	113
Total	10,401	8,957

24 Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013, 2% of the average net profit of the last 3 years as computed under Section 198 of the Act, are as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Gross amount required to be spent by the Company during the year	72	53
Amount spent during the year		
(i) Construction or acquisition of any asset	-	-
(ii) On purpose other than (i) above (Refer Note 27)*	108	37
Shortfall at the end of the year	12	41
Total of previous years shortfall	-	10
Reason for Shortfall (Refer note below)	Pertains to other than ongoing projects	Pertains to ongoing projects
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	NA	NA

* Contributions made to entity in which Directors having significant influence refer Note 27(B)

The provisions of Section 135 of the Companies Act, 2013, relating to the mandatory requirement of amount to be spent towards corporate social responsibility is applicable for the Company during the current year based on the stipulated criteria. Accordingly the Company needs to spend at least 2% of its average net profit of the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. During the current financial year, the Company has spent an amount of Rs.60 Lakh against current year obligation and Rs.48 Lakh towards previous year obligation brought forward towards various activities as enumerated in the CSR Policy of the Company which covers promoting education, health and civic amenities etc. As at 31 March 2025, the Company has an unspent CSR obligation of Rs. 12 lakhs. The Company will be transferring such amount to the funds as specified under Schedule VII of the Companies Act 2013 within the timelines specified under the Act.



25 Taxation

25.1 Income tax expense

25.1.1 Recognised in Statement of Profit and Loss

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Current Tax:		
In respect of the current year *	2,531	2,195
	2,531	2,195
Deferred Tax		
In respect of the current year	139	(85)
	139	(85)
Total income tax expense recognised in statement of profit and loss	2,670	2,110

*The Company has opted to avail deduction under Section 80M of Income Tax Act, 1961 in respect of dividend income received from its wholly owned subsidiary, Aldigi Tech Manila Inc., Philippines amounting to Rs.1,763 lakhs and Rs. 3,973 Lakhs during the year ended 31 March 2025 and 31 March 2024, respectively. Consequently, the Company charged off foreign tax credit on the dividend income to 'current tax expense' which aggregates to Rs.264 lakhs and Rs.596 lakhs during the year ended 31 March 2025 and 31 March 2024, respectively.

25.1.2 Recognised in Other Comprehensive Income

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Deferred Tax		
Remeasurements of the defined benefit liabilities/ (asset)	61	21
Total income tax recognised in other comprehensive income	61	21
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that may be reclassified to profit or loss	61	21
	61	21

25.1.3 Reconciliation of income tax

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 25.17%. The Company opted for new tax scheme u/s 115BAA. A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit before tax	11,000	8,510
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	2,769	2,142
Tax on Dividend Income treated under special provision	(180)	(404)
Effect of non-deductible expenses	18	13
Effect of Special deductions	(47)	(58)
Tax on Gain from sale of LLC Business under special provision	(39)	-
Tax on Gain from Mutual Fund investments (LTCG) under special provision	-	(9)
Deferred Tax on impairment of IAUD	38	-
Others	11	16
Difference in overseas tax rates	100	411
Total income tax expense recognised in the statement of profit and loss	2,670	2,110



25.2 Deferred Tax Balances

The following is the analysis of the net deferred tax asset position as presented in the financial statements

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Deferred tax assets	1,409	1,444
Less: Deferred tax liabilities	(684)	(641)
Deferred tax asset (net)	725	803

Movement in the deferred tax balance :

Particulars	For the year ended 31 March 2025			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	355	50	-	405
Employee Benefit Expenses	310	(42)	61	329
Provision for Expected Credit Loss on Financial Assets	142	23	-	165
Impact on account of ROU asset	(562)	53	-	(509)
Impact on account of lease liabilities	599	(89)	-	510
Fair valuation adjustments - Financial Assets	(79)	(96)	-	(175)
Provision for Impairment of Intangible Asset under development	38	(38)	-	-
Deferred Tax Asset/(Liabilities)	803	(138)	61	725

Particulars	For the year ended 31 March 2024			
	Opening Balance	Recognised in Profit or Loss	Recognised in Other Comprehensive Income	Closing Balance
Depreciation on Property, Plant and Equipment	410	(55)	-	355
Employee Benefit Expenses	249	40	21	310
Provision for Expected Credit Loss on Financial Assets	59	83	-	142
Impact on account of ROU asset	(880)	318	-	(562)
Impact on account of lease liabilities	909	(310)	-	599
Fair valuation adjustments - Financial Assets	(88)	9	-	(79)
Provision for Impairment of Intangible Asset under development	38	-	-	38
Deferred Tax Asset/(Liabilities)	697	85	21	803



26 Leases

The Group has leases for Buildings and Computers.

(a) Right of Use Asset "ROU"

The following are the changes in the carrying value of right of use assets outstanding at year ended :

Particulars	Category of ROU Asset		Total
	Buildings	Computers	
Balance as at 01 April 2023	4,012	229	4,241
Additions ^a	2,366	-	2,366
Deletions ^a	(155)	-	155
Depreciation [*]	(2,075)	(229)	(2,304)
Balance as at 31 March 2024	4,148	-	4,148
Balance as at 01 April 2024	4,148	-	4,148
Additions	4,829	173	4,802
Deletions ^a	(229)	-	(229)
Depreciation [*]	(2,438)	(173)	(2,611)
Balance as at 31 March 2025	6,110	-	6,110

^a Net of adjustments on account of modifications and remeasurements

^{*}The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease Liabilities

The following is the movement in lease liabilities outstanding at year ended :

Particulars	Buildings	Computers	Total
Balance as at 01 April 2023	4,167	227	4,394
Additions ^	2,366	-	2,366
Finance cost accrued during the year	370	10	380
Deletions ^	(155)	-	(155)
Payment of lease liabilities	(2,283)	(237)	(2,520)
Balance as at 31 March 2024	4,465	-	4,465
Balance as at 01 April 2024	4,465	-	4,465
Additions	4,370	173	4,543
Finance cost accrued during the year	371	9	380
Deletions ^	(267)	-	(267)
Payment of lease liabilities	(2,619)	(182)	(2,801)
Balance as at 31 March 2025	6,320	-	6,320

^a Net of adjustments on account of modifications and remeasurements

The following is the break-up of current and non-current lease liabilities:

Particulars	As at 31 March 2025	As at 31 March 2024
Non-current lease liabilities	4,332	2,641
Current lease liabilities	1,988	1,824

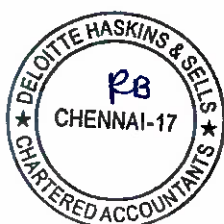
(c) Amounts recognized in profit and loss were as follows

Particulars	As at 31 March 2025	As at 31 March 2024
Depreciation/Expenditure	2,611	2,304
Finance Cost on Lease Liabilities	380	380

(d) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at 31 March 2025	As at 31 March 2024
Not later than 1 year	2,366	2,179
Later than 1 year and not later than 5 years	4,102	2,826
Later than 5 years	773	-

Note: The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



27 Related party transactions

A. Names of related parties and related party relationships

Relationship	Name of the related party
Holding Company	Digitide Solutions Limited
Fellow Subsidiaries	Billion Careers Private Limited Heptagon Technologies Private Limited MFExchange US, Inc. Monster.Com (India) Private Limited Quess (Philippines) Corp. Quess Corp Lanka (Private) Limited Quess Corp Manpower Supply Services LLC Quess International Services Private Limited (Formerly known as Golden Star Facilities And Services Private Limited) Quessglobal (Malaysia) Sdn. Bhd. Terrier Security Services (India) Private Limited Trinmax Smart Infraprojects Private Limited Vedang Cellular Services Private Limited
Entity in which key managerial personnel have significant influence	Quess Corp Limited Bluspring Enterprises Limited Careworks Foundation Quess Foundation
Key management personnel	
Chief Executive Officer	Mr. Naozer Cusrow Dalai
Chief Financial officer	Mr. Gaurav Mehra (up to 25 September 2024)
Chief Financial officer	Mr. Avinash Jain (w.e.f. 25 October 2024)
Company Secretary	Mr. Neeraj Manchanda (up to 27 March 2025)
Directors	
Chairman of the Board of Directors	Mr. Ajit Abraham Isaac
Independent director	Mr. Sanjay Anandaram
Independent director	Mr. Milind Chalisgaonkar
Independent director	Ms. Lakshmi Sarada R
Non-executive Non-independent director	Mr. Guruprasad Srinivasan
Non-executive Non-independent director	Mr. Kamel Pal Hoda

B. Transactions with related parties

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Income from services billed to		
Heptagon Technologies Private Limited	-	1
MFExchange US, Inc.	1,235	1,278
Monster.Com (India) Private Limited	0	3
QDigi Services limited #	-	19
Quess (Philippines) Corp.	5	5
Quess Corp Lanka (Private) Limited	4	-
Quess Corp Limited	294	345
Quessglobal (Malaysia) Sdn. Bhd.	4	4
Interest income		
MFExchange US, Inc.	-	11
Quess (Philippines) Corp.*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	-	-
Expense incurred for recruitment/professional/consulting/security/AMC etc		
MFExchange US, Inc.	1,208	397
Monster.Com (India) Private Limited	-	3
Quess Corp Limited	592	573
Quess Corp Manpower Supply Services LLC	137	85
Terrier Security Services (India) Private Limited	286	276
Cost of Asset		
Quess Corp Limited	127	169
Dividend paid to Holding company		
Quess Corp Limited	5,032	3,355
Reimbursement of expenses incurred by the company		
Quess Corp Limited	-	39



Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Recovery made by the company towards facilities cost		
MFExchange US, Inc.	214	184
Payments made / (Refund received) towards Corporate Social Responsibility Expense		
Careworks Foundation	41	5
Quess Foundation	67	42
Remuneration and other benefits #		
Chief Executive officer	257	172
Chief financial officer	80	66
Company Secretary	24	18
Other than whole-time directors	28	23

* Amount less than a lakh rupees

Ceased to be a fellow subsidiary effective from 01 April 2024. Transactions reported for previous year are upto 31 March 2024

C. Balances with related parties

Particulars	As at 31 March 2025	As at 31 March 2024
Trade receivables		
MFExchange US, Inc.	447	107
Monster.Com (India) Private Limited	0	1
QDigi Services limited #	-	1
Quess (Philippines) Corp.	-	1
Quess Corp Lanka (Private) Limited	3	-
Quess Corp Limited	57	100
Quessglobal (Malaysia) Sdn. Bhd.	-	1
Trade Payable		
MFExchange US, Inc.	22	7
Quess Corp Limited	116	262
Quess Corp Manpower Supply Services LLC	13	-
Temier Security Services (India) Private Limited	38	32
Salaries payable to KMP	-	19
Directors' commission payable	21	16
Other financial assets		
Careworks Foundation*	-	-
MFExchange US, Inc.	127	105
QDigi Services limited #	-	2
Quess Corp Limited	10	13
Quess International Services Private Limited (formerly Golden Star Facilities And Services Private Limited) *	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	1	-
Quess Corp Lanka (Private) Limited	1	-
Vedang Cellular Services Private Limited *	-	-
Other Financial Assets - Interest Income Receivable		
MFExchange US, Inc.	12	11
Quess (Philippines) Corp.*	-	-
Quessglobal (Malaysia) Sdn. Bhd.*	-	-
Other financial liabilities		
MFExchange US, Inc.	175	79
Quess Corp Limited	263	270
Quess Corp Manpower Supply Services LLC	8	-
Temier Security Services (India) Private Limited	39	15

* Amount less than a lakh rupees

Ceased to be a fellow subsidiary effective from 01 April 2024. Transactions reported for previous year are upto 31 March 2024

Notes:

- The Group accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties. The Related Parties have confirmed to the Management that as at 31 March 2025, there are no further amounts payable to / receivable from them, other than as disclosed above. The Company incurs certain costs on behalf of other companies in the group. These costs have been allocated/recovered from the group companies on a basis mutually agreed to with the group companies.
- Remuneration and other benefits pertain to short term employee benefits. As the gratuity and compensated absences are determined for all the employees in aggregate, the post-employment benefits and other long-term benefits relating to key management personnel cannot be ascertained individually.
- The remuneration payable to key management personnel is determined by the nomination and remuneration committee having regard to the performance of individuals and market trends.
- All transactions with these related parties are priced at arm's length basis. The amounts outstanding are unsecured and will be settled in cash. There have been no instances of amounts due to or due from related parties that have been written back or written off or otherwise provided for during the year.



28 Earnings per equity share

Particulars	For the year ended 31 March 2025	Year ended 31 March 2024
Profit after tax considered as numerator for calculating basic and diluted earnings per share	8,330	6,400
Weighted average number of equity shares for the purpose of calculating Basic & Diluted EPS	1,52,38,326	1,52,38,326
Nominal value of equity shares (in ₹)	10	10
Basic EPS (in ₹)	54.66	42.00
Diluted EPS (in ₹)	54.66	42.00

29 Contingent liabilities and commitments

(a) Contingent liabilities

Claims against the Company not acknowledged as debt

(i) Direct tax matters

Income Tax - Rs. 266.03 Lakhs

The Holding company has filed appeals before the relevant authorities as on the date of financials statements. Based on management's assessment, the company is confident no amounts will be payable by the company in this regard and expects that the outcome of the proposed appeal to be made will be favourable to the company.

(ii) Other matters

In January 2008, the Company had received a demand from the Tamil Nadu Generation and Distribution Corporation Limited ("TANGEDCO") for an amount of ₹ 109 lakhs towards differential amount of charges arising from reclassification on the tariff category applicable to the Company with retrospective effect from June 2005 till June 2007. The Company had filed a writ with Hon'ble High Court of Madras seeking relief from the demand. During the previous year, the Hon'ble High Court of Madras vide its order dated 12 January 2022 directed the Company to approach the Electricity Regulatory Commission to get the grievances settled and instructed the Commission to conclude the plea in line with applicable provisions laid down by the Commission in this regard. While the procedural approach as directed by the Hon'ble High Court was in progress, the company received demand notices from the TANGEDCO towards this disputed claim of ₹109 Lakh for the above cited period and additional demand for the period from July 2007 to July 2010 amounting to ₹112 Lakh along with Belated Payment Surcharge ("BPSC") on the principal amounts pertaining to the period June 2005 to July 2010 and was demanded to be settled within the stipulated time frame, failure to which the supply of electricity was threatened to be disconnected. The Company proposed to pay the dues in instalments under protest and simultaneously proceed with the legal resolutions in the manner directed by the Hon'ble Madras High Court. The Company made provision towards principal charges of ₹221 Lakhs. The BPSC amounting to ₹457 lakh has been considered by the Company as contingent liability. Based on management assessment and professional advice received by the management, company is confident that the demand raised will not be payable by the company and expects that the outcome of the appeal is yet to be made will be favourable to the company.

(b) Commitments

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Capital commitments that are not cancellable - Estimated amount of capital contracts remaining to be executed	289	93

30 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars*	2024-25	2023-24
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	289	6
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	9	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier 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	-	-

*Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

31 The Group has not advanced or loaned or invested funds to any person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



32 Segment Reporting

Ind AS 108 establishes the standards for the way that business enterprises report information about operating segments, which is based on the "management approach". Under "management approach", the 'Chief Operating Decision Maker' (CODM) considers and regularly reviews the segment operating results to assess the performance of the business segments and group as a whole. The Chief Executive Officer (CEO) is considered to be the 'Chief Operating Decision Maker' (CODM) as defined in IND AS 108. The Operating Segment is the level at which discrete financial information is available. The CODM allocates resources and assess performance at this level. The group has Customer Experience Management (EXM), (in previous year, this was called Digital Business Services (DBS)) and Employee Experience Management (EXM) (in previous year, this was called Human Resource Outsourcing (HRO)) as its business segments for the financial year ended 31 March 2025.

The above business segments have been identified considering :

- the nature of products and services
- the differing risks and returns
- the internal organization and management structure, and
- the internal financial reporting systems.

These business segments were considered to be primary and solely reportable segments of Group for the period ended 31 March 2025.

Business Segments

CXM comprises Inbound and Outbound Tele calling services and Call Quality Monitoring services rendered to its clients. EXM comprises payroll processing and statutory compliance support services to its client.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Segment information

Particulars	CXM	EXM	Unallocable	Total
Revenue from operations	40,494	14,137	-	54,631
	31,540	15,397	-	46,937
Operating and other expenses/(income), net	31,396	8,833	751	40,980
	24,754	9,474	491	34,719
Depreciation and amortization expense	3,265	698	306	4,269
	2,494	676	188	3,358
Finance costs	-	-	459	459
	-	-	441	441
Interest income	-	-	388	388
	-	-	91	91
Exceptional items	-	-	(1,689)	(1,689)
	-	-	-	-
Profit before tax	5,833	4,606	561	11,000
	4,292	5,247	(1,029)	8,510
Tax expense	-	-	2,670	2,670
	-	-	2,110	2,110
Profit after tax	-	-	-	8,330
	-	-	-	6,400

Note : Numbers in italic represents corresponding figures for the Financial Year ended 31 March 2024

Other information

Particulars	CXM	EXM	Unallocable	Total
Segment Assets	9,471	5,111	27,346	41,928
	7,266	5,085	24,411	36,762
Particulars	CXM	EXM	Unallocable	Total
Segment Liabilities	2,175	1,973	11,831	15,979
	2,635	1,711	7,870	12,216

Note : Numbers in italic represents corresponding figures for the Financial Year ended 31 March 2024



33 Employee Benefits

a) Defined Contribution plans

The Group makes Provident and Pension Fund contributions, which is a defined contribution plan, for qualifying employees. Additionally, the Group also provides, for covered employees, health insurance through the Employee State Insurance scheme. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

Expenses recognised :

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Included under 'Contributions to Provident and other Funds'		
Contributions to Employee state insurance	145	157
Contributions to provident funds	982	898
Contributions to other funds	838	468

b) Defined Benefit Plans:

In respect of Indian entity, the Company offers 'Gratuity' (Refer Note 21 Employees Benefits Expense) as a post employment benefit for qualifying employees and operates a gratuity plan. The benefit payable is calculated as per the Payment of Gratuity Act, 1972 and the benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company's obligation towards its gratuity liability is a defined benefit plan.

In the case of Manila entity of the group, the Company offers the defined benefit plan in the form of Retirement benefits. As per the prevailing practice at the jurisdiction of the entity, the employee will retire and receive retirement pay upon reaching the age of 60 years or more, provided he has served at least five years with his employer. The Company's obligation towards its gratuity liability is a defined benefit plan.

Description of Risk Exposures

Valuations are performed on certain basic set of pre-determined assumptions and other regulatory framework which may vary over time. Thus, the Group is exposed to various risks in providing the above gratuity benefit which are as follows:

A) Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

B) Investment Risk: The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

C) Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

D) Demographic Risk: The Group has used certain mortality and attrition assumptions in valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.

E) Liquidity Risk: This is the risk that the Group is not able to meet the short-term gratuity payouts. This may arise due to non availability of enough cash/cash equivalent to meet the liabilities or holding of illiquid assets not being sold in time.

In respect of the plan, the most recent actuarial valuation of the present value of the defined benefit obligation were carried out as at 31 March 2025. The present value of the defined benefit obligation, and the related current service cost and paid service cost, were measured using the projected unit cost credit method.

The following table sets out the funded status of the Gratuity Plan of India and the amounts recognized in the financial statement :

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	929	843
Interest cost	64	63
Current service cost	106	108
Past service cost	-	-
Benefits paid	(190)	(160)
Actuarial loss/(gain)	253	75
Present value of defined benefit obligation at the end of the year	1,162	929
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	89	145
Expected return	6	10
Contributions by the Group	284	106
Benefits paid and charges deducted	(189)	(160)
Administration Expenses	-	(4)
Actuarial (loss)/gain	10	(8)
Fair value of plan assets at the end of the year	200	89
Net defined benefit obligation (deficit)	962	840
Non-current	538	767
Current	424	73



Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Amount recognised in profit or loss		
Current service cost	106	108
Past service cost	-	-
Interest cost	64	63
Expected return on planned assets	(6)	(10)
Administration Expenses	-	4
Total amount recognised in profit or loss	164	165
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	243	83
Total amount recognised in other comprehensive income	243	83

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	6.50%	6.97%
b) Long-term rate of compensation increase	5.00%	5.00%
c) Attrition rate		
- employees with service upto 5 years as at valuation date	35.73%	39.00%
- employees with service more than 5 years as at valuation date	35.73%	1.50%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. It is assumed that the active members of the scheme will experience in service mortality in accordance with the Indian Assured Lives Mortality (2012-14) Ultimate Table. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liability.

	Attrition Rate		Discount Rate		Future Salary Increase	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
31 March 2025						
Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	(2)	2	(30)	31	30	(29)
31 March 2024						
Sensitivity Level	1%	-1%	1%	-1%	1%	-1%
Impact on defined benefit obligation	15	(17)	(89)	105	101	(89)

Other information

Expected contribution to post-employment benefit plans for the year ending 31 March 2026 is ₹ 424 Lakhs. The weighted average duration of the defined benefit obligation is 2 years (31 March 2025: 8 years).

The expected benefit payments for the 15 years after balance sheet date is as follows:

Particulars	1 year	2-5 years	6-10 years	More than 10 years	Total
31 March 2025					
Defined benefit obligation	424	772	179	24	1,399
31 March 2024					
Defined benefit obligation	132	170	259	1,688	2,249

c) Retirement Plan of Manila

The following table sets out the funded status of the Retirement Plan of Manila and the amounts recognized in the financial statement :

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Changes in present value of defined benefit obligation		
Present value of defined benefit obligation at the beginning of the year	189	135
Interest cost	12	9
Current service cost	52	22
Past service cost	-	-
Benefits paid	-	-
Actuarial loss/(gain)	10	27
Exchange Fluctuation adjustments	3	(4)
Present value of defined benefit obligation at the end of the year	266	189
Changes in fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Expected return	-	-
Contributions by the Group	-	-
Benefits paid and charges deducted	-	-
Actuarial gains	-	-
Fair value of plan assets at the end of the year	-	-
Net defined benefit obligation (deficit)	266	189
Current	-	-
Non-current	266	189



Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Amount recognised in profit or loss		
Current service cost	52	22
Past service cost	-	-
Interest cost	12	9
Expected return on planned assets	-	-
Total amount recognised in profit or loss	64	31
Amount recognised in other comprehensive income		
Remeasurement due to changes in actuarial assumptions	10	27
Total amount recognised in other comprehensive income	10	27

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Significant actuarial assumptions		
a) Discount rate and expected return on plan assets	6.40%	6.30%
b) Long-term rate of compensation increase	5.00%	5.00%

The estimates of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Sensitivity analysis

The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation

	Discount Rate		Future Salary Increase	
	Increase	Decrease	Increase	Decrease
31 March 2025				
Sensitivity Level	1%	-1%	1%	-1%
Impact on defined benefit obligation	(35)	42	41	(35)
31 March 2024				
Sensitivity Level	1%	-1%	1%	-1%
Impact on defined benefit obligation	(25)	31	30	(25)

The expected benefit payments for the 15 years after balance sheet date is as follows:

Particulars	Between 1-5 years	Between 6-10 years	Between 11-15 years	16 years and above	Total
Year ended 31 March 2025					
Defined benefit obligation	47	129	658	5,478	6,312
Year ended 31 March 2024					
Defined benefit obligation	32	76	499	3,817	4,424

d) Compensated Absences

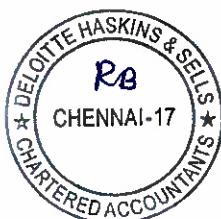
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Included under 'Salaries and Bonus'	38	81
* Net of encashments		

Particulars	As at 31 March 2025	As at 31 March 2024
(b) Net asset / (liability) recognised in the Balance Sheet	346	308
Current portion of the above *	346	308
Non-current portion of the above	-	-

*The amount of compensated absences provision is presented as current, since the Group does not have an unconditional right to defer settlement for this obligation.

The Key Assumptions used in the computation of provision for compensated absences are as given below:

Particulars	2024-25	2023-24
Discount Rate (% p.a)	6.50%	6.93%
Future Salary Increase (% p.a)	5.00%	5.00%



Aldigi Tech Limited (formerly known as Allsec Technologies Limited)**Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2025***(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)***34 Sale of Labour Law Compliance (LLC) Division and Transfer of certain customer contracts pertaining to payroll compliance business**

On 06 February 2024, the Board of Directors of the Company approved the sale of its Labour Law Compliance (LLC) Division of Employee Experience Management (EXM) segment on a going concern basis by way of slump sale, subject to closing adjustments as defined in Business Transfer Agreement (BTA) dated 06 February 2024. During the year ended 31 March 2025, the Company has completed the sale of its LLC division on 30 April 2024 for a net sales consideration of Rs. 2,211 Lakhs with net assets transferred aggregating to Rs. 417 Lakhs. The gain of Rs. 1,708 Lakhs (net of expenditure incurred wholly and exclusively in connection with this sale of Rs. 86 Lakhs) is presented under exceptional item for the year ended 31 March 2025.

During the current year, the company has made a provision of Rs.80 Lakhs towards indemnification of liability arising on account of non-collection of trade receivables and unbilled revenue as at 31 March 2025 in accordance with the said BTA. The gain of Rs. 1,628 Lakhs (net of expenditure incurred wholly and exclusively in connection with this sale of Rs. 86 Lakhs) is presented under exceptional item for the year ended 31 March 2025.

The details of operations related to LLC business is as follows:

Sl. No.	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
1	Total Income	204	2,504
2	Total Expense	144	2,001
3	Profit before tax (1-2)	60	503
4	Tax expense	-	100
5	Profit after tax (3-4)	60	403

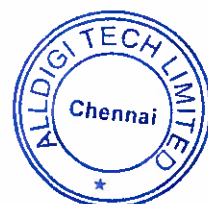
The Company has transferred certain customer contracts pertaining to payroll compliance business to the buyer to whom the LLC business was transferred during the nine months ended 31 December 2024, pursuant to the request of those customers in order to avail all their statutory compliance services with one service provider. Accordingly the gain on such transfer of Rs. 61 Lakhs has been disclosed under exceptional item for the year ended 31 March 2025.

Accordingly, the total gain of Rs.1,689 Lakhs has been presented under exceptional item for the year ended 31 March 2025.

Information of assets and associated liabilities classified as held for sale

Consequently, the closing conditions were met on 30 April 2024 and the transaction was effective from that day. Accordingly, the assets and liabilities of the LLC business have been classified as held for sale as at March 31, 2024.

Particulars	As at 31 March 2024
Non-Current Assets	
Property, plant and equipment	8
Current assets	
Trade receivables	603
Other financial assets	190
Total assets classified as held for sale	801
Non-current liabilities	
Provisions	29
Current liabilities	
Trade payables	231
Liabilities directly associated with assets classified as held for sale	260



35 Financial Instruments

35.1 Capital Management

The Group manages capital risk in order to maximize shareholders' profit by maintaining sound/optimal capital structure. For the purpose of the Group's capital management, capital includes equity share Capital and Other Equity and Debt includes Borrowings and Other Financial Liabilities net of Cash and bank balances. The Group monitors capital on the basis of the following gearing ratio. There is no change in the overall capital risk management strategy of the Group compared to last year.

Gearing Ratio :

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings	-	-
Cash and Bank Balance	(8,234)	(8,200)
Net Debt over and above the cash and bank balances (A)	-	-
Total Equity (B)	25,949	24,546
Net Debt to equity ratio (A/B)	- %	- %

35.2 Categories of Financial Instruments

The carrying value of the financial instruments by categories as on 31 March 2025 and 31 March 2024 are as follows:

Particulars	Carrying Value		Fair Value	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
(a) Financial Assets				
Measured at fair value through P&L				
- Current Investments	8,273	5,628	8,273	5,628
- Other financial assets	30	20	30	20
Measured at amortised cost				
- Cash and Bank balances	8,140	8,172	8,140	8,172
- Other Bank balances	94	28	94	28
- Trade receivables	7,188	6,573	7,188	6,573
- Other financial assets	6,144	4,413	6,144	4,413
	29,869	24,834	29,869	24,834
(b) Financial Liabilities :				
Measured at fair value through P&L				
- Other financial liabilities	-	-	-	-
Measured at amortised cost				
- Borrowings	-	-	-	-
- Trade Payables	4,442	4,187	4,442	4,187
- Lease Liabilities	6,320	4,465	6,320	4,465
- Other financial liabilities	1,625	863	1,625	863
	12,387	9,515	12,387	9,515

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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

The following methods and assumptions were used to estimate the fair value/amortized cost

- Long-term fixed-rate receivables/borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables.
- The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. In addition to being sensitive to a reasonably possible change in the forecast cash flows or discount rate, the fair value of the unquoted instruments is also sensitive to a reasonably possible change in the growth rates. The valuation requires management to use unobservable inputs in the model, of which the significant unobservable inputs are disclosed in the tables below. Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.
- Fair values of the Group's interest-bearing borrowings and loans are determined by using DCF method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period.

Fair Value Hierarchy

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



35.3 Financial Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages financial risk relating to the operations through internal risk reports which analyse exposure by degree and magnitude of risk.

The Group's activities expose it to a variety of financial risks: liquidity risk, credit risk and market risk (including interest rate risk and other price risk). The Group's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Group's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and compliance with the same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Group's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Group's risk assessment and management policies and processes.

(a) Liquidity Risk Management :

Liquidity risk refers to the risk that the Group cannot meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation. The Group maintains adequate reserves and banking facilities, and continuously monitors the forecast and actual cash flows by matching maturing profiles of financial assets and financial liabilities in accordance with the approved risk management policy of the Group periodically. The Group believes that the working capital (including banking limits not utilised) and its cash and cash equivalent are sufficient to meet its short and medium term requirements.

Liquidity and Interest Risk Tables :

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables include both interest and principal cash flows.

To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
Year ended 31 March 2025				
Interest bearing*	1,988	4,332	-	6,320
Non-interest bearing	6,067	-	-	6,067
Total	8,055	4,332	-	12,387
Year ended 31 March 2024				
Interest bearing*	1,824	2,641	-	4,465
Non-interest bearing	5,050	-	-	5,050
Total	6,874	2,641	-	9,515

*Includes Lease liabilities

The following tables detail the Group's remaining contractual maturity for its non-derivative financial Assets with agreed repayment periods. The Group does not hold any derivative financial instrument.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total
Year ended 31 March 2025				
Interest bearing	94	-	-	94
Non-interest bearing	28,362	1,413	-	29,775
Total	28,456	1,413	-	29,869
Year ended 31 March 2024				
Interest bearing	28	-	-	28
Non-interest bearing	23,339	1,467	-	24,806
Total	23,367	1,467	-	24,834

(b) Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the other financial instruments of the Group result in material concentration of credit risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

The carrying amount of the financial assets recorded in these financial statements, grossed up for any allowance for losses, represents the maximum exposures to credit risk.

Trade receivables: The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and credit history, also has an influence on credit risk assessment.

Credit risk on current investments, cash & cash equivalent and derivatives is limited as the Group generally transacts with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in fixed deposits.

(c) Market Risk :

Market risk is the risk of loss of any future earnings, in realizable fair values or in future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short-term and long-term debt. The Group is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk and the market value of its investments. Thus, the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.



(c.1) 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 debt obligations with floating interest rates.

The Group's management monitors the interest fluctuations, if any, and accordingly, take necessary steps to mitigate any interest rate risk.

Interest rate sensitivity analysis

The Group doesn't have any borrowing as at 31 March 2025 and as at 31 March 2024.

(c.2) Foreign Currency Risk Management :

The Group undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arises.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

Particulars	Currency	As at 31 March 2025	As at 31 March 2024
		Amount ₹ in lakhs	Amount ₹ in lakhs
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	USD	9,027	9,323
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	PHP	2,987	2,663
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	GBP	3	-
Financial Assets (comprising of trade receivables, cash & bank balances and unbilled revenue)	SGD	7	7
Financial Liabilities (comprising of Trade payables & Provisions)	USD	1,160	724
Financial Liabilities (comprising of Trade payables & Provisions)	PHP	957	515
Financial Liabilities (comprising of Trade payables & Provisions)	GBP	-	5
Financial Liabilities (comprising of Trade payables & Provisions)	AED	31	-
Financial Liabilities (comprising of Trade payables & Provisions)	EURO	10	-

Foreign Currency sensitivity analysis:

The following table details the Group's sensitivity to a 10% increase and decrease in ₹ against the relevant foreign currencies. 10% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below indicates a increase in profit / decrease in loss and increase in equity where the ₹ strengthens 10% against the relevant currency. For a 10% weakening of the ₹ against the relevant currency there would be a comparable impact on the profit or loss and equity and balance below would be negative.

Impact on Profit and loss for the reporting period

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2024
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
EURO	1	(1)	-	-
USD	787	(787)	860	(860)
PHP	203	(203)	215	(215)
SGD	1	(1)	1	(1)
GBP	-	-	(1)	1
AED	3	(3)	-	-

Impact on total equity as at end of the reporting period

Particulars	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
	Increase by 10%	Decrease by 10%	Increase by 10%	Decrease by 10%
EURO	1	(1)	-	-
USD	787	(787)	860	(860)
PHP	203	(203)	215	(215)
SGD	1	(1)	1	(1)
GBP	-	-	(1)	1
AED	3	(3)	-	-

Note :

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Group at the end of the reporting period.

35.4 Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The Management considers that the carrying amount of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

35.5 Offsetting of financial assets and financial liabilities

The Group has not offset financial assets and financial liabilities.



Aldigi Tech Limited (formerly known as Alisec Technologies Limited)
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

36 Additional Information required as per Schedule-III of the Companies Act, 2013:

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated assets	Amount	As a % consolidated profit or loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
As at 31 March 2025								
Holding company	74%	19,691	69%	6,925	95%	(182)	69%	6,743
Foreign subsidiaries:								
Aldigi Tech Inc., USA	1%	297	-3%	(295)	0%	-	-3%	(295)
Aldigi Tech Manila Inc., Philippines	25%	6,779	34%	3,415	5%	(10)	35%	3,405
Sub-total	100%	26,767	100%	10,045	100%	(192)	100%	9,853
Inter-company eliminations and other adjustments		(818)		(1,715)		122		(1,593)
Total		25,949		8,330		(70)		8,260

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated assets	Amount	As a % consolidated profit or loss	Amount	As a % consolidated other comprehensive income	Amount	As a % consolidated total comprehensive income	Amount
As at 31 March 2024								
Holding company	78%	19,805	65%	6,638	70%	(62)	65%	6,576
Foreign subsidiaries:								
Aldigi Tech Inc., USA	2%	584	1%	89	0%	-	1%	89
Aldigi Tech Manila Inc., Philippines	20%	5,023	34%	3,481	30%	(27)	34%	3,454
Sub-total	100%	25,412	100%	10,208	100%	(89)	100%	10,119
Inter-company eliminations and other adjustments		(866)		(3,808)		(162)		(3,970)
Total		24,546		6,400		(251)		6,149



37 Fair value measurement

Financial Assets and Financial Liabilities that are measured at fair value on a recurring basis

Some of the financial assets and financial liabilities are measured at end of the each reporting period. The following table gives information about how the fair value of these financial assets and liabilities are considered:

Financial Assets / Financial Liabilities	Fair Value as at		Fair Value Hierarchy	Value Techniques and Key Inputs
	Year ended 31 March 2025	Year ended 31 March 2024		
Investments in Mutual Funds	8,273	5,628	Level 1	Quoted Net Asset Value in Active Markets
Foreign Currency Forward contracts	30	20	Level 2	Refer below

There have been no transfers between Level 1 and Level 2 for the year ended 31 March 2025 and 31 March 2024

Measurement of fair value of financial instruments

Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information. The finance team reports directly to the chief financial officer (CFO) and to the audit committee. Valuation processes and fair value changes are discussed among the audit committee and the valuation team at least every year, in line with the Group's reporting dates.

The valuation techniques used for instruments categorised in Levels 1, 2 and 3 are described below:

Investments in mutual fund units (Level 1)

The mutual funds are valued using the closing NAV.

Foreign exchange forward contracts (Level 2)

The Group's foreign currency forward contracts are not traded in active markets. These have been fair valued using observable forward exchange rates and interest rates corresponding to the maturity of the contract. The effects of non-observable inputs are not significant for foreign currency forward contracts.

Investments in equity instruments of other companies (Level 3)

These investments are not traded in active markets, and management considers the cost of investments to approximate the fair value.

Financial instruments measured at amortised cost for which the fair value is disclosed

The carrying amount of all financial instruments measured at amortised cost are considered to be a reasonable approximation of the fair value.

Fair value measurement of non-financial assets

There are no non-financial assets that were measured at fair value on the reporting dates.

38 Capital management policies and procedures

The Group's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. The Group is not subject to any externally imposed capital requirements.

39 Dividend

During the current year, the Group declared and paid out Interim Dividend of ₹ 30 per equity share (300% of par value of ₹10 each) pursuant to the approval of the Board of Directors, at their meeting held on 24 October 2024.

During the previous year, the Group declared and paid out Interim Dividend of ₹ 30 per equity share (300% of par value of ₹ 10 each) each pursuant to the approval of the Board of Directors, at their meeting held on 26 October 2023 and final dividend of ₹ 15 per equity share (150% of par value of ₹ 10 each) pursuant to the approval of the Shareholders, at their meeting held on 02 August 2024.



40 Audit Trail and Backup of Accounting records

1. The Holding Company has used accounting softwares for maintaining its books of account for the financial year ended 31 March 2025 which have a feature of recording audit trail (edit log) facility and the audit trail facility has been operating throughout the year for all relevant transactions recorded in the softwares except that :
- (i) Audit trail was not enabled at the database level for SAP accounting software to log direct data changes, and
 - (ii) audit trail logs were not enabled for certain standard SAP tables.

Further, during the year, there are no instance of the audit trail feature being tampered with, and the generated audit trail has been preserved as per the statutory requirements for record retention.

2. The Holding Company has maintained the backup of the books of accounts on a daily basis on server situated in India.

41 Other Disclosures

- (a) The Holding Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the income tax assessments under the provisions of Income Tax Act, 1961.
- (b) The Group neither has any immovable property nor any title deeds of Immovable Property not held in the name of the Group
- (c) The Group neither has traded nor invested in Crypto currency or Virtual Currency during the Financial year or previous Financial year.
- (d) The Holding Company does not have any charges or satisfaction yet to be registered with ROC beyond the statutory period, as at the year ended 31 March 2025 and 31 March 2024.
- (e) During the Financial year, the Group has not revalued any of its Property, Plant and Equipment, Right of Use Asset and Intangible Assets.
- (f) The Group does not have any investment properties as at 31 March 2025 and 31 March 2024 as defined in Ind AS 40.
- (g) No proceedings have been initiated during the year or are pending against the group as at 31 March 2025 and 31 March 2024 for holding any benami property under Benami Property Transactions (Prohibition) Act, 1988.
- (h) The Group has not granted any loans or advance in the nature of loans to promoters, directors, Key Managerial Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
- (i) Details of transactions and balances outstanding with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 as of and for the year ended 31 March 2025.

Name of struck off Company	Nature of transactions with struck off Company	Transactions during the year	Balance outstanding as of 31 March 2025	Relationship with the struck off Company, if any, to be disclosed
Chennai Innovation Factory	Sales	-	1.00	Third Party Customer



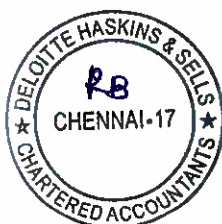
Allidigi Tech Limited (formerly known as Allsec Technologies Limited)

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2025

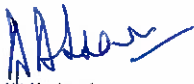
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

42 Approval of Financial Statements

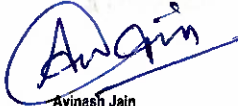
In connection with the preparation of the consolidated financial statements for the year ended 31 March 2025, the Board of Directors have confirmed the propriety of the contracts / agreements entered into by / on behalf of the Company and the resultant revenue earned / expenses incurred arising out of the same after reviewing the levels of authorisation and the available documentary evidences and the overall control environment. Further, the Board of Directors have also reviewed the realizable value of all the current assets of the Company and have confirmed that the value of such assets in the ordinary course of business will not be less than the value at which these are recognised in the consolidated financial statements. In addition, the Board has also confirmed the carrying value of the non-current assets in the financial statements. The Board, duly taking into account all the relevant disclosures made, has approved these consolidated financial statements in its meeting held on 14 May 2025, in accordance with the provisions of Companies Act, 2013.




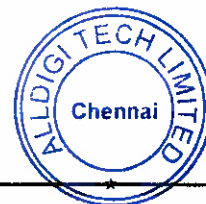
For and on behalf of the Board of Directors of
Allidigi Tech Limited (formerly known as Allsec Technologies Limited)
CIN: L72300TN1998PLC041033


Ajit Abraham Isaac
Chairman (DIN 00087168)
Place : Bengaluru
Date: 14 May 2025


Naozer Cusrow Dalal
Chief Executive Officer
Place : Chennai
Date: 14 May 2025


Avinash Jain
Chief Financial Officer
Place : Chennai
Date: 14 May 2025



Shivani Sharma
Company Secretary
Place : Bengaluru
Date: 14 May 2025



REGULATION 33 FORMAT

Allsectech Manila, Inc.
3F Market! Market! Bonifacio Global City Taguig City
March 31, 2025

S.No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31 March 2025	31 December 2024	31 March 2024	31 March 2025	31 March 2024
		Reviewed	Reviewed	Reviewed	Audited	Audited
1	Revenue From Services Rendered	329,020,914	342,979,446	269,044,056	1,271,827,206	900,487,784
2	Other Income	(2,615,283)	12,181,675	1,115,808	1,909,082	11,716,485
3	Total income (1+2)	326,405,631	355,161,121	270,159,864	1,273,736,288	912,204,269
4	Expenses:					
	Connectivity cost	3,273,936	4,834,046	3,041,906	16,724,359	10,448,294
	Employee benefits expense	208,370,709	195,459,714	152,397,405	766,025,356	478,064,451
	Finance costs	4,557,636	1,461,557	2,488,628	10,791,043	6,022,564
	Depreciation and amortization expense	34,224,351	23,178,224	20,891,762	102,859,147	62,822,673
	Other expenses	23,598,732	27,981,339	23,376,366	102,265,792	88,419,835
	Total expenses (4)	274,025,364	252,914,881	202,196,067	998,665,697	645,777,818
5	Profit/(loss) before exceptional items and tax (3-4)	52,380,267	102,246,240	67,963,797	275,070,591	266,426,451
6	Exceptional Items	-	-	-	-	-
7	Profit/(loss) before tax (5-6)	52,380,267	102,246,240	67,963,797	275,070,591	266,426,451
8	Tax expense:					
	-Current tax	10,192,010	12,374,774	8,568,684	41,022,895	31,433,026
	-Deferred tax	-	-	-	-	-
9	Profit (Loss) for the period from continuing operations (7-8)	42,188,257	89,871,466	59,395,113	234,047,695	234,993,425
10	Profit/(loss) from discontinued operations	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-
12	Profit/(loss) from Discontinued operations after tax (10-11)	-	-	-	-	-
13	Profit/(loss) for the period (9+12)	42,188,257	89,871,466	59,395,113	234,047,695	234,993,425
14	Other Comprehensive Income					
	A (i) Items that will not be reclassified to profit or loss	207,382	-	(1,042,777)	(670,927)	(1,815,546)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-
	B (i) Items that will be reclassified to profit or loss	-	-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-
15	Total Comprehensive Income for the period (13+14)(Comprising Profit (Loss) and Other Comprehensive Income for the period)	42,395,639	89,871,466	58,352,336	233,376,768	233,177,879
16	Earnings per equity share (for continuing operations)					
	(1) Basic	52	111	72	287	287
	(2) Diluted	52	111	72	287	287
17	Earnings per equity share (for dis-continued operations)					
	(1) Basic	-	-	-	-	-
	(2) Diluted	-	-	-	-	-
18	Earnings per equity share (for dis-continued and continuing operations)					
	(1) Basic	52	111	72	287	287
	(2) Diluted	52	111	72	287	287


SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Philippines
Date:



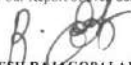
Allsectech Manila, Inc.
Trial Balance
As at March 31, 2025 and 2024
(Amounts in PHP)

G/L Account	Particulars	March 31, 2025	March 31, 2024
10000100	Furniture	17,864,667	17,864,667
10000110	Dep Cum - Furniture	(15,590,933)	(14,155,173)
10000200	Office Equipments	35,573,662	18,269,570
10000210	Dep Cum - Office Equipment	(11,769,714)	(6,411,316)
10000400	Leasehold Improvement	60,968,953	60,518,953
10000410	Dep Cum - Leasehold Improvement	(50,212,796)	(44,783,339)
10000500	Computers	203,349,120	166,353,475
10000510	Dep Cum - Computers	(146,106,960)	(123,280,768)
10001100	Computers Software	13,896,148	11,608,148
10001110	Dep Cum - Software	(7,723,896)	(4,853,397)
10002000	Leasehold Improvement WIP	-	-
10002300	GB-ROU-Building-leases	426,555,331	212,949,814
10002302	AD-ROU-Building	(143,670,597)	(78,731,776)
10002400	Auc - Office Equipment	0	-
10002600	Auc- Computer equipmemnt	-	-
10002900	Auc-Furniture & Fixtures	-	-
10014300	Adv - Sundry Vendors	-	-
10014401	Advance - Imprest Account	-	-
10014707	Advance - Other	(47,905)	(47,905)
10014479	Other Advances	12,285,879	1,010,019
10014477	Other Security Deposit	27,685,268	16,863,560
For acct creation	Other Security Deposit	712,021	703,781
10014478	Fixed Deposit	95,036,547	-
10014485	Foreign Currency Receivable	-	-
10014486	Premium on Forward Contract A/c	-	-
10014500	Prepaid Expenses Rent	-	2,168,154
10014508	Prepaid Expenses Insurance Others	310,280	118,461
10014503	Prepaid Expenses Other	4,040,406	4,905,094
10015005	Trade Drs Accrued	-	-
10015000	Provision for Unbilled Revenue BS	115,120,695	62,864,702
10035142	Provision for Doubtful debts	(3,211,945)	(4,403,238)
10035230	Trade Receivables	198,790,412	154,486,976
10047000	Petty Cash	35,000	35,000
10056080	BDO Unibank Inc_ 002060125878	2,332,862	28,158,538
10056100	BDO Unibank Inc_ 102060452941	12,231,564	55,107,307
10056120	China Banking_ 003000231611	3,104,879	10,051,797
20000001	Equity Share Capital	(81,250,000)	(81,250,000)
20010000	Profit and loss account	(138,147,270)	(22,448,894)
20010212	Accumulated Other Comprehensive Income	(1,988,608)	(1,988,608)
20022150	Trade Creditors - External	(16,393,487)	(10,334,217)
20022321	Imprest Account	6,600,567	(494,973)
20034621	Other Liab Payable	(227,917)	(227,917)
20032273	Output Tax Philipphines	(1,166,393)	(2,911,649)
20032512	SSS EC Payable	(6,312,140)	(4,404,970)
20032513	SSS Loan Payable	(800,603)	(373,599)
20032514	HDMF Payable	(658,100)	(490,500)
20032515	HDMF Loan Payable	(303,800)	(194,847)
20032516	PHIC Payable	(1,958,403)	(1,340,914)
20032421	Withholding Tax Payable - Expanded	(1,291,588)	(737,207)
20032422	Withholding Tax Payable - Compensation	277,929	(164,879)
20033101	Provision for Expenses	(47,585,633)	(13,061,880)
20033103	Provisions for Income Tax	(10,138,917)	(8,568,580)
20033100	Provision for Leave & Gratuity	(17,821,991)	(12,770,062)
20036105	Unearned income	(66,474)	(87,400)
20034630	Foreign Currency Payable	-	-
20034637	13th Month Payable	(6,264,553)	(7,983,857)
20034638	Sick Leave Encashment Payable	(5,031,239)	(3,341,941)
20036103	Lease Liability Building	(239,317,947)	(93,406,436)
For acct creation	Current Lease Liability	(48,335,613)	(47,609,893)
30000028	Sales Export	(1,181,311,223)	(828,194,421)
30002008	Service Domestic	(90,515,983)	(72,293,363)
31000000	Interest on Temp Deposit	(3,967,993)	(96,841)
31009997	PV of FI SD Ind AS - Other Income	(1,263,335)	(865,364)
31009999	OCI	670,927	1,815,546
31001010	Foreign Exchange Real Gain Account	(16,934,478)	(1,032,227)
40021103	IDC - Foreign exchange loss	62,305,691	244,352
31001001	Foreign Exchange Gain	(42,048,969)	(9,966,405)
40002500	Core employee salary & remuneration	448,799,840	263,002,125
40002041	Direct : Salary	128,095,863	104,831,532
40003007	Associate Employee Socso Contributio	55,454,601	30,430,297
40002024	Direct : Communication expenses	15,622,498	9,567,115
40013200	Depreciation : ROU Building lease	64,938,841	45,375,526
40013050	Depreciation : Computer equipmemnt	22,826,192	12,579,737
40002020	Direct : Rent office / Guest House / Centre	66,920,300	44,337,919
40002021	Direct : Electricity expenses	26,212,835	22,741,040
40001017	Direct : Rent Ind AS 116 Leases	(63,056,853)	(44,337,969)
40012907	Interest expense Ind AS 116 leases	10,612,829	5,931,615
40013110	Depreciation : Computer Software	2,870,499	2,113,415

Flowing Sheet 2 of 2
2025-03-31 14:45:00

G/L Account	Particulars	March 31, 2025	March 31, 2024
40002522	Core employee 13th month salaries	26,570,144	18,617,759
40002516	Compensated Absences	9,914,937	5,763,429
40003504	Core Employee Gratuity	3,461,415	1,629,425
40002002	Associate Employee Salary	22,896,819	16,982,220
40003517	SSS/Philhealth/Pag-ibig Contribution	1,753,886	1,147,092
40004002	IDC - Staff Welfare others	35,752,163	18,689,141
40004007	IDC - Staff training expenses	-	-
40002204	Telephone Reimbursements	1,101,861	881,179
40016002	IDC - Rent guest house	574,773	1,005,605
40013010	Depreciation - Furniture and Fixtures	1,435,759	598,233
40013020	Depreciation - Office Equipment	5,358,399	1,638,870
40013040	Depreciation - Leasehold Improvement	5,429,457	516,893
40017000	IDC - Rates & Taxes	7,502,123	5,360,215
40015004	IDC - Electricity Expenses	161,005	105,050
40015007	IDC - Repairs and maintenance	4,220,255	3,041,520
40019506	IDC - Other travel expense	17,808,759	22,389,654
40014001	IDC - Printing & stationery	1,723,986	2,944,060
40021105	IDC - Insurance	613,656	499,648
40022002	IDC - Sales Promotion	242,418	491,773
40015003	IDC - Other Office Expenses	18,778,567	14,271,696
40005007	IDC - Staff recruitment	31,106,492	15,407,218
40021106	IDC - Miscellaneous expenses	24,657	104,018
40012900	IDC - Bank Charges	178,214	90,949
40015006	IDC - Security expenses	8,533,718	5,336,598
40002050	Office Maintenance	5,648,098	3,158,619
40020000	IDC - Other professional fee	7,414,560	2,600,659
40014000	IDC - Postage & courier charges	134,229	115,826
40003004	Associate Employee Gratuity	919,587	440,656
40021000	IDC - Bad debts written off	(1,191,293)	4,253,901
40002075	Associate emp 13th month salaries	1,299,610	1,123,557
40019515	Income Tax Expense	41,022,895	31,433,026

As per our Report of even date


SURESH RAJAGOPALAN
Country Manager
Allsecitech Manila, Inc.

Place: Manila, Philippines
Date:



Allsectech Manila Inc.
Balance Sheet
(All amounts are in PHP, unless otherwise stated)

		As at	As at
	Schedules	March 31, 2025	March 31, 2024
Equity and liabilities			
Shareholders' funds			
Share capital	1	81,250,000	81,250,000
Reserves and surplus	2	373,512,647	257,615,383
		454,762,647	338,865,383
Non-current liabilities			
Lease Liability	3	239,317,947	93,406,436
Retirement Liability	3	17,821,991	12,770,062
		257,139,938	106,176,498
Current liabilities			
Sundry creditors - others	4	62,704,183	27,548,328
Sundry creditors - non Trade	4	1,104,404	568,446
Accrued salaries and benefits	4	6,264,553	7,983,857
Lease liability	4	48,335,613	47,609,893
Provision for taxation	4	10,138,917	8,568,580
Other liabilities	4	11,108,694	10,050,119
		139,656,364	102,329,223
Total		851,558,949	547,371,104
Assets			
Non-current assets			
Fixed assets	5	383,132,985	215,348,858
Other non-current assets	6	27,685,268	16,863,560
		410,818,253	232,212,418
Current assets			
Cash and bank balances	8	112,740,852	93,352,641
Trade receivables	7	310,699,162	212,948,440
Short-term loans and advances	9	12,237,974	962,114
Prepayments and other current assets	10	5,062,708	7,895,490
		440,740,696	315,158,686
Total		851,558,949	547,371,104

As per our Report of even date

For Allsectech Manila Inc.


SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date:



Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

	As at March 31, 2025	As at March 31, 2024
1 Share Capital		
Capital Stocks - Common	81,250,000	81,250,000
	81,250,000	81,250,000
2 Reserves and Surplus		
Reserves and surplus	257,615,383	296,503,448
Profit for the period	234,047,695	234,993,425
Dividends	(117,479,505)	(272,065,944)
Remeasurement gain on retirement liability - OCI	(670,927)	(1,815,546)
Net reserves and surplus in the statement of profit and loss	373,512,647	257,615,383
3 Other Long-Term Liabilities		
Lease Liability	239,317,947	93,406,436
Retirement liability	17,821,991	12,770,062
	257,139,938	106,176,498
4 Current liabilities		
Sundry creditors - non trade	1,104,404	568,446
Sundry creditors - others	62,704,183	27,548,328
Accrued salaries and benefits	6,264,553	7,983,857
Lease liability	48,335,613	47,609,893
Provision for taxation	10,138,917	8,568,580
Other liabilities	11,108,694	10,050,119
	139,656,364	102,329,223
5 Fixed Assets		
Property and equipment	317,756,402	263,006,665
Right-of-use asset	426,555,331	212,949,814
Intangible asset	13,896,148	11,608,148
Accumulated depreciation	(375,074,896)	(272,215,768)
	383,132,985	215,348,858
6 Other Non-current Assets		
Other financial assets - non current	27,685,268	16,863,560

Prepared by: *[Signature]*
Checked by: *[Signature]*
Date: *[Signature]*

Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

	As at March 31, 2025	As at March 31, 2024
7 Current trade receivable (unsecured)		
Considered good	313,911,107	217,351,678
Allowance for expected credit losses	(3,211,945)	(4,403,238)
	310,699,162	212,948,440
8 Cash and bank balances		
Cash on hand	35,000	35,000
Balance with banks		
- in current accounts	112,705,852	93,317,641
	112,740,852	93,352,641
9 Short-term loans and advances (Unsecured, considered good unless stated otherwise)		
Advances recoverable in cash or in kind or for value to be received	12,125,529	889,222
Loan to subsidiary	112,445	72,893
	12,237,974	962,114
10 Prepayments and other current assets		
Prepayments and other current assets	5,062,708	7,895,490
	5,062,708	7,895,490



SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date:



Allsectech Manila Inc.
Schedules to the Financial Statements
(Amounts in PHP)

	For the year ended March 31, 2025	For the year ended March 31, 2024
11 Other Income - net		
Interest	5,231,328	962,205
Others	(3,322,244)	10,754,280
	1,909,082	11,716,485
12 Employee costs and benefits		
Salaries, wages and allowances	694,785,699	441,898,010
Recruitment and training	31,106,492	15,407,218
Staff welfare	40,133,165	20,759,222
	766,025,356	478,064,451
13 Other expenses		
Rent and amenities	23,216,786	15,277,251
Electricity	26,373,840	22,846,090
Professional and consultancy charges	7,414,560	2,600,659
Travel and conveyance	17,942,987	22,505,480
Telephone	16,724,359	10,448,294
Repairs and maintenance		
- Plant and machinery	4,220,255	3,041,520
- Others	14,181,817	8,495,217
Rates and taxes	7,502,123	5,360,215
Miscellaneous expenses	1,748,643	3,048,080
Other selling expenses	(948,875)	4,745,675
Insurance	613,656	499,648
	118,990,151	98,868,129
14 Finance costs		
Bank charges	178,214	90,949
Interest - others	10,612,829	5,931,615
	10,791,043	6,022,564



SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines

Date:



Allsectech Manila Inc.
Statement of Comprehensive Income
(All amounts are PHP, unless otherwise stated)

		For the year ended	For the year ended
	Schedules	March 31, 2025	March 31, 2024
Income			
Revenue from operations(net)		1,271,827,206	900,487,784
Other income - net	11	1,909,082	11,716,485
Total revenue (I)		1,273,736,288	912,204,269
Expenses			
Employee cost and benefits	12	766,025,356	478,064,451
Other expenses	13	118,990,151	98,868,129
Total (II)		885,015,507	576,932,580
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		388,720,780	335,271,689
Finance costs	14	10,791,043	6,022,564
Depreciation and amortization expense		102,859,147	62,822,673
Profit before tax		275,070,591	266,426,451
Provision for taxation			
Current tax		41,022,895	31,433,026
Profit for the quarter		234,047,695	234,993,425
Item that will not be Reclassified Subsequently to Profit or Loss			
Remeasurement gain(loss) on defined benefit obligation	2	(670,927)	(1,815,546)
Total Comprehensive Income		233,376,768	233,177,879

As per our Report of even date

For Allsectech Manila Inc.


SURESH RAJAGOPALAN
Country Manager
Allsectech Manila, Inc.

Place: Manila, Phillipines
Date:



ALLDIGI TECH, INC.
FINANCIAL STATEMENTS
MARCH 31, 2025 AND 2024

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ALLDIGI TECH INC

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March 31, 2025 and 2024

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RAVI VENKATARAMAN, CPA LLC
CERTIFIED PUBLIC ACCOUNTANT
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Alldigi Tech, Inc.
(Formerly known as Allsectech Inc.)
Princeton, NJ

Opinion

We have audited the accompanying financial statements of Alldigi Tech, Inc.(a Delaware Corporation), which comprise the balance sheets as of [March 31, 2025 and 2024 , and the related statements of income, cash flow, and statements of stockholders' equity for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alldigi Tech, Inc as of March 31, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events ,considered in the aggregate, that raise substantial doubt about the Company 's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- ☐ Exercise professional judgment and maintain professional skepticism throughout the audit.
- ☐ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- ☐ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- ☐ Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- ☐ Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alldigi Tech Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Ravi Venkataraman
Princeton, New Jersey
May 13, 2025

ALLDIGI TECH, INC.
BALANCE SHEETS
AS OF MARCH 31

ASSETS

CURRENT ASSETS

	<u>2025</u>	<u>2024</u>
Cash and Cash Equivalents	\$ 2,559,329	\$ 1,429,213
Accounts Receivable	4,181,337	3,300,254
Restricted Cash	6,277	6,276
Prepaid expenses	75,350	237,359
Other Asset	1,957	1,957
Total Current Assets	<u>6,824,250</u>	<u>4,975,059</u>

PROPERTY AND EQUIPMENT

Property and Equipment	1,258	1,258
Accumulated Depreciation	(454)	(35)
Net Property and Equipment	<u>804</u>	<u>1,223</u>

Total Assets

<u><u>\$ 6,825,054</u></u>	<u><u>\$ 4,976,282</u></u>
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LIABILITIES AND STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 1,061,031	\$ 175,889
Accounts Payable - Affiliate	2,734,126	2,834,939
Accrued Expenses	2,679,179	1,265,156
Total Current Liabilities	<u>6,474,336</u>	<u>4,275,984</u>

STOCKHOLDERS' EQUITY

Common Stock-no par value, 3,000 shares authorized and 100 shares issued and outstanding	2,310,000	2,310,000
Retained Earnings	(1,959,282)	(1,717,406)
Total Stockholders' Equity	<u>350,718</u>	<u>700,298</u>

Total Liabilities and Equity

<u><u>\$ 6,825,054</u></u>	<u><u>\$ 4,976,282</u></u>
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See Independent Auditor's Report and notes to financial statements

ALLDIGITECH, INC.
STATEMENTS OF INCOME
FOR THE YEARS ENDED MARCH 31

	<u>2025</u>	<u>2024</u>
Operating Revenues	\$ 31,020,867	\$ 22,432,139
Cost of Revenues	(28,708,553)	(21,114,260)
Gross Profit	<u>2,312,314</u>	<u>1,317,879</u>
Operating Expenses (Schedule 1)	(2,653,543)	(1,204,197)
Income from operations	<u>(341,229)</u>	<u>113,682</u>
Interest Income and other income	1	2
Income before provision for income taxes	<u>(341,228)</u>	<u>113,684</u>
Provision for Income Taxes-State	(8,352)	(5,980)
Net Income/ (Loss)	<u>\$ (349,580)</u>	<u>\$ 107,704</u>

See Independent Auditor's Report and notes to financial statements

ALLDIGI TECH., INC.
STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED MARCH 31

	Common Stock	Retained Earnings	2025	Common Stock	Retained Earnings	2024
Balance at April 1, 2024	\$ 2,310,000	\$ (1,609,702)	\$ 700,298	\$ 2,310,000	\$ (1,717,406)	\$ 592,594
Capital Contributions during the year Prior Period Adjustment		-	-		-	-
Balance at March 31, 2024	2,310,000	(1,609,702)	700,298	2,310,000	(1,717,406)	592,594
Capital Contributions during the year						
Earnings/(Loss)-FY2025		(349,580)	(349,580)		-	107,704
Balance at March 31, 2025	\$ 2,310,000	\$ (1,959,282)	\$ 350,718	\$ 2,310,000	\$ (1,717,406)	\$ 700,298

See Independent Auditor's Report and notes to financial statements

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ALLDIGI TECH, INC.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ (349,580)	\$ 107,704
Depreciation	419	35
Adjustments to reconcile Net Income to net cash provided by operating activities:		
Restricted Cash	(1)	-
Accounts Receivable	(881,083)	(1,763,862)
Prepaid Expenses	162,009	(179,110)
Security Deposit-Rental	-	8,322
Other Asset	-	221,476
Accounts Payable	885,142	89,603
Accounts Payable-Affiliate	(100,813)	1,906,215
Accrued Expenses	1,414,023	395,311
Other Payable	-	-
Net Cash provided by Operating Activities	1,130,116	785,694
CASH FLOW FROM FINANCING ACTIVITIES		
Addition to Property and Equipment		(1,258)
Loan from parent	-	-
Net Cash used by Financing Activities	-	(1,258)
Net Cash increase for the Year	1,130,116	784,436
Cash And Cash Equivalents At Beginning Of Year	1,429,213	644,777
Cash And Cash Equivalents At End Of Year	\$ 2,559,329	\$ 1,429,213
Supplemental disclosure of cash flow information		
Cash paid during the years		
Interest	\$ -	\$ -
Income taxes	\$ 8,352	\$ 5,980

See Independent Auditor's Report and notes to financial statements

ALLDIGI TECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

Note 1 – Description of Company’s Business

Alldigi Tech, Inc. (Alldigi Tech/Company) was incorporated on September 14, 2000 in the State of Delaware. Alldigi Tech is the wholly owned subsidiary of Alldigi Technologies Limited (Technologies/Parent Company) a publicly held corporation in India.

Conneqt Business Solutions Limited (‘Conneqt’), a subsidiary of Quess Corp Limited, had entered into share purchase agreements dated April 17, 2019 with Mr. Jagadish R, Mr. Saravanan A and First Carlyle Ventures Mauritius to acquire 9,349,095 equity shares, representing 73.39% of the voting share capital of Alldigi Technologies Limited. The effective date of acquisition of equity shares by Conneqt was June 3, 2019.

Consequent to this transaction, Alldigi Technologies Limited has become the subsidiary of Conneqt with effect from June 3, 2019. with effective date of acquisition being considered as 1st June 2022 in terms of IND AS accounting standards and Alldigi Tech Inc has become a step down subsidiary of Conneqt. Conneqt was merged with Quess Corp Ltd who became the Ultimate holding company. Quess Corp Ltd has demerged into 3 entities i.e Quess Corp Ltd, Digitide Solutions Ltd & Bluespring Enterprises Ltd, wherein Digitide has become the holding company of Alldigi Tech & therefore the ultimate holding for Alldigi Tech Inc

Alldigi Tech provides marketing services to Technologies, one of the world’s leading providers of response management solutions and personalized customer care. Alldigi Tech utilizes Technologies and parent company’s wholly owned Philippines subsidiary Alldigi Tech Manila Inc (Alldigi-Manila) having its facilities in Manila and Retreat Capital Management Inc, a California registered company having its facilities in Irving TX, USA to perform voice response services, and collection services of credit card and other receivables for its reputed customers. The Company has established a branch office in Manila, Philippines on November 8, 2012.

Note 2 – Summary of Significant Accounting Policies

This summary of significant accounting policies of Alldigi Tech is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles in the United States of America and have been consistently applied in the preparation of the financial statements.

See Independent Auditor’s Report

ALLDIGI TECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting, whereby revenues are recognized when earned and expenses are recognized when incurred. Accordingly, all significant receivables, payables, and other liabilities are recorded.

The financial statements are prepared on accrual basis. These financial statements are presented for the year ended March 31, 2025.

Liquidity & Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern.

Revenue Recognition

Alldigi Tech provides voice response services and collection of credit card and other receivables services to reputed companies. Unbilled services represent revenue on services performed but not billed until the subsequent period. Advances received prior to providing services will be treated as deferred revenues and recognized when services are performed. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is recognized as services are performed in accordance with the specific terms of the contract with the customer. Unbilled revenue represents accrual of income relating to services provided but not billed as at the year end.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

See Independent Auditor's Report

ALLDIGI TECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

Cash

Cash consists primarily of working funds. For purposes of the Statements of Cash Flows, cash is defined as unrestricted cash balances and investments with original maturities of three months or less. As of March 31, 2025 and 2024, there were \$6,277 and \$6,276 respectively in restricted cash balances. The restricted cash represents five escrow accounts opened in order to comply with collection licenses requirements from various States.

Property, Equipment and Depreciation

Property and equipment are reflected at cost. Depreciation is provided using straight-line method over its estimated useful life of three years for computer and five years for Network Equipments. Maintenance and repairs are expensed as incurred.

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 360, *Property, Plant and Equipment*, formerly FASB No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. Recoverability of assets held and used is measured by a comparison of the carrying amount of an asset to undiscounted expected cash flows. Future events could cause the Company to conclude that impairment indicators exist and that long-lived assets may be impaired.

Fair Value of Financial Instruments

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, and accrued expenses are equal or approximate their fair values due to the short term maturity of those instruments.

Cost of Revenues

Costs of service delivery consist of payroll cost incurred for the employee actively involved marketing services, the amount paid to Alldigi Technologies & Alldigi Tech Manila for support services rendered to the customers and other outside services utilized by the Company.

See Independent Auditor's Report

ALLDIGI TECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

Income Taxes

The Company provide for income taxes on the basis of FASC 740, *Income Taxes* formerly Statement of Financial Accounting Standards No. 109, "*Accounting for Income Taxes*" which requires recognition of deferred taxes based on the differences between the financial statement and the tax basis of assets and liabilities at enacted rates in effect in the years in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amount expected to be realized.

Note 3. Property and Equipment

The following is a summary of property and equipment at cost, less accumulated depreciation:

Description	2024	2023
Computers & Accessories	\$ 1,258	\$ 1,258
Furniture & Fixtures	-	-
Vehicles	-	-
Software Licenses	-	-
Network Equipments	-	-
Original Cost	1,258	1,258
Less: Accumulated Depreciation	<u>(454)</u>	<u>(35)</u>
Net Property & Equipment	<u>\$804</u>	<u>\$1,223</u>

The useful lives of property and equipment for the purpose of computing depreciation are three to seven years. Depreciation expense amounted to \$ 419 and \$ 35 for the years ended March 31, 2025 and 2024 respectively.

See Independent Auditor's Report

ALLDIGI TECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

Note 4. Income Taxes

For the year ended March 31, 2025 the company has created an adhoc provision of \$ 78,743 towards tax purpose.

Note 5. Going Concern

The Company has reported a loss of \$ 349,580 and Profit of \$ 107,706 for the years ended March 31, 2025 and 2024 respectively. In spite of the losses, management intends to continue operations in the U.S. The Company expects to execute existing orders to generate revenues. In addition, certain cost cutting measures have been taken including laying off few business development employees/consultants; renewal of office lease with lower office spaces after the existing lease period and other cost control measures

Note 6. Prepaid Expenses

Prepaid expenses as of March 31, 2025 consists of the following:

Prepaid Licenses and Permits	\$ 481
Prepaid Insurance	1,229
Other Rates & Taxes	4,853
Other Prepaid Expenses	<u>68,787</u>
Total Prepaid Expenses	\$ <u>75,350</u>

Note 7. Commitments and Contingent Liabilities

The Company lease administrative office space under an operating lease. This lease provide for annual base rent, escalations and additional payments for real estate taxes and other occupancy costs.

For the years ended March 31, 2025 and 2024, rent expense amounted to \$ 14,741 and \$67,716 respectively.

The Company recognizes and measures its leases in accordance with FASB ASC 842, Leases. The Company recognizes a lease liability and a right of use (ROU) asset at the commence date of the lease. The lease liability is initially and subsequently recognized based on the present value of its future lease payments. However, due to the short term nature of the lease & low value of the lease and its impact on the financial statements, the Company has elected not to recognize a lease liability and ROU asset. Instead, lease payments are expensed on a straight-line basis over the lease term. The Company will continue to assess the materiality of lease obligations on an ongoing basis to determine the applicability of full ASC 842 recognition requirements.

ALLDIGI TECH, INC.
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2025

See Independent Auditor's Report

Note 8. Concentrations

Alldigi Tech maintains its cash balance in a bank located in New Jersey. This account is insured by the Federal Deposit Insurance Corporation up to balance of \$250,000. The Company maintains its cash in bank deposit accounts, which, at times, may exceed federally insured limits. The Company has not experienced any losses in such accounts. The Company believes it is not exposed to any significant credit risk on cash and cash equivalents.

Concentration of credit with respect to receivables is limited to Company's parent and companies with strong credit rating. The Company establishes an allowance for uncollectible trade accounts based on historical collection experience and management's evaluation of collectability of outstanding accounts receivable. Due to strong credit background of its customers and parent, the Company does not maintain an allowance for doubtful accounts.

Note 9. Subsequent Events

The Company has evaluated the need for disclosures and/or adjustments resulting from subsequent events through May 13, 2025. The evaluation did not result in any subsequent events that necessitated disclosures and/or adjustments.

See Independent Auditor's Report

ALLDIGI TECH, INC.
SCHEDULE OF OPERATING EXPENSES
FOR YEARS ENDED MARCH 31

Operating expenses	2025	2024
Automobile Expense		
Bank Service Charges	228	626
Connectivity Charges	7,252	3,100
Provision for Bad Debts	74,141	221,348
Security Charges	-	24,136
Insurance	28,215	27,134
Licenses and Permits	17,192	36,944
Office Supplies & Expense	419	1,378
Professional Fees	2,031,489	606,211
Rent	14,741	67,716
Utilities	-	1,500
Repairs & Maintenance	86,449	55,583
Rates & Taxes	78,743	-
Telephone	-	2,687
Recruitment Fee	-	14,789
Travel & Ent	314,674	141,045
Total	\$ 2,653,543	\$ 1,204,197

See Independent Auditor's Report and notes to financial statements



INDEPENDENT AUDITOR'S REPORT

To the Members of **Heptagon Technologies Private Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Heptagon Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 41 to the financial statements that states that the Company has transferred its operations in the previous year. In view of the same, the going concern assumption in the preparation of the financial statements of the Company is no longer considered appropriate by the management. Accordingly, the financial statements have been prepared on a basis other than going concern as described in the aforesaid note.

Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the financial statements and our auditor's report thereon.

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



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

The Directors Report has not been made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

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

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern. Accordingly, the Company's management has prepared the financial statements on net realizable value basis of accounting as the Company ceases to be a going concern.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

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 "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



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- (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, except that the financial statements are prepared on net realizable basis of accounting, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - 1. 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 person(s) or entity(ies), 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.
 - 2. 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, as on the date of this audit report, 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.
 - 3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
 - v. The Company has neither declared nor paid any dividend during the year.



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- 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 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. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention.
3. In our opinion, according to information, explanations given to us, the provisions of Section 197 read with Schedule V of the Act and the rules thereunder are not applicable to the Company as it is a private Company.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan

Partner

Membership No. 205226

UDIN: 25205226BMKTPZ7714



Place: Hyderabad.

Date: May 06, 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES PRIVATE LIMITED

Auditor's Responsibilities for the Audit of the Financial Statements

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W


Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 25205226BMKTPZ7714



Place: Hyderabad
Date: May 06, 2025

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES PRIVATE LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. The Company had no property, plant and equipment, and intangible assets, and investment property and right-of-use assets as on March 31, 2025, nor at any time during the year ended March 31, 2025. Accordingly, the provisions stated under clause 3(i) of the Order are not applicable to the Company.
- ii.
 - (a) The Company is involved in the business of rendering services and does not hold any inventory. Accordingly, the provisions stated under clause 3(ii)(a) of the Order are not applicable to the Company.
 - (b) During any point of time of the year, the Company has not been sanctioned working capital limits from Banks and financial institutions on the basis of security of current assets. Accordingly, the provisions stated under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information explanation provided to us, the Company has not made any investments in, or provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the provisions stated under clause 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order is not applicable to the Company.
- vi. The provisions of sub-Section (1) of Section 148 of the Companies Act, 2013 are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products/services of the Company. Accordingly, the provisions stated under clause 3(vi) of the Order are not applicable to the Company.
- vii.
 - (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year though there has been a slight delay in a few cases.
 - (b) According to the information and explanations given to us and the records examined by us, there are no dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues which have not been deposited on account of any dispute.



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- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.
- ix.
- (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate, or joint venture. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable to the Company.
- x.
- (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi.
- (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year in the course of our audit.
- (b) During the year no report under Section 143(12) of the Act, has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.



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- xiii. According to the information and explanations given to us and based on our examination of the records of the Company is a Private Company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. Further, the transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv.
- (a) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013. Accordingly, report under clause 3(xiv) of the Order are not applicable to the Company.
- (b) The Company did not have an internal audit system for the period under audit. Accordingly, we are unable to report under the clause 3(xiv)(b) of the Order.
- xv. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions stated under clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year. The details of the same are as follows:

Particulars	Amount in Lakhs	
	March 31, 2025	March 31, 2024
Cash Losses (Profit after tax + Depreciation + Impairment loss allowance on financial assets- Liability no longer payable written back)	39.94	702.81



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- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, the provisions stated under clause 3(xviii) of the Order are not applicable to the Company.
- xix. The Company has transferred its operations during the year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024. On account of the above, the management of the company has assessed that the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2025 is no longer considered to be appropriate. Accordingly, these financial statements have been prepared on a liquidation basis and all assets are stated at the amounts at which they are expected to be realised and liabilities are stated at values at which they are expected to be settled.
- xx. According to the information and explanations given to us and based on our verification, provisions of Section 135 of the Companies Act, 2013, are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For M S K A & Associates

Chartered Accountants

ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan

Partner

Membership No. 205226

UDIN: 25205226BMKTPZ7714



Place: Hyderabad

Date: May 06, 2025

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HEPTAGON TECHNOLOGIES PRIVATE LIMITED

[Referred to in paragraph (2) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Heptagon Technologies Private Limited on the Financial Statements for the year ended March 31, 2025]

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 financial statements of Heptagon Technologies Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.



MSKA & Associates

Chartered Accountants

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

Meaning of Internal Financial Controls With reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls With reference to financial statements

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

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W



Ananthakrishnan Govindan
Partner
Membership No. 205226
UDIN: 25205226BMKTPZ7714



Place: Hyderabad
Date: May 06, 2025

Heptagon Technologies Private Limited
Balance sheet as at 31 March 2025

(Amount in INR lakhs)

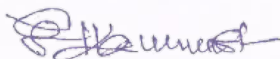
Particulars	Note	31 March 2025	31 March 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	-	-
Right-of-use-assets	3	-	-
Intangible assets	4	-	-
Intangible assets under development	4	-	-
Total non-current assets		-	-
Current assets			
Financial assets			
(i) Trade receivables	5	-	109.69
(ii) Cash and cash equivalents	6	2.67	73.81
(iv) Contract assets	5	-	-
(vii) Other current financial assets	7	-	14.15
Other current assets	8	210.04	367.64
Total current assets		212.71	565.29
Total assets		212.71	565.29
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	3.60	3.60
Other equity	10	(6.77)	14.45
Total equity		(3.17)	18.05
Liabilities			
Non-Current liabilities			
Financial liabilities			
(i) Borrowings	11	-	-
(ii) Lease liabilities	12	-	-
(iii) Other financial liabilities	13	-	-
Provisions	14	-	-
Total Non-Current liabilities		-	-
Current liabilities			
Financial liabilities			
(i) Borrowings	15	-	1.39
(ii) Lease liabilities	12	-	-
(iii) Trade payables		-	-
Total outstanding dues of micro enterprises and small enterprises	16	2.43	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		185.61	197.03
(iv) Other financial liabilities	17	27.74	27.04
Provisions	18	-	-
Other current liabilities	19	0.10	321.78
Total current liabilities		215.88	547.24
Total liabilities		215.88	547.24
Total equity and liabilities		212.71	565.29

The accompanying notes are an integral part of the financial statements.

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As per our report of even date attached.

for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W



Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date: 06 May 2025



for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609



Lohit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 06 May 2025





Ruchi Ahluwalia
Additional Director
DIN: 10273851

Place: Bengaluru
Date: 06 May 2025

Heptagon Technologies Private Limited

Statement of profit and loss for the year ended 31 March 2025

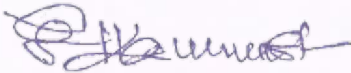
(Amount in INR lakhs)

Particulars	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	20	144.74	1,593.28
Other income	21	11.12	3,301.90
Total income		155.86	4,895.18
Expenses			
Employee benefit expenses	22	-	1,113.04
Finance cost	23	-	130.70
Depreciation and amortisation expenses	24	-	134.26
Other expenses	25	177.08	1,147.13
Total expenses		177.08	2,525.13
Profit/(Loss) before tax		(21.22)	2,370.05
Tax expense	27	-	-
Total tax expenses		-	-
Profit/(Loss) for the year		(21.22)	2,370.05
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gains / (losses) on defined benefit plans		-	36.93
Total other comprehensive income / (loss), net of tax		-	36.93
Total comprehensive income / (loss) for the year		(21.22)	2,406.98
Earnings per equity share (face value of Rs 10 each)			
Basic (₹ in INR)	35	(58.91)	6,579.45
Diluted (₹ in INR)		(58.91)	6,579.45

The accompanying notes are an integral part of the financial statements. 1 - 52

As per our report of even date attached.

for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W



Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date: 06 May 2025



for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609



Lohit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 06 May 2025



Ruchi Anilwalia
Additional Director
DIN: 10273851

Place: Bengaluru
Date: 06 May 2025



Heptagon Technologies Private Limited
Statement of cash flows for the year ended 31 March 2025

(Amount in INR lakhs)

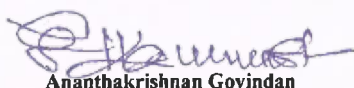
Particulars	For the year ended	
	31 March 2025	31 March 2024
Cash flows from operating activities		
Profit / (Loss) after tax	(21.22)	2,370.05
Adjustments for:		
Depreciation and amortisation expenses	-	134.26
Profit on sale of property, plant and equipment, net	-	(1.57)
Bad debts written off	-	69.82
Liabilities no longer required written back	(4.03)	(3,266.82)
Provision for bad and doubtful debts, net	(20.46)	(2.33)
Rent reversal as per Ind AS 116	-	(7.78)
Interest income on security deposits	-	(0.78)
Interest on tax refunds due	(7.09)	-
Rent from letting out properties	-	(24.95)
Finance costs	-	130.70
Operating cash flows (used in) before working capital changes	(52.80)	(599.40)
Changes in inventories, trade receivables and unbilled revenue	130.15	806.59
Changes in loans, other financial assets and other assets	171.76	(323.28)
Changes in trade payables and other financial liabilities	(8.29)	(122.42)
Changes in other liabilities and provisions	(319.05)	(424.78)
Cash generated (used in) from operations	(78.23)	(663.30)
Income taxes paid, net of refund	-	152.79
Net cash provided from/ (used in) operating activities (A)	(78.23)	(510.51)
Cash flows from investing activities		
Expenditure on property, plant and equipment and intangibles, net of sale proceeds	-	328.17
Rent from letting out properties	-	24.95
Interest income on security deposits	-	0.78
Interest on tax refunds due	7.09	-
Net cash from investing activities (B)	7.09	353.90
Cash flows from financing activities		
Lease liability paid	-	(42.49)
Finance costs	-	(15.51)
Net cash (used in) financing activities (C)	-	(58.00)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(71.14)	(214.61)
Cash and cash equivalents at the beginning of the year	73.81	288.42
Cash and cash equivalents at the end of the year (refer note 6)	2.67	73.81

The notes referred to above form an integral part of the financial statements.

1 - 52

As per our report of even date attached.

for M S K A & Associates
Chartered Accountants
ICAI Firm's Registration No.: 105047W


Ananthakrishnan Govindan

Partner

Membership No: 205226

Place: Hyderabad
Date: 06 May 2025



for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609


Lohit Bhatia

Director

DIN: 07980280

Place: Bengaluru
Date: 06 May 2025


Ruchi Ahluwalia

Additional Director

DIN: 10273851

Place: Bengaluru
Date: 06 May 2025



Heptagon Technologies Private Limited
Statement of changes in equity for the year ended 31 March 2025

(Amount in INR lakhs)

Particulars	Share Capital	Other equity			Total Equity attributable to Equity holders of the Company
		Reserves and Surplus		Other Comprehensive Income	
		Securities Premium	Retained Earnings	Remeasurement of the net defined benefit liability/ (asset)	
Balance as at April 1, 2023	3.60	2,274.81	(4,688.38)	21.04	(2,388.93)
Add: Fair value adjustment of Intangible assets under construction	-	-	-	-	-
Add: Issue of equity shares (on conversion / fresh issue)	-	-	-	-	-
Add: Premium received on issue of equity shares (on conversion / fresh issue)	-	-	-	-	-
Add: Loss for the year	-	-	2,370.05	-	2,370.05
Less: Amount utilized for issue of Equity Shares	-	-	-	-	-
Add: Other comprehensive income for the year	-	-	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	-	-	-	36.93	36.93
Other comprehensive income / (loss) for the year	-	-	-	-	-
Balance as at March 31, 2024	3.60	2,274.81	(2,318.33)	57.97	18.05
Balance as at April 1, 2024	3.60	2,274.81	(2,318.33)	57.97	18.05
Add: Fair value adjustment of Intangible assets under construction	-	-	-	-	-
Add: Issue of equity shares (on conversion / fresh issue)	-	-	-	-	-
Add: Premium received on issue of equity shares (on conversion / fresh issue)	-	-	-	-	-
Add: Loss for the year	-	-	(21.22)	-	(21.22)
Add: Other comprehensive income for the year	-	-	-	-	-
Remeasurement gain/ (loss) on defined benefit plan	-	-	-	-	-
Other comprehensive income / (loss) for the year	-	-	-	-	-
Balance as at March 31, 2025	3.60	2,274.81	(2,339.55)	57.97	(3.17)

The notes referred to above form an integral part of the financial statements

1 - 52

As per our report of even date attached

for M S K A & Associates
Chartered Accountants
ICAI Firm's Registration No. 105047W

Arunthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date: 06 May 2025



for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609

Lalit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 06 May 2025

Ruchi Ahluwalia
Additional Director
DIN: 10273851

Place: Bengaluru
Date: 06 May 2025



1. Company overview

Heptagon Technologies Private Limited ('Heptagon' or 'the Company') was incorporated on 23 July 2015 under the provisions of Companies Act, 2013, with its registered office in Coimbatore, India. The Company is engaged in the business of Information technology services & information technology products development.

2. Material accounting policies

Material accounting policies adopted by the Company are as under:

2.1 Basis of preparation

The Company being a Subsidiary Company of Digitide Solutions Limited. These financial statements are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("Act"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter

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

The Company's Ind AS financial statements are approved for issue by the Company's Board of Directors on 06 May 2025.

The Ind AS financial statements are presented in Indian Rupees ("INR"), which is also the Company's functional currency.

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following:

- i. Certain financial assets and liabilities that are qualified to be measured at fair value (refer accounting policy on financial instruments) and
- ii. Defined benefit and other long-term employee benefits where plan asset is measured at fair value less present value of Defined Benefit Obligations ("DBO").
- iii. The Company has transferred its operations to Quess Corp Limited and Billion Careers Private Limited during the previous year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024 with Quess Corp Limited and Billion Careers Private Limited. On account of the above, the management of the company has assessed that the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2025 is no longer considered to be appropriate. Accordingly, these financial statements have been prepared on a liquidation basis and all assets are stated at the amounts at which they are expected to be realized and liabilities are stated at values at which they are expected to be settled.

2.3 Use of estimates and judgement

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

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the standalone financial statements is included in the following note



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- i. **Income taxes:** Significant judgements are involved in determining provision for income taxes, including the amount expected to be paid or recovered in connection with uncertain tax positions.
- ii. **Measurement of defined benefit obligations:** The cost of the defined benefit obligations are based on actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. All assumptions are reviewed on a periodic basis.
- iii. **Impairment of financial assets:** The Company assesses on a forward-looking basis the expected credit losses associated with financial assets carried at amortised cost based on 12-month expected credit losses (ECL) at each reporting period, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.
- iv. **Property, plant and equipment and Intangible assets:** The useful lives of property, plant and equipment and intangible assets are determined by the management at the time the asset is acquired, generated, and reviewed periodically.
- v. **Other estimates:** The impairment of non-financial assets involves key assumptions underlying recoverable amounts including the recoverability of expenditure on internally generated intangible assets.

2.4 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the degree to which the fair value measurements are observable and significance of the inputs to fair value measurements:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. For financial assets and liabilities maturing within one year from the Balance Sheet date and which are not carried at fair value, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.5 Property, plant and equipment

i) Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the items to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.



If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The cost and related accumulated depreciation are derecognized from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets and the cost of the assets not ready for intended use are disclosed under 'Capital work-in-progress'

ii) Depreciation

Depreciation is provided on a Straight-Line Method ('SLM') over the estimated useful lives of the property, plant and equipment as estimated by the Management and is generally recognized in the statement of profit and loss. The management believes that the useful lives as given below best represent the period over which the management expects to use these assets based on an internal assessment and technical evaluation where necessary. Hence, the useful lives for some of these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of). The Company has estimated the useful lives for property, plant and equipment as follows:

Asset category	Estimated useful life for 31 March 2025
Plant and machinery	3 years
Computer equipment	3 years
Furniture and Fixtures	5 years
Office equipment	5 years

Leasehold improvements are depreciated over the lease term or estimated useful life whichever is lower.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted if appropriate.

2.6 Goodwill and intangible assets

(i) Recognition and measurement

Internally generated: Research and development

Research costs are expensed as incurred. Costs associated with maintaining software programmes are recognized as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Company are recognized as intangible assets when the following criteria are met:

- It is technically feasible to complete the software so that it will be available for use
- Management intends to complete the software and use or sell it
- It can be demonstrated how the software will generate probable future economic benefits



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- Adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- The expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalized as part of the software includes employee costs and an appropriate portion of relevant overheads.

Capitalized development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

Others

Other intangible assets such as computer software, copyright and trademarks are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brand, is recognized in the statement of profit and loss as and when incurred.

(iii) Amortisation

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

The estimated useful lives of intangible assets are as follows:

Asset category	Estimated useful life for 31 March 2025
Software (owned)	5 years
Trademark	3 Years

The residual values, useful lives and method of amortization of intangible assets are reviewed at each financial year end and adjusted if appropriate.

2.7 Impairment of non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount.



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The carrying amount of the asset/CGU is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.8 Leases

Ind AS 116 replaced Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The Company has adopted Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The Company's lease asset classes primarily consist of Land and Building. The group assesses whether a contract is a lease or not at the inception of each contract. A contract or a part of a contract is a lease if conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct cost incurred and an estimated of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use-asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate as the discount rate (As at 1 April 2019 - 9.5%).

The lease liability is measured at amortized cost using the effective interest method. It is re-measured when there is change in future lease payments arising from a change in an index or rate, if there is change in the Company estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use-asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets:

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases of INR 100,000 that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Practical expedients adopted on initial recognition:

1. The agreements maturing within 12 months from the initial application of Ind AS 116, are not considered.
2. Single discount rate is applied to a portfolio of leases with reasonably similar characteristics on the date of initial application.
3. Value of initial direct costs (such as Stamp Duty, registration costs etc. already paid) excluded from the measurement of ROUA.

Refer note 16 for disclosure related to leases.



2.9 Revenue recognition

The Company has adopted Ind AS 115 "Revenue from Contracts with Customers" effective April 1, 2018 using the cumulative catch-up transition method, applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgment to determine whether each service promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised services are combined and accounted as a single performance obligation. The company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method.

Revenue from fixed-price, fixed time frame contracts are recognized as per the terms of the arrangement with the customer where there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. In fixed rate contracts, the performance obligation and control are being satisfied and transferred over time and revenue is being recognized by measuring progress towards completion of the performance obligation. Certain arrangements are on time and material basis and are recognized as the services are performed as per the terms of the arrangement with the customer.

Refer Note 36 for disclosure related to revenue from contracts with customers

a) Policy in case of Unbilled revenue and unearned revenue

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues are classified as contract liabilities (which we refer to as unearned revenues).

b) Policy in case of Contract modifications

Any change in scope or price is considered as a contract modification. The Company accounts for modifications to existing contracts by assessing whether the services added are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract if the additional services are priced at the standalone selling price, or as a termination of the existing contract and creation of a new contract if not priced at the standalone selling price.

c) Policy in case of variable consideration

The Company accounts for variable considerations like, volume discounts, rebates and pricing incentives to customers as reduction of revenue on a systematic and rational basis over the period of the contract. The Company estimates an amount of such variable consideration using expected value method or the single most likely amount in a range of possible consideration depending on which method better predicts the amount of consideration to which we may be entitled.

d) Policy in case of cost of obtaining a contract

Incremental costs that relate directly to a contract and incurred in securing a contract with a customer are recognized as an asset when the Company expects to recover these costs and amortized over the contract term.



e) Policy in case of cost of fulfilling a contract

The Company recognizes contract fulfilment cost as an asset if those costs specifically relate to a contract or to an anticipated contract, the costs generate or enhance resources that will be used in satisfying performance obligations in future; and the costs are expected to be recovered. The asset so recognized is amortized on a systematic basis consistent with the transfer of services to customer to which the asset relates.

2.10 Other income

Other income mostly comprises interest income on deposits, dividend income and gain/ (losses) on disposal of financial assets and non-financial assets. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established

2.11 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transaction. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the reporting date.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in statement of profit or loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and are generally recognized in the statement profit and loss, except exchange differences arising from the translation of the following items which are recognized in OCI:

- equity investments at fair value through OCI (FVOCI)
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedges are effective.

The assets and liabilities of foreign operations (subsidiaries and joint venture) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The gains or losses resulting from such translation are included in currency translation reserves under other components of equity. When a subsidiary is disposed off, in full, the relevant amount is transferred to net profit in the statement of profit and loss. However, when a change in the parent's ownership does not result in loss of control of a subsidiary, such changes are recorded through equity.

2.12 Financial instruments

a) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.



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All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets.

b) Financial assets

(i) Classification and subsequent measurement

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

- amortised cost;
- Fair Value through other comprehensive income (FVOCI) - debt investment;
- Fair Value through other comprehensive income (FVOCI) - equity investment; or
- Fair value through profit and loss (FVTPL)

Financial assets are not classified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

(i) A financial asset is measured at amortised cost if it meets both the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

(ii) A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset 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 date to cash flows that are solely payments of principal and interest on the principal amounts outstanding.

(iii) On initial recognition of an equity investment that is not held for trading, the Company irrevocably elects to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment-to-investment basis.

(iv) All financial assets not classified at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of profit and loss.
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Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.
------------------------------------	--

Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of profit and loss.
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Equity investments at in the FVOCI the cost of the investment.	These assets are subsequently measured at fair value. Dividends are recognized as income statement of profit and loss unless the dividend clearly represents a recovery of part of Other net gains and losses are recognized in OCI and are not reclassified to statement of profit and loss.
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(i) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 33 details how the Company determines whether there has been a significant increase in credit risk.

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on financial assets trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

ECL impairment loss allowance (or reversal) is recognized as an income/expense in the Statement of Profit and Loss during the period.

(ii) Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial asset; or
- retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

e) Financial liabilities

(i) Classification, subsequent measurement and gains and losses

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of profit and loss. Other financial liabilities subsequently measured at amortised cost using the



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effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of profit and loss. Any gain or loss is also recognized in the statement of profit and loss.

(ii) Financial guarantee contracts

Financial guarantee contracts are those contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because the specified party fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts are initially recognized at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognized less cumulative amortization.

(iii) Derecognition

A financial liability is derecognized when the Group's obligations are discharged or cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in profit or loss.

(iv) Offsetting

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

2.13 Employee benefits

(a) Short-term benefit plans

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past services provided by the employee, and the amount of obligation can be estimated reliably.

(b) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The obligation is measured on the basis of an independent actuarial valuation using the Projected Unit Credit Method as at the reporting date.

(c) Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.



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(d) Defined benefit plans

The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined benefit plans is determined based on actuarial valuations carried out by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Actuarial gains or losses are recognized in other comprehensive income. Further, the Statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in the Statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to the Statement of profit and loss in subsequent periods.

(e) Termination benefits

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes cost for restructuring. If the benefits are not expected to be settled wholly within 12 months of reporting date, then they are discounted.

2.14 Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the Statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the reporting date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction.

- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary difference arising on the initial recognition of goodwill.



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Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realised. Deferred tax assets, unrecognised or recognized, are reviewed at each reporting date and are recognized/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Minimum alternative tax ('MAT') paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years. Ind AS 12 defines deferred tax to include carry forward of unused tax credits that are carried forward by the entity for a specified period of time. Accordingly, MAT credit entitlement is grouped with deferred tax assets (net) in the balance sheet.

2.15 Provisions

A provision is recognized if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the reporting date. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the reporting date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost. Expected future operating losses are not provided for.

Onerous contract

A contract is considered to be onerous when the expected economic benefit to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with the contract.

2.16 Contingent liability

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions but are disclosed unless the possibility of outflow of resources is remote. Contingent assets are disclosed in the financial statements if an inflow of economic benefits is probable.

2.17 Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

For the purpose of cash flow statement, cash and cash equivalent includes cash in hand, in banks, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts that are repayable on demand and are considered part of the cash management system.

2.18 Cash flow statement

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



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2.19 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to owners of the Company for the year by the weighted average number of equity shares outstanding during reporting period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving 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.

Dilutive potential equity shares are deemed converted as of the beginning of the reporting date, unless they have been issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and which either reduces earnings per share or increase loss per share are included.

2.20 Segment reporting

Based on the "management approach" as defined in Ind AS 108, Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. However since the Company is in the business of rendering Information technology services & Information technology products to clients which are covered under similar arrangements and is considered by CODM as the only reportable business segment.

2.21 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

I. Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company have taxable temporary differences and tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Company has determined that it cannot recognize deferred tax assets further in CY on the tax losses carried forward. Refer Note 6. New standards and amendments issued but not effective.

II. Defined benefit plans (gratuity benefits and compensated absences)

The cost of the defined benefit plans such as gratuity and compensated absences are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature,



a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details Refer Note 18.

III. Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate. During the year, the Company recognised an impairment loss on trade receivables (refer note 30).



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

3 Property, Plant and Equipment

(Amount in INR lakhs)

Particulars	Furniture and fixtures	Office equipment	Plant and machinery	Computer equipment	Right to use asset- Building*	Total
Gross block/Deemed Cost						
As at 1 April 2023	20.28	16.39	0.26	174.11	119.48	330.52
Additions during the year	0.04	0.27	-	-	-	0.31
Disposals for the year	20.32	16.66	0.26	174.11	119.48	330.83
As at 31 March 2024	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-
As at 31 March 2025	-	-	-	-	-	-
Accumulated Depreciation						
As at 1 April 2023	12.84	10.54	0.26	92.09	84.22	199.95
Depreciation for the year	3.38	2.47	-	44.57	20.84	71.26
Disposals for the year	16.22	13.01	0.26	133.63	105.06	268.18
Accumulated depreciation on deletions	-	-	-	3.03	-	3.03
As at 31 March 2024	-	-	-	-	-	-
Depreciation for the year	-	-	-	-	-	-
Disposals for the year	-	-	-	-	-	-
Accumulated depreciation on deletions	-	-	-	-	-	-
As at 31 March 2025	-	-	-	-	-	-
Net Block :						
As at 31 March 2025	-	-	-	-	-	-
As at 31 March 2024	-	-	-	-	-	-

*The Company doesn't have title deeds which are held other than in the Company's name as at the balance sheet date.

Notes:

1. The Company has not revalued its Property, plant and equipment (including Right of use assets) and intangible assets as at the balance sheet date.
2. The Company doesn't own any investment property as at the balance sheet date.
3. The Company has transferred its Property, plant and equipment (including Right of use assets) to Quess Corp Limited and Billion Careers Private Limited during the previous year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024 with Quess Corp Limited and Billion Careers Private Limited. (Refer note 41)



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025
4 Intangible Assets
(Amount in INR lakhs)

Particulars	Trademark	Software (IP Technology)	Intangible assets under development*	Total
Gross block				
As at 1 April 2023	0.80	343.48	154.37	498.65
Additions during the year	-	-	-	-
Disposals for the year	0.80	343.48	154.37	498.65
Capitalised during the year	-	-	-	-
As at 31 March 2024	-	-	-	-
Additions during the year	-	-	-	-
Disposals for the year	-	-	-	-
Capitalised during the year	-	-	-	-
As at 31 March 2025	-	-	-	-
Accumulated Depreciation				
As at 1 April 2023	0.80	167.56	-	168.36
Amortisation for the year	-	63.00	-	63.00
Disposals for the year	0.80	230.56	-	231.36
As at 31 March 2024	-	-	-	-
Amortisation for the year	-	-	-	-
Disposals for the year	-	-	-	-
Accumulated amortisation on deletions	-	-	-	-
As at 31 March 2025	-	-	-	-
Net Block				
As at 31 March 2025	-	-	-	-
As at 31 March 2024	-	-	-	-

*During the previous year, the company has expensed off intangible under development which are related to People chain & 1book Software products since entity has assessed that these assets will have no probable expected future economic benefits that are attributable to the asset will flow to the entity.

Note:

The Company has transferred its intangible assets to Quess Corp Limited and Billion Careers Private Limited during the previous year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024 with Quess Corp Limited and Billion Careers Private Limited. (Refer note 41)




Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

5 Trade receivables
i) Trade receivables - billed

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Unsecured		
Undisputed Trade receivables		
Considered good (Refer note 30)	-	109.69
Credit impaired	-	20.46
Less: Allowance for expected credit loss (considered doubtful)	-	(20.46)
	-	109.69
Receivable from related parties (refer note 37(C))	-	107.94

All trade receivables are current. The net carrying value of trade receivables is considered a reasonable approximation of fair value.

ii) Contract Assets - Trade Receivables Unbilled

Particulars	31 March 2025	31 March 2024
Unbilled revenue	-	54.90
Less: Provision for impairment of unbilled revenue	-	(54.90)
	-	-

Receivable from related parties (refer note 37(C))

Trade receivable ageing schedule as on 31 March 2025:

(Amount in INR lakhs)							
Particulars	Unbilled	Outstanding for the following periods from due date of payment/ date of transaction					
		Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years
Undisputed trade receivables							
- Considered good	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-

Trade receivable ageing schedule as on 31 March 2024:

(Amount in INR lakhs)							
Particulars	Unbilled	Outstanding for the following periods from due date of payment/ date of transaction					
		Not due	Less than 6 months	6 months - 1 year	1 - 2 year	2 - 3 year	More than 3 years
Undisputed trade receivables							
- Considered good	54.90	-	108.56	1.13	-	-	-
- Credit impaired	(54.90)	-	(16.22)	(4.24)	-	-	-

6 Cash and cash equivalents

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Cash and cash equivalents		
Cash in hand	-	-
In current accounts	2.67	73.81
Cash and cash equivalents in balance sheet	2.67	73.81

7 Other current financial assets

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Security deposits	-	14.15
	-	14.15

8 Other current assets

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Advances other than capital advances		
Advances to suppliers	-	2.74
Balances with government authorities	210.04	364.90
	210.04	367.64



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

9 Equity share capital

Particulars	(Amount in INR lakhs)	
	31 March 2025	31 March 2024
Authorised		
1,00,000 (31 March 2024: 1,00,000) equity shares of par value of Rs 10 each	10.00	10.00
	10.00	10.00
Issued, subscribed and paid-up		
36,022 (31 March 2024: 36,022) equity shares of par value of Rs 10 each, fully paid up	3.60	3.60
	3.60	3.60

Details of shareholding of promoters:

Promoter's name	31 March 2025			31 March 2024		
	Number of shares	% held	% change during the year	Number of shares	% held	% change during the year
Digitide Solutions Limited (w.e.f 01 April 2024)	36,021	99.99%	99.99%	-	0.00%	0%
Quess Corp Limited (upto 31 March 2024)	-	0.00%	-99.99%	36,021	99.99%	0%
Ajit Isaac	1	0.01%	0.00%	1	0.01%	0%
	36,022	100%		36,022	100%	

9.1 Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount in Rs (lakhs)	Number of shares	Amount in Rs (lakhs)
Equity shares				
At the commencement of the year	36,022	3.60	36,022	3.60
Shares issued during the year	-	-	-	-
At the end of the year	36,022	3.60	36,022	3.60

9.2 Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount in Rs (lakhs)	Number of shares	Amount in Rs (lakhs)
Equity shares				
Equity shares of par value Rs 10 each				
Digitide Solutions Limited (w.e.f 01 April 2024)	36,021	3.60	-	-
Quess Corp Limited (upto 31 March 2024)	-	-	36,021	3.60
	36,021	3.60	36,021	3.60

9.3 Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each equity holder is entitled to one vote per share. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of preferential amounts if any, in proportion to the number of equity shares held.

9.4 Shares held by holding company

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount in Rs (lakhs)	Number of shares	Amount in Rs (lakhs)
Equity shares				
Equity shares of par value Rs 10 each				
Digitide Solutions Limited (w.e.f 01 April 2024)	36,021	3.60	-	-
Quess Corp Limited (upto 31 March 2024)	-	-	36,021	3.60
	36,021	3.60	36,021	3.60

9.5 The Company has not made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the balance sheet date.



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

10 Other equity

(Amount in INR lakhs)			
Particulars	Note	31 March 2025	31 March 2024
Securities premium account	10.1	2,274.81	2,274.81
Other comprehensive income	10.2	57.97	57.97
Retained earnings	10.3	(2,339.55)	(2,318.33)
		(6.77)	14.45

10.1 Securities premium account

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

(Amount in INR lakhs)			
Particulars		31 March 2025	31 March 2024
Opening balance		2,274.81	2,274.81
Add: Securities premium credited on share issue		-	-
Closing balance		2,274.81	2,274.81

10.2 Other comprehensive income

Remeasurement of defined benefit liability (asset) comprises actuarial gain and losses.

(Amount in INR lakhs)			
Particulars		31 March 2025	31 March 2024
Opening balance		57.97	21.04
Add: Re-measurement gains/ (losses) on defined benefit plans (net of tax)		-	36.93
Closing balance		57.97	57.97

10.3 Retained earnings

(Amount in INR lakhs)			
Particulars		31 March 2025	31 March 2024
Opening balance		(2,318.33)	(4,688.38)
Add: Net profit/ (loss) for the year		(21.22)	2,370.05
Closing balance		(2,339.55)	(2,318.33)

11 Borrowings

(Amount in INR)			
Particulars		31 March 2025	31 March 2024
Secured			
From Digitide Solutions Limited, (refer note 11.1)		-	-
Total borrowing		-	-

11.1 During the previous year the Company had writtenoff the loan availed of INR 1,608.70 lakhs from Ques Corp Ltd.



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Heptagon Technologies Private Limited

Notes to the financial statements for the year ended 31 March 2025

12 Lease liabilities*(Amount in INR lakhs)*

a) Particulars	As at	As at
	31 March 2025	31 March 2024
Current lease liability	-	-
Non-current lease liability	-	-
Total	-	-

b) The following is the movement in lease liabilities*(Amount in INR lakhs)*

Particulars	As at	As at
	31 March 2025	31 March 2024
Operating lease recognised on adoption of Ind AS 116	-	50.27
Reclassification on adoption of Ind AS 116 - Fin lease obligation	-	-
Add: Additions	-	-
Add: Additions through business combination	-	-
Less: Deletion	-	(14.42)
Add: Finance cost accrued during the period	-	2.81
Less: Payment of lease obligation writeoff	-	(38.66)
Carrying amount as at 31 March 2025	-	-

c) Amount recognised in the statement of profit and loss*(Amount in INR lakhs)*

Particulars	For the year ended	For the year ended
	31 March 2025	31 March 2024
Interest expense (included in finance cost)	-	2.81
Expenses relating to short-term lease (included in other expenses)	-	1.92
	-	4.73

d) The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2025 on an undiscounted basis:*(Amount in INR lakhs)*

Particulars	As at	As at
	31 March 2025	31 March 2024
Less than one year	-	-
One to five years	-	-
	-	-

Rental expense recorded for short-term leases was INR Nil for the year ended 31 March 2025 and INR 1.92 lakhs for the year ended 31 March 2024.



Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

13 Other financial liabilities - Non Current

(Amount in INR)		
Particulars	31 March 2025	31 March 2024
Interest accrued but not due*	-	-

*During the previous year the Company had written off the interest payable of INR 1,501.12 lakhs towards Qess Corp Ltd.

14 Provisions - Non Current

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Provision for employee benefits	-	-
Provision for gratuity (refer note 33)	-	-
Provision for compensated absences (refer note 33)	-	-

15 Borrowings

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Loan from Directors	-	1.39
	-	1.39

Information about the Company's exposure to interest rate and liquidity risk is included in note 30

16 Trade payables

(Amount in INR lakhs)		
i) Trade payables - billed dues		
Particulars	31 March 2025	31 March 2024
Undisputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 34)	0.82	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	185.61	82.83
	186.43	82.83
Payable to related party (refer note 37(C))	185.61	81.72

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in note 30.

ii) Trade payables - unbilled dues		
Particulars	31 March 2025	31 March 2024
Undisputed dues		
Total outstanding dues of micro enterprises and small enterprises (refer note 34)	1.61	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	0.00	114.20
	1.61	114.20

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2025:

(Amount in INR lakhs)						
Particulars	Outstanding for the following periods from due date of payment/ date of transaction					Total
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	
Undisputed						
- Micro enterprises and small enterprises	1.61	0.82	-	-	-	0.82
- Others	-	185.61	-	-	-	185.61

Trade payable (billed and unbilled dues) ageing schedule as on 31 March 2024:

(Amount in INR lakhs)						
Particulars	Outstanding for the following periods from due date of payment/ date of transaction					Total
	Unbilled dues	Less than 1 year	1 - 2 year	2 - 3 year	More than 3 years	
Undisputed						
- Micro enterprises and small enterprises	-	-	-	-	-	-
- Others	114.20	82.83	-	-	-	82.83



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

17 Other financial liabilities - Current

Particulars	(Amount in INR lakhs)	
	31 March 2025	31 March 2024
Accrued salaries and benefits	24.04	24.04
Provision for audit fee	3.70	3.00
	<u>27.74</u>	<u>27.04</u>
	24.04	24.04

Payable to related party (refer note 37(C))

The Company's exposure to currency and liquidity risk related to other current financial liabilities is disclosed in note 30.

18 Provisions - Current

Particulars	(Amount in INR lakhs)	
	31 March 2025	31 March 2024
Provision for employee benefits		
Provision for gratuity (refer note 33)	-	-
Provision for compensated absences (refer note 33)	-	-
	<u>-</u>	<u>-</u>

19 Other current liabilities

Particulars	(Amount in INR lakhs)	
	31 March 2025	31 March 2024
Income received in advance	-	144.97
Advance received from customers [#]	-	103.66
Balances payable to government authorities	0.10	73.15
	<u>0.10</u>	<u>321.78</u>

Advance from related party (refer note 37(C))



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

20 Revenue from operations

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Sale of services (refer note 36)	144.74	1,593.28
	<u>144.74</u>	<u>1,593.28</u>

21 Other income

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Interest on tax refunds due	7.09	-
Profit on sale of property, plant and equipment and intangible assets	-	1.57
Rent from letting out properties	-	24.95
Liability no longer payable written back	-	-
Borrowings written back	-	1,608.70
Interest accrued on borrowings written back	-	1,501.12
Trade payables written back	4.03	165.55
	<u>11.12</u>	<u>3,301.90</u>

22 Employee benefits expense

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Salaries and wages	-	1,075.80
Contribution to provident and other funds	-	29.31
Expenses related to post-employment defined benefit plan (refer note 33)	-	15.38
Expenses related to compensated absences	-	(12.73)
Staff welfare expenses	-	5.28
	<u>-</u>	<u>1,113.04</u>

23 Finance costs

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Interest expense on financial liabilities at amortised cost	-	130.70
(includes interest on lease liability - ₹ Nil Lakhs (Mar 24 - ₹ 2.81 Lakhs))	<u>-</u>	<u>130.70</u>

24 Depreciation and amortisation expense

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Depreciation of property, plant and equipment (refer note 3)	-	71.26
Amortisation of intangible assets (refer note 4)	-	63.00
	<u>-</u>	<u>134.26</u>

25 Other expenses

(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Recruitment and training expenses	-	3.90
Rent (refer note 12 (c))	-	1.92
Power and Fuel	-	8.59
Repairs & maintenance	-	-
- Buildings	-	0.85
- Plant and machinery	-	2.17
- computer equipment's, consumables and others	-	1.43
Sub-contractor charges	141.05	574.33
Legal and professional fees	0.00	110.48
Auditors remuneration (refer note 26)	3.70	4.25
Rates and taxes	44.04	27.55
Printing and stationery	-	2.90
Travelling and conveyance	-	19.35
Communication expenses	0.34	29.03
Impairment loss allowance/ (reversal) on financial assets, net [refer note 30(i)]	(20.46)	(2.33)
Technological support services	2.24	67.64
Bank charges	0.32	1.09
Bad debts written off	-	69.82
Business promotion and advertisement expenses	-	7.01
Intangible assets under development written off	-	200.29
Foreign exchange loss, net realised	5.85	16.86
	<u>177.08</u>	<u>1,147.13</u>

26 Payment to auditors

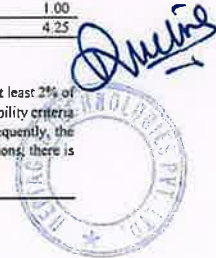
(Amount in INR lakhs)		
Particulars	31 March 2025	31 March 2024
Statutory audit fees	3.00	3.25
Tax audit fees	0.70	1.00
	<u>3.70</u>	<u>4.25</u>

Details of CSR expenditure

As per Section 135 of the Companies Act, 2013, companies meeting specified thresholds in terms of net worth, turnover, or net profit are required to spend at least 2% of their average net profits from the preceding three financial years on Corporate Social Responsibility (CSR) activities. While the Company meets the applicability criteria under Section 135(1), it has incurred accumulated losses in the previous financial years and reported only a notional gain in the most recent year. Consequently, the average net profit over the last three financial years is either negative or negligible. In accordance with the provisions of Section 135(5) and related clarifications, there is no statutory obligation for the Company to make CSR expenditure for the current financial year.



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Heptagon Technologies Private Limited**Notes to the financial statements for the year ended 31 March 2025****27 Taxes**

The major components of income tax expense for the year ended 31 March 2025 and 31 March 2024 are as follows:

Particulars	(Amount in INR lakhs)	
	For the year ended	
	31 March 2025	31 March 2024
Statement of profit and loss account		
Current income tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of profit and loss	-	-
Other comprehensive Income		
Deferred tax related to items recognised in OCI during the year	-	-
Income tax expense has been allocated as follows:		
- Deferred tax arising on income and expense recognised in other comprehensive income	-	-
Total	-	-

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	(Amount in INR lakhs)	
	For the year ended	
	31 March 2025	31 March 2024
Profit / (Loss) before tax	(21.22)	2,370.05
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	-	596.54
Effect of:		
Previously unrecognised tax losses now recouped to reduce current tax expense	-	(596.54)
Total income tax expense	-	-

The tax rates under Indian Income Tax Act, for the year ended 31 March 2025 and 31 March 2024 is 25.17% and 25.17% respectively.

No tax recognition in the current year and previous year since taxable loss incurred in the current year and previous year.

Deferred tax

The company has not recognised deferred tax asset as at 31 March 2025 and 31 March 2024 due to absence of reasonable certainty of set off of unabsorbed losses against taxable profits in the foreseeable future.

The following table provides the details of income tax assets and income tax liabilities as of 31 March 2025 and 31 March 2024:

Particulars	(Amount in INR lakhs)	
	31 March 2025	31 March 2024
Income tax assets	200.35	354.63
Income tax liabilities	-	-
Net income tax assets at the end of the year	200.35	354.63



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

28 Financial instruments - fair value and risk management

Financial instruments by category

(Amount in INR lakhs)

Particulars	Note	31 March 2025		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Trade receivables	5	-	-	-
Cash and cash equivalents including other bank balances	6	-	-	2.67
Other financial assets	7	-	-	-
Total financial assets		-	-	2.67
Financial liabilities:				
Borrowings	15	-	-	-
Trade payables	16	-	-	188.04
Other financial liabilities	17	-	-	27.74
Total financial liabilities		-	-	215.78

(Amount in INR lakhs)

Particulars	Note	31 March 2024		
		FVTPL	FVTOCI	Amortised Cost
Financial assets:				
Trade receivables	5	-	-	109.69
Cash and cash equivalents including other bank balances	6	-	-	73.81
Other financial assets	7	-	-	14.15
Total financial assets		-	-	197.65
Financial liabilities:				
Borrowings	15	-	-	1.39
Trade payables	16	-	-	197.03
Other financial liabilities	17	-	-	27.04
Total financial liabilities		-	-	225.46

Accounting classification and fair value

The carrying value and fair value of financial instruments by categories as at 31 March 2025 and 31 March 2024 are as follows:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

- recognised and measured at fair value
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

As at 31 March 2025

(Amount in INR lakhs)

Particulars	Carrying value		Fair value		
	31 March 2025	Level 1	Level 2	Level 3	
Financial assets					
Amortised cost					
Trade receivables	-	-	-	-	-
Cash and cash equivalents	2.67	-	-	-	-
Other financial assets	-	-	-	-	-
Total financial assets	2.67	-	-	-	-
Financial liabilities					
Amortised cost					
Borrowings	-	-	-	-	-
Trade payables	188.04	-	-	-	-
Other financial liabilities	27.74	-	-	-	-
Total financial liabilities	215.78	-	-	-	-

As at 31 March 2024

(Amount in INR lakhs)

Particulars	Carrying value		Fair value		
	31 March 2024	Level 1	Level 2	Level 3	
Financial assets					
Amortised cost					
Trade receivables	109.69	-	-	-	-
Cash and cash equivalents	73.81	-	-	-	-
Other financial assets	14.15	-	-	-	-
Total financial assets	197.65	-	-	-	-
Financial liabilities					
Amortised cost					
Borrowings	1.39	-	-	-	-
Trade payables	197.03	-	-	-	-
Other financial liabilities	27.04	-	-	-	-
Total financial liabilities	225.46	-	-	-	-

The management assessed that fair value of cash and short-term deposits, trade receivables, other current assets, borrowings, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

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



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29 Fair value hierarchy

Level 1: This hierarchy includes financial instruments measured using quoted prices. This includes investment in equity, preference shares, mutual funds and debentures that have quoted price.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for investment in unquoted preference shares included in level 3.

Fair valuation method

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

The management assessed that fair value of financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Hence there are no financial assets or liabilities revalued at fair value except below items.

30 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, and cash and short-term deposits that derive directly from its operations.

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

Credit risk on cash and cash equivalents and other bank balances and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies. The loan represents security deposits given to suppliers, employees and others. The credit risk associated with such deposits is relatively low.

Trade and other receivables

The Company's exposure to credit risk is influenced mainly by its customers. However, the management also considers the factors that may influence the credit risk of its customer base. The Company has established a credit policy under which each new customer is analysed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and in some cases bank references.

The Company limits its exposure to credit risk from trade receivables by establishing a maximum payment period of one to three months for customers. The Company does not have trade receivables for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for corporate customers as at 31 March 2025 and 31 March 2024 are as follows:

Based on industry practices and the business environment in which the entity operates, the management considers that trade receivables are in default (credit impaired) if the payments are due for more than specific number of days. Loss rates are based on actual credit loss experience over the last six quarters.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables from customers:

Expected credit loss for trade receivable:

As at 31 March 2025

Particulars	(Amount in INR lakhs)				
	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	-	-	-	No	-
Past due 1-90 days	-	-	-	No	-
Past due 91-180 days	-	-	-	No	-
Past due 181-270 days	-	-	-	No	-
Past due 271-360 days	-	-	-	No	-
Above 360 days	-	-	-	No	-
	-	-	-	-	-

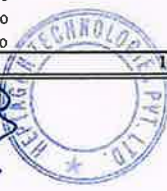
As at 31 March 2024

Particulars	(Amount in INR lakhs)				
	Gross carrying amount	Expected credit loss rate	Expected credit losses	Whether receivable is credit impaired	Carrying amount of trade receivables
Not due	-	0.00%	-	No	-
Past due 1-90 days	89.60	6.05%	5.43	No	84.17
Past due 91-180 days	35.13	30.72%	10.79	No	24.34
Past due 181-270 days	3.13	62.27%	1.95	No	1.18
Past due 271-360 days	2.30	100.00%	2.30	No	-
Above 360 days	-	0.00%	-	No	-
	130.15		20.46		109.69



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025
Movement in allowance for impairment in respect of trade receivables:
The movement in the allowance for impairment in respect of trade receivables during the year was as follows:
(Amount in INR lakhs)

Particulars	31 March 2025	31 March 2024
Balance as at the beginning of the year	20.46	77.69
Impairment loss allowances recognised/ (reversed)	(20.46)	(57.23)
Balance as at the end of the year	-	20.46

ii) Liquidity risk

The Company's principal source of liquidity are cash and cash equivalents and financial support from Digitide Solutions Limited. Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

i) Financing arrangement

The Company maintains the following line of credit:

(i) The Company has taken loan from Ques Corp Ltd. having interest rate at 10% p.a. and the same has been written back during the previous year.

As at 31 March 2025
(Amount in INR lakhs)

Particulars	Contractual cash flows			
	Carrying amount	Less than 1 year	1-2 years	2 years and above
Trade payables	188.04	188.04	-	-
Other financial liabilities	27.74	27.74	-	-

As at 31 March 2024

Particulars	Contractual cash flows			
	Carrying amount	Less than 1 year	1-2 years	2 years and above
Borrowings	1.39	1.39	-	-
Trade payables	197.03	197.03	-	-
Other financial liabilities	27.04	27.04	-	-

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Company is not exposed to Market risk as the Company does not have any major foreign transactions and interest rates are also fixed.

a) Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of the related entities.

a) Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as reported to management is as follows:

Particulars	Currency	As at 31 March 2025		As at 31 March 2024	
		Foreign currency	Amount in Reporting Currency	Foreign currency	Amount in Reporting Currency
Trade receivables					
	GBP	-	-	-	-
	USD	-	-	0.09	7.08

The following significant exchange rates have been applied

Particulars	Year end spot rate	
	31 March 2025	31 March 2024
GBP/ Reporting currency	-	105.52
USD/ Reporting currency	-	83.05

b) Sensitivity analysis

A reasonably possible strengthening/ (weakening) of the GBP and USD against Reporting currency at 31 March 2025 and 31 March 2024 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2025				
GBP (1% movement)	-	-	-	-
USD (1% movement)	-	-	-	-
31 March 2024				
GBP (1% movement)	-	-	-	-
USD (1% movement)	(0.07)	0.07	(0.05)	0.05



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Heptagon Technologies Private Limited

Notes to the financial statements for the year ended 31 March 2025.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company borrowings comprises of working capital loan taken from Quess Corp Ltd, and loan from Director. Loan from Quess Corp Ltd. carry fixed rate of interest and is not exposed to significant interest rate risk.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in INR lakhs)

Particulars	March 31, 2025	March 31, 2024
Fixed rate borrowings	-	-
Total borrowings	-	-

c) Price risk**(a) Price risk exposure**

The Company's exposure to price risk arises from investments held by the company in the mutual fund units and classified as fair value through profit or loss in the financial statements.

To manage its price risk arising from investments in mutual fund units, the company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Group. During the year and the previous Company has not invested any money in mutual funds.

31 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as aggregate of non-current borrowing, current borrowing, current maturities of long-term borrowings and current maturities of finance lease obligations less cash and cash equivalents.

The Company's policy is to keep the ratio below 2.50. The Company's adjusted net debt to equity ratio is as follows:

(Amount in INR lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Gross debt	215.88	547.24
Less: Cash and cash equivalent	2.67	73.81
Adjusted net debt (borrowings net of cash and cash equivalent)	213.21	473.43
Total equity	(3.17)	18.05
Net debt (Total external liabilities) to equity ratio	(67.30)	26.23

32 Capital Commitments and commitments

The company does not have any capital commitments and contingent liability as at 31 March 2025 and 31 March 2024.

33 Assets and liabilities relating to employee benefits

A The Company operates post-employment defined benefit plan that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit. The Scheme is not funded. The Company accrued gratuity under the provisions of the Payment of Gratuity Act, 1972 as applicable as at the balance sheet date and the maximum payment is restricted to Rs 20 lakhs.

(Amount in INR lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Net defined benefit liability, gratuity plan	-	-
Liability for compensated absences	-	-
Total employee benefit liability	-	-
Current (refer note 18)	-	-
Non- Current (refer note 14)	-	-

For details about employee benefit expenses, see note 22



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Heptagon Technologies Private Limited

Notes to the financial statements for the year ended 31 March 2025

33 Assets and liabilities relating to employee benefits (continued)
B Reconciliation of net defined benefit liability/ asset

Particulars	(Amount in INR lakhs)	
	31 March 2025	31 March 2024
Change in defined benefit obligation		
Obligation at the beginning of the year	-	132.44
Current service cost	-	9.82
Interest cost	-	3.91
Benefit settled	-	(9.16)
Transfer In / (Out)	-	(100.08)
Actuarial (gains)/ losses recognised in other comprehensive income		
- Changes in experience adjustments	-	(36.93)
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	-	-
Obligation at end of the year	-	-

C i) Expense recognised in profit or loss

Particulars	(Amount in INR lakhs)	
	For the year ended	
	31 March 2025	31 March 2024
Service cost	-	9.82
Net interest on net defined benefit liability/(asset)	-	3.91
Net gratuity cost	-	13.74

ii) Remeasurement recognised in other comprehensive income

Particulars	For the year ended	
	31 March 2025	31 March 2024
Remeasurement of the net defined benefit liability	-	(36.93)
Remeasurement of the net defined benefit asset	-	-
	-	(36.93)

D Defined benefit obligation - Actuarial Assumptions

Particulars	31 March 2025	31 March 2024
Discount rate	0.00%	7.20%
Salary increase	0.00%	10.00%
Attrition rate	0.00%	30.00%
Average duration of defined benefit obligation (in years)	0	9 Years

The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

E Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below

	As at 31 March 2025		As at 31 March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	-	-	-	-
Future salary growth(1% movement)	-	-	-	-
Attrition rate (50% movement)	-	-	-	-

F Compensated absence

The Company has accounted the cost of compensated absence based on the management estimation as of 31 March 2025 and has estimated a compensated absence liability of INR Nil amount (31 March 2024: INR Nil).

Key assumptions used in the valuation of compensated absence Liability are as given below:

Particulars	31 March 2025	31 March 2024
Discount rate	0.00%	7.20%
Salary increase	0.00%	10.00%
Attrition rate	0.00%	30.00%
Mortality rate		100% of IALM 2012

14

34 Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Official Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The amounts payable to such enterprises as at 31 March 2025 is INR 2.43 lakhs (Nil as at 31 March 2024) based on the information received and available with the Company. Also the Company has not received any claim for interest from any supplier under the Micro, Small and Medium Enterprises Development Act,



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

35 Computation of Earnings per share (EPS)

(Amount in INR lakhs except number of shares and per share data)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Nominal value of equity shares	10.00	10.00
Net profit/ (loss) after tax for the purpose of earnings per share	(21.22)	2,370.05
Weighted average number of shares used in computing basic earnings per share	36,022	36,022
Basic earnings per share	(58.91)	6,579.45
Weighted average number of shares used in computing diluted earnings per share	36,022	36,022
Diluted earnings per share*	(58.91)	6,579.45

* Refer note 11.1. Accordingly, the loan is not considered as potential equity and hence does not impact the diluted EPS

Computation of weighted average number of shares

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Number of equity shares outstanding at beginning of the year	36,022	36,022
Weighted average number of shares outstanding at the end of year for computing basic and diluted earnings per share	36,022	36,022

36 Revenue from Contracts with customers

(i) Trade Receivables and Contract Balances

The company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. Invoicing in excess of earnings are classified as unearned revenue.

Trade receivable and unbilled revenues are presented net of impairment in the Balance Sheet.

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

Particulars	(Amount in INR lakhs)	
	As at 31 March 2025	As at 31 March 2024
Receivables, which are included in "Trade and other receivables"	-	109.69
Contract assets (Unbilled revenue)	-	-
Contract liabilities (Unearned revenue & Advance r'd from customers)	-	248.63

The unbilled revenue (contract assets) primarily relate to the company's rights to consideration for work completed but not billed at the reporting date. The contract assets are transferred to receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customer, for which revenue is recognised on completion of contract terms.

The following table discloses the movement in unbilled revenue (contract assets) balances for the year ended 31 March 2025 and 31 March 2024:

Particulars	(Amount in INR lakhs)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Balance at the beginning	-	632.44
Add : Revenue recognized during the period	-	1,593.28
Less : Invoiced during the period	-	(2,225.72)
Balance at the end	-	-

The following table discloses the movement in unearned revenue (contract liabilities) balances for the year ended 31 March 2025 and 31 March 2024:

Particulars	(Amount in INR lakhs)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Balance at the beginning	144.97	18.13
Less: Revenue recognized during the period	144.97	263.34
Add: Invoiced during the period but not recognized as revenues	-	390.18
Balance at the end	-	144.97

(ii) Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the company has not disclosed the value of remaining performance obligations for

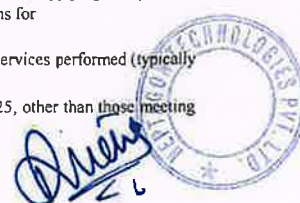
(i) contracts with an original expected duration of one year or less and

(ii) contracts for which the company recognises revenue at the amount to which it has the right to invoice for services performed (typically those contracts where invoicing is on time and material basis).

The aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March 2025, other than those meeting the exclusion criteria mentioned above, is Nil.



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

37 Related party disclosures

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

- Holding Company

- Entities having significant influence/ joint control)*

- Subsidiaries (including step subsidiaries) of Digitide Solutions Limited

- Entity having common directors

- Entity controlled by promoters and promoters group

- Entity controlled by promoters and promoters group

Digitide Solutions Limited, Bengaluru (w.e.f 01 April 2024)
Quess Corp Limited, Bengaluru (upto 31 March 2024)

Fairfax Financial Holdings Limited
Fairbridge Capital (Mauritius) Limited
FFHL Group Ltd.
Fairfax (Barbados) International Corp.
Isaac Enterprises LLP (formerly known as "Isaac Enterprises Private limited")

Brainhunter Systems Limited
Qdigi Services Limited
Mindwire Systems Limited
MFXchange Holdings, Inc.
MFXchange US, Inc.
Alldigi Tech Limited (formerly known as "Allsec Technologies Limited")
Alldigi Tech Inc, USA (formerly known as "Allsectech Inc. USA")
Allsectech Manila Inc. Philippines
Quess Corp (USA) Inc.
Quess GTS Canada Holding Inc.

Brainhunter Systems Limited
Mindwire Systems Limited
MFXchange Holdings, Inc.
MFXchange US, Inc.
Alldigi Tech Limited (formerly known as "Allsec Technologies Limited")
Alldigi Tech Inc, USA (formerly known as "Allsectech Inc. USA")
Allsectech Manila Inc. Philippines
Quess Corp (USA) Inc.
Quess GTS Canada Holding Inc.

Careworks foundation
Iris Realty LLP
Isaac Healthcare Services LLP
Fairbridge Capital Private Limited
Thomas Cook (India) Limited
Net Resources Investments Private Limited
HWIC Asia Fund Class A Shares
Isaac Enterprises LLP
Bluspring Enterprises Limited
Vedang Cellular Services Private Limited
Monster.com (India) Private Limited
Monster.com,SG PTE Limited
Monster.com HK Limited
Agensi Pekerjaan Monster Malaysia Sdn. Bhd
Trimax Smart Infraprojects Private Limited
Terrier Security Services (India) Private Limited
Agency Pekerjaan Quess Recruit SDN. BHD
Quess (Philippines) Corp.
Quesscorp Holdings Pte. Ltd
Quessglobal (Malaysia) Sdn. Bhd.
Quess Corp Lanka (Private) Limited

Quesscorp Singapore Pte Limited (formerly known as "Comtel Solutions Pte. Limited")
Quess Corp Vietnam LLC
Excelus Learning Solutions Private Limited
Quess International Services Private Limited
(formerly known as "Golden Star Facilities and Services Private Limited")
Quess Selection & Services Pte Limited (formerly known as "Comtelpro Pte. Ltd.")
Comtelink Sdn. Bhd.
Quesscorp Management Consultancies
Quesscorp Manpower Supply Services LLC
Quess East Bengal FC Private Limited (under liquidation effective 02 September 2020)
Billion Careers Private Limited
Quess Corp NA LLC
Stellarslog Technovation Private Limited
Quess Recruit, Inc
BDC Digiphot Imaging Solutions Private Limited
TC Tours Limited
Sterling Holiday Resorts Limited
Travel Corporation (India) Limited
SOTC Travel Private Limited
Qdigi Services Limited
Quess Services Limited

(ii) Key executive management personnel

Sankarappan Rajesh
Veeraraghavan Vijayramkumar
Arjun Ramaraju
Vijay Sivaram
Lohit Bhatia
Ruchi Ahluwalia

Director (upto 31 March 2024)
Director (upto 31 March 2024)
Director (upto 08 August 2024)
Director (upto 20 December 2024)
Director
Additional Director (w.e.f 20 December 2024)



Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

37 Related party disclosures (continued)

(B) Transactions with related parties

Particulars	(Amount in Rs. lakhs)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from operations		
-Quess Corp Limited	-	221.21
-MFXchange US, Inc	-	7.05
-Allsec Technologies Ltd	-	0.57
-Vedang Cellular Services Pvt Ltd	-	2.37
-Billion Careers Private Limited	-	234.60
-Terrier Security Services (India) Pvt. Ltd.	-	0.39
Other expenses		
-Allsec Technologies Limited	-	1.15
-Quess Corp Limited	144.97	527.80
-Quesscorp Manpower Supply Services LLC UAE	-	67.80
Finance cost		
-Quess Corp Limited	-	127.89
Compensation of key managerial personnel		
Veeraraghavan Vijayramkumar	-	34.89
Sankarappan Rajesh	-	30.88

*The above compensation paid does not include cost of employee benefits such as gratuity and compensated absences since provision for these are based on an actuarial valuation carried out for the Company as a whole.

(C) Balance receivable from and payable to related parties as at the balance sheet date:

Particulars	(Amount in Rs. lakhs)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Trade payables		
-Billion Careers Private Limited	-	31.73
-Quess Corp Limited (refer note 16)	185.61	14.56
-Allsec Technologies Limited	-	0.16
-Quesscorp Manpower Supply Services LLC UAE	-	35.27
Trade receivables		
-Quess Corp Limited	-	50.50
-MFXchange US, Inc	-	7.08
-Billion Careers Private Limited	-	50.30
-Vedang Cellular Services Pvt Ltd	-	0.05
Income received in advance		
-MFXchange US, Inc	-	101.06
Unsecured loan payable		
-Rengasamy Vignesh	-	1.11
-Veeraraghavan Vijayramkumar	-	0.28
-Sankarappan Rajesh	-	-
		1.39
Accrued Expenses (Remuneration payable)		
-Rengasamy Vignesh	6.94	6.94
-Veeraraghavan Vijayramkumar (included in professional fees)	6.35	6.35
-Sankarappan Rajesh	10.75	10.75
	24.04	24.04

38 Earnings and expenditure in foreign currency

Particulars	(Amount in Rs. lakhs)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Earning in foreign currency	-	402.34
Expenses in foreign currency	-	87.72

39 Internally generated intangible asset under development

As required under Ind AS 38, the management has assessed prescribed criteria required for recognition of Intangible assets as under and as per the assessment it has been concluded that all the conditions specified are met except following the probable expected future economic benefits that are attributable to the asset will flow to the entity. Since the intangible asset under development has not satisfied all the conditions stated as per recognition criteria of Ind AS 38, the capitalised cost under intangible asset has been expensed off during the year as given below.

Product	People Chain	Focus	1book	SeQure
Opening balance	-	-	-	-
Capitalised during the year	-	-	-	-
Cost of Development during the year	-	-	-	-
Cost recovered/Writeoff	-	-	-	-
Total Cost under development	-	-	-	-



Quess



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Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

40 Segment reporting

The Director of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, Operating Segments. The Company is in the business of rendering Information technology services & Information technology products to clients which are covered under similar arrangements and is considered by CODM as the only reportable business segment taking into account the nature of the business, the organization structure, internal reporting structure and risk and rewards.

Geographic information

The geographical information analyses the Company's revenue by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographical location of customers.

Geographic information	For the year ended 31 March 2025	For the year ended 31 March 2024
	Revenue	Revenue
India	144.74	1,195.12
Other countries:		
- United States of America	-	303.81
-United Kingdom	-	60.89
-Canada	-	0.41
-UAE	-	12.24
-Egypt	-	0.33
-Israel	-	0.31
-Nigeria	-	0.40
-Philippines	-	3.91
-Singapore	-	15.86

41 The Company has transferred its operations to Quess Corp Limited and Billion Careers Private Limited during the previous year ended March 31, 2024 and entered into a business transfer agreement dated March 30, 2024 with Quess Corp Limited and Billion Careers Private Limited.

On account of the above, the management of the company has assessed that the going concern assumption in the preparation of the financial statements of the Company for the year ended March 31, 2025 is no longer considered to be appropriate. Accordingly, these financial statements have been prepared on a liquidation basis and all assets are stated at the amounts at which they are expected to be realized and liabilities are stated at values at which they are expected to be settled.

42 Ratios

Ratios	Numerator	Denominator	Ratio 24-25	Ratio 23-24	%variance	Reason for variance (greater than 25%)
A Current ratio	212.71	215.88	0.99:1	1.03:1	5%	Not applicable
B Debt-equity ratio	-	(3.17)	0.00:1	0.08:1	100%	Variance is due to decrease in borrowings by Rs. 300 lakhs due to written back of loan borrowed from Quess Corp Ltd.
C Debt service coverage ratio	(21.22)	-	0	-125.49:1	100%	Variance is due to decrease in borrowings by Rs.300 lakhs due to written back of loan borrowed from Quess Corp Ltd.
D Return on equity ratio	(21.22)	7.44	-2.85:1	-2.66:1	0%	Not applicable
E Trade receivables turnover ratio	(0.23)	54.85	0.00:1	4.06:1	0%	Not applicable
F Trade payables turnover ratio	304.28	191.32	1.59:1	1.03:1	0%	Not applicable
G Net capital turnover ratio	144.74	(3.17)	-43.70:1	9.75:1	569%	Variance is due to decrease in revenue due to no operating activity
H Net profit ratio	(21.22)	-	0	17.93:1	0%	Not applicable
I Return on capital employed	(21.22)	(3.17)	6.70:1	162.99:1	0%	Not applicable
J Return on investment	-	(3.17)	0.00:1	174.79:1	100%	Variance due to no operation activity

43 The Company has incurred cash losses (i.e PAT + Depreciation + Bad debts + Provision for Bad & Doubtful debts - Liability no longer payable written back) in the current financial year INR 45.71 Lakh (March 2024 : INR 703.58 Lakh). The Company's management is confident of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date and there is no material uncertainty exists as on the date of approval of financial statements.

44 Crypto Currency

The Company does not have any transaction or balance in crypto currency or virtual currency.

45 Undisclosed income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

46 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

47 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

48 Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

49 Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



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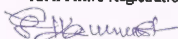


Heptagon Technologies Private Limited
Notes to the financial statements for the year ended 31 March 2025

- 50 **Compliance with number of layers of companies**
The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 51 **Compliance with approved Scheme(s) of Arrangements**
The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- 52 **Utilisation of Borrowed funds and share premium:**
(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

As per our report of even date attached.

for **M S K A & Associates**
Chartered Accountants
ICAI Firm's Registration No.: 105047W



Ananthakrishnan Govindan
Partner
Membership No: 205226

Place: Hyderabad
Date: 06 May 2025



for and on behalf of Board of Directors of
Heptagon Technologies Private Limited
CIN: U72200TZ2015PTC021609



Rohit Bhatia
Director
DIN: 07980280

Place: Bengaluru
Date: 06 May 2025



Ruchi Ahluwalia
Additional Director
DIN: 10273851

Place: Bengaluru
Date: 06 May 2025



MTXCHANGE HOLDINGS, INC.

CONSOLIDATED FINANCIAL STATEMENTS

Years Ended March 31, 2025 and 2024



Williams Overman Pierce, LLP
CPAs • Advisors

MFXCHANGE HOLDINGS, INC.
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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
MFXchange Holdings, Inc. and Subsidiary

Adverse Opinion

We have audited the accompanying consolidated financial statements of MFXchange Holdings, Inc. and Subsidiary (the "Company"), which comprise the consolidated balance sheets as of March 31, 2025 and 2024, and the related consolidated statements of operations, stockholders' deficit, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, because of the significance of the matter discussed in the Basis for Adverse Opinion section of our report, the consolidated financial statements referred to in the first paragraph do not present fairly the consolidated financial position of MFXchange Holdings, Inc. and Subsidiary as of March 31, 2025 and 2024, or the results of its operations or its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Adverse Opinion

As more fully described in Note 1 to the consolidated financial statements, the Company has not consolidated its subsidiary, Brainhunter Systems Ltd. In our opinion, accounting principles generally accepted in the United States of America require such investment to be consolidated in these consolidated financial statements. The investment in Brainhunter Systems Ltd. is accounted for on a cost basis. Had Brainhunter Systems Ltd. been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audits.

Williams Dyerman Pierce, LLP

Raleigh, North Carolina
May 22, 2025

MFEXCHANGE HOLDINGS, INC.
CONSOLIDATED BALANCE SHEETS
AS OF MARCH 31, 2025 AND 2024

	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 736,619	\$ 486,552
Accounts receivable	4,217,068	4,214,646
Contract assets	1,378,531	1,245,722
Prepaid expenses	739,843	776,287
Loan receivable related party, current portion	4,011,040	4,014,247
Total current assets	11,083,101	10,737,454
Property and equipment, net	816,675	1,740,977
Software in development	-	307,104
Right-of-use assets, net	55,600	111,201
Software costs, net	2,300,847	488,223
Investment in unconsolidated subsidiary	2,690,101	2,690,101
Deferred tax assets	442,000	442,000
Other investments	250,000	250,000
Total assets	<u>\$ 17,638,324</u>	<u>\$ 16,767,060</u>
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 5,477,206	\$ 4,045,949
Accrued expenses	2,229,977	2,225,682
Contract liabilities	45,839	-
Other liabilities	-	73,458
Finance lease, current portion	233,480	184,196
Operating lease liability, current portion	61,102	55,474
Term loan facility, current portion	4,546,274	4,654,156
Total current liabilities	12,593,878	11,238,915
Operating lease liability, long-term portion	-	61,102
Finance lease, long-term portion	233,477	-
Total liabilities	<u>12,827,355</u>	<u>11,300,017</u>
Commitments and Contingencies (See Note 11)		
Equity:		
Class A redeemable preferred stock, unlimited shares authorized, 1 share issued and outstanding as of March 31, 2025 and 2024	7,123	7,123
Class B redeemable preferred stock, unlimited shares authorized, 1 share issued and outstanding as of March 31, 2025 and 2024	2,690,101	2,690,101
Redeemable noncontrolling interest	3,551,412	3,551,412
Stockholders' deficit:		
Common stock, unlimited authorized, 1,211 issued and outstanding, par value \$2,101	2,544,492	2,544,492
Additional paid-in capital	37,019,210	37,019,210
Accumulated deficit	(41,001,369)	(40,345,295)
Total stockholders' deficit	(1,437,667)	(781,593)
Total liabilities and stockholders' deficit	<u>\$ 17,638,324</u>	<u>\$ 16,767,060</u>

See accompanying notes to the consolidated financial statements.

**MFEXCHANGE HOLDINGS, INC. CONSOLIDATED
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED MARCH 31, 2025 AND 2024**

	<u>2025</u>	<u>2024</u>
Revenue, net	<u>\$ 28,500,208</u>	<u>\$ 29,596,481</u>
Operating expenses:		
Salaries and related benefits	9,251,761	9,588,225
Outside services	11,705,364	10,277,963
Hardware and software costs	4,531,834	4,994,467
Depreciation and amortization	2,311,961	1,994,193
General and administrative	1,298,308	1,361,308
Facility costs	83,931	93,583
Total operating expenses	<u>29,183,159</u>	<u>28,309,739</u>
(Loss) income from operations	(682,951)	1,286,742
Other expense:		
Financing expenses, net	<u>(73,243)</u>	<u>(188,623)</u>
(Loss) income before (benefit from) provision for income taxes	(756,194)	1,098,119
Benefit from (provision for) income taxes	<u>100,120</u>	<u>(147,175)</u>
Net (loss) income	<u><u>\$ (656,074)</u></u>	<u><u>\$ 950,944</u></u>

See accompanying notes to the consolidated financial statements.

MFXCHANGE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

	Common Stock Shares	Amount	Additional Paid-in Capital	Accumulated Deficit	Total
Balance as of April 1, 2023	1,211	\$ 2,544,492	\$ 37,019,210	\$ (41,296,239)	\$ (1,732,537)
Net income	-	-	-	950,944	950,944
Balance as of March 31, 2024	1,211	2,544,492	37,019,210	(40,345,295)	(781,593)
Net loss	-	-	-	(656,074)	(656,074)
Balance as of March 31, 2025	<u>1,211</u>	<u>\$ 2,544,492</u>	<u>\$ 37,019,210</u>	<u>\$ (41,001,369)</u>	<u>\$ (1,437,667)</u>

See accompanying notes to the consolidated financial statements.

MFEXCHANGE HOLDINGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net (loss) income	\$ (656,074)	\$ 950,944
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	2,311,961	1,994,193
Non-cash operating lease expense	16,446	5,375
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(2,422)	(1,453,801)
Contract assets	(132,809)	(275,114)
Prepaid expenses	36,444	52,132
Deferred tax assets	-	-
Increase (decrease) in:		
Accounts payable	1,431,257	1,567,170
Accrued expenses	4,295	(1,601,222)
Contract liabilities	45,839	(427,415)
Other liabilities	(73,458)	73,458
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,981,479</u>	<u>885,720</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Net proceeds from loans to related party	3,207	301,136
Purchase of software	(2,096,110)	-
Purchase of property and equipment	(346,431)	(311,181)
NET CASH USED IN INVESTING ACTIVITIES	<u>(2,439,334)</u>	<u>(10,045)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Repayment of term loan	(1,206,792)	(1,655,990)
Net proceeds from working capital loan	1,098,910	-
Principal payments on notes payable and capital lease obligations	(184,196)	(832,577)
NET CASH USED IN FINANCING ACTIVITIES	<u>(292,078)</u>	<u>(2,488,567)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	250,067	(1,612,892)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>486,552</u>	<u>2,099,444</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 736,619</u>	<u>\$ 486,552</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Interest paid	<u>\$ 126,148</u>	<u>\$ -</u>
SUPPLEMENTAL DISCLOSURES OF NON-CASH FINANCING ACTIVITIES:		
Operating right-of-use assets obtained in exchange for operating lease liabilities	<u>\$ -</u>	<u>\$ 166,803</u>
Finance right-of-use asset obtained in exchange for finance lease liabilities	<u>\$ 700,435</u>	<u>\$ 226,160</u>

See accompanying notes to the consolidated financial statements.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business and Organization

MFExchange Holdings, Inc., (the “Company”) a Canadian corporation, was incorporated on December 17, 2001. The Company, together with its subsidiary MFExchange US, Inc., provides customized datacenter and infrastructure services including private cloud offerings, across various industries. In addition, the Company provides end-to-end commercial technology applications and business process outsourcing solutions to the property and casualty insurance industry. On January 24, 2019, the Company acquired 100% of the equity interest in Brainhunter Companies LLC (“Brainhunter”), from a related party. Brainhunter was organized on December 19, 2012 in the United States, and provides primarily staffing and consulting services in the information technology and engineering sectors.

A summary of the significant accounting policies applied in the preparation of the accompanying consolidated financial statements are as follows:

Basis of Presentation

The consolidated financial statements include the Company and its wholly-owned subsidiaries, and reflect all adjustments (all of which are normal and recurring in nature) that, in the opinion of management, are necessary for a fair presentation of the periods presented. All inter-company balances and transactions have been eliminated in consolidation.

Liquidity and Management’s Plans

As shown in the accompanying consolidated financial statements, the Company had a net operating loss, a working capital deficit and significant accumulated deficits for the year ended March 31, 2025. The parent company plans to provide continuous financial support to ensure the Company can fulfill their obligations for at least 12 months from the date of which the consolidated financials are available for issuance.

Investment in Unconsolidated Subsidiary

On April 1, 2019, the Company acquired an eighty-one percent (81%) interest in Brainhunter Systems Ltd. from Quess Corp (USA), a related party, for one share of Class B redeemable preferred stock. On the date of acquisition, the investment was valued at \$2,690,101. As of March 31, 2025 and 2024, the carrying value of this investment was \$2,690,101.

Accounting principles generally accepted in the United States (“U.S. GAAP”) require that majority-owned subsidiaries should be consolidated in the financial statements. The Company has not consolidated Brainhunter Systems Ltd. and its subsidiaries. The investment in Brainhunter Systems Ltd. is accounted for on a cost basis. Had Brainhunter Systems Ltd. been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined.

MTXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of Estimates

The preparation of the accompanying consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions about future events that affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenues and expenses. Significant items subject to such estimates include revenue recognition, the useful lives of property and equipment, contract assets (unbilled revenue), allowance for credit losses, valuation allowance for deferred tax assets, capitalized software, investments, long-lived assets, contract liabilities (deferred revenue), fair value of right-of-use assets, and commitments and contingencies. These estimates and assumptions are based on management's best estimates and judgment. Management regularly evaluates its estimates and assumptions using historical experience and other factors; however, actual results could differ significantly from these estimates.

Revenue Recognition

The Company recognizes revenue in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 606, *Revenue Recognition* ("Topic 606"). A five-step analysis must be met as outlined in Topic 606 before revenue can be recognized: (1) identify the contract with the customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations, and (5) recognize revenue when (or as) performance obligations are satisfied. Provisions for discounts and rebates to customers, estimated returns and allowances, and other adjustments are provided for in the same period the related sales are recorded. The Company defers any revenue for which the product has not been delivered or is subject to refund until such time that the Company and the customer jointly determine that the product has been delivered or no refund will be required.

The Company derives a significant amount of its revenues from recurring revenue streams, consisting primarily of (1) co-location, which includes the licensing of cabinet space and power; (2) interconnection offerings; (3) managed infrastructure services and (4) application management services. The remainder of the Company's revenues are from non-recurring revenue streams which primarily consist of professional services.

The Company's customers generally execute contracts with terms of one year or longer, which are referred to as recurring revenue contracts or long-term contracts. These contracts generally commit the customer to a minimum monthly level of usage with additional charges applicable for actual usage above the monthly minimum commitment. The Company defines usage as customer data sent or received using its content delivery service, or content that is hosted or cached by the Company at the request or direction of its customer. The Company recognizes the monthly minimum as revenue each month provided that an enforceable contract has been signed by both parties, the service has been delivered to the customer, the fee for the service is fixed or determinable, and collection is reasonably assured. Should a customer's usage of the Company's services exceed the monthly minimum commitment, the Company recognizes revenue for such excess in the period of the usage. For annual or other non-monthly period revenue commitments, the Company recognizes revenue monthly based upon the customer's actual usage each month of the commitment period and only recognizes any remaining committed amount for the applicable period in the last month thereof.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from bandwidth and equipment sales is recognized on a gross basis in accordance with the accounting standard related to reporting revenue gross as a principal versus net as an agent, primarily because the Company acts as the principal in the transaction, takes title to products and services and bears inventory and credit risk. To the extent the Company does not meet the criteria for recognizing bandwidth and equipment services as gross revenue, the Company records the revenue on a net basis.

The Company occasionally guarantees certain service levels, such as uptime, as outlined in individual customer contracts. To the extent that these service levels are not achieved, the Company reduces revenue for any credits given to the customer as a result. The Company generally has the ability to determine such service level credits prior to the associated revenue being recognized, and historically, these credits have generally not been significant. There were no significant service level credits issued during the years ended March 31, 2025 and 2024.

Contract liabilities (deferred revenue) consist of payments received in advance of revenue recognition and are recognized as the revenue recognition criteria are met. Amounts are recorded as contract liabilities, and accounts receivable when the Company has a legal right to enforce the contract.

Cost of Revenue

Cost of revenues consists primarily of outside services and hardware costs related to fees paid to network providers for bandwidth and backbone, costs incurred for non-settlement free peering and connection to internet service provider networks and fees paid to data center operators for housing network equipment in third-party network data centers, also known as co-location costs. Cost of revenues also includes leased warehouse space and utilities, depreciation of network equipment used to deliver the Company's content delivery services, payroll and related costs, and share-based compensation for its network operations, and professional services personnel.

The Company enters into contracts for bandwidth with third-party network providers. These contracts generally commit the Company to pay minimum monthly fees plus additional fees for bandwidth usage above contracted minimums. A portion of the global computing platform traffic delivery is completed through direct connection to internet service provider networks, called peering.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash, cash equivalents, and accounts receivable. The Company maintains its cash and cash equivalents with high quality financial institutions. The Company is exposed to credit risk for cash held in financial institutions in the event of a default to the extent that such amounts are in excess of amounts that are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Company had \$573,244 and \$334,941 of uninsured cash as of March 31, 2025 and 2024, respectively.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Cash Equivalents

The Company considers all highly liquid investments purchased with an original maturity date of three months or less to be cash equivalents.

Accounts Receivable and Allowance for Credit Losses

The Company performs ongoing credit evaluations of its customers. Accounts receivable are recorded at invoiced amounts, net of the Company's estimated allowances for credit losses. The allowance for estimated credit losses is estimated based on an assessment of the Company's ability to collect on customer accounts receivable. The Company regularly reviews the allowance by considering certain factors such as historical experience, industry data, credit quality, age of accounts receivable balances, and current economic conditions that may affect a customer's ability to pay. In cases where the Company is aware of circumstances that may impair a specific purchaser's ability to meet their financial obligations, the Company records a specific allowance against amounts due from the customer and thereby reduces the net recognized receivable to the amount the Company reasonably believes will be collected. There is judgment involved with estimating the Company's allowance for estimated credit losses and if the financial condition of its customers were to deteriorate, resulting in their inability to make the required payments, the Company may be required to record additional allowances or charges against revenues. The Company writes off accounts receivable against the allowance when it determined a balance is uncollectible and no longer actively pursues collection of the receivable. The Company's accounts receivables are not collateralized by any security. Based upon review of the outstanding accounts receivable, the Company has not recorded any reserve for allowance for credit losses as of March 31, 2025 and 2024 as it is considered immaterial.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Maintenance and repairs that do not extend the life or improve an asset are expensed in the period incurred. The estimated useful lives of property and equipment are as follows:

Computer hardware	3 - 7 years
Furniture and fixtures	5 - 7 years
Leasehold improvements	Shorter of lease term or estimated useful life

Fair Value of Financial Instruments

The Company's short-term financial instruments, including cash, accounts receivable, contract assets, prepaid expenses, other assets, accounts payable, accrued expenses, and contract liabilities, consist primarily of instruments without extended maturities, the fair value of which, based on management's estimates, reasonably approximate their book value. The fair value of the Company's capital leases and other debt obligations are based on management estimates and reasonably approximates their book value.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Software Costs

In accordance with ASC 985-20, *Accounting for the Costs of Computer Software to be Sold, Leased or Otherwise Marketed*, the Company capitalizes certain costs related to the development of new software products or the enhancement of existing software products for use in our product offerings. These costs are capitalized from the point in time that technological feasibility has been established, as evidenced by a working model or detailed working program design to the point in time that the product is available for general release to customers. Capitalized development and software purchased costs are amortized on a straight-line basis over the estimated economic lives of the products, beginning when the product is placed into service. The estimated useful life of software is three years. The Company periodically evaluates whether events or circumstances have occurred that indicate that the remaining useful lives of the capitalized software development costs should be revised or that the remaining balance of such assets may not be recoverable.

Investments

The Company holds an investment in a privately held company which has no readily determinable fair value. Since the Company does not have significant influence, the investment is accounted for using the cost method. The Company assesses its long-term investments for other-than-temporary impairment by considering factors including, but not limited to, current economic and market conditions, operating performance of the companies, including current earnings trends and undiscounted cash flows, and other company-specific information. The fair value determination, particularly for investments in privately-held companies, requires significant judgment to determine appropriate estimates and assumptions. Changes in these estimates and assumptions could affect the calculation of the fair value of the investments and determination of whether any identified impairment is other-than-temporary. As of March 31, 2025 and 2024, the carrying value of this investment was \$250,000 and included in other investments in the accompanying consolidated balance sheet. There were no impairments recorded during the years ended March 31, 2025 and 2024.

Foreign Currency Translation

The Company translates the foreign currency financial statements of its foreign subsidiaries in accordance with the requirements of FASB ASC 830-10, *Foreign Currency Translation*. Assets and liabilities are translated at current exchange rates, and related revenue and expenses are translated at average exchange rates in effect during the period. Resulting translation adjustments are recorded as a separate component in stockholders' deficit, where applicable. Foreign currency transaction gains and losses are included in the accompanying consolidated statements of operations and were not material for the years ended March 31, 2025 and 2024.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company follows FASB ASC Subtopic 740-10, *Income Taxes* (“ASC 740-10”) for recording a provision for income taxes. Deferred tax assets and liabilities are computed based upon the difference between the financial statement and income tax basis of assets and liabilities using the enacted marginal tax rate applicable when the related asset or liability is expected to be realized or settled. Deferred income tax expenses or benefits are based on the changes in the asset or liability during each period. If available evidence suggests that it is more likely than not that some portion or all of the deferred tax assets will not be realized, a valuation allowance is required to reduce the deferred tax assets to the amount that is more likely than not to be realized. Future changes in such valuation allowance are included in the provision for deferred income taxes in the period of change. Deferred income taxes may arise from temporary differences resulting from income and expense items reported for financial accounting and tax purposes in different periods.

As of March 31, 2025 and 2024, the Company does not believe that it has taken any positions that would require the recording of any additional tax liability, nor does it believe that there are any unrealized tax benefits that would either increase or decrease within the next year. The Company believes that its tax positions comply with applicable tax rates and that the Company has adequately provided for tax matters for the years ended March 31, 2025 and 2024.

The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for tax years prior to the year ended March 31, 2022.

NOTE 2 – SOFTWARE COSTS

Capitalized software costs primarily include third-party software. As of March 31, 2025 and 2024, the carrying value of software costs was \$2,300,847 and \$488,223, respectively. During the years ended March 31, 2025 and 2024, the Company recorded amortization expense related to software assets totaling \$590,590 and \$419,970, respectively.

NOTE 3- ACCOUNTS RECEIVABLE, CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract balances are included in the accompanying balance sheets under the following captions at:

	March 31, 2025	March 31, 2024	April 1, 2023
Accounts receivable	\$ 4,217,068	\$ 4,214,646	\$ 2,760,845
Contract assets	\$ 1,378,531	\$ 1,245,722	\$ 970,608
Contract liabilities	\$ 45,839	\$ -	\$ 427,415

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4 – PROPERTY AND EQUIPMENT

As of March 31, 2025 and 2024, property and equipment consisted of the following:

	2025	2024
Computer hardware	\$ 15,708,399	\$ 14,911,329
Leasehold improvements	2,752,340	2,752,340
Furniture and fixtures	378,220	378,220
Total cost	18,838,959	18,041,889
Less: accumulated depreciation	(18,022,284)	(16,300,912)
Property and equipment, net	<u>\$ 816,675</u>	<u>\$ 1,740,977</u>

Depreciation expense was \$1,721,371 and \$1,574,223 for the years ended March 31, 2025 and 2024, respectively.

NOTE 5 – RIGHT-OF-USE ASSETS AND LEASE LIABILITY

The Company leases certain of its properties under leases that expire on various dates through March 2026.

In adopting ASC Topic 842, *Leases* (“Topic 842”), the Company has elected the ‘package of practical expedients’, which permit it not to reassess under the new standard its prior conclusions about lease identification, lease classification and initial direct costs. The Company did not elect the use-of-hindsight or the practical expedient pertaining to land easements; the latter is not applicable to the Company. In addition, the Company elected not to apply Topic 842 to arrangements with lease terms of 12 months or less. In determining the length of the lease term to its long-term lease, the Company determined not to consider embedded renewal options of 5 years and two consecutive periods of 5 years each in the Ridgefield Park, New Jersey and Bridgewater, New Jersey leases primarily due to i) the renewal rate is at future market rate to be determined and ii) the Company does not have significant leasehold improvements that would restrict its ability to consider relocation.

At lease commencement dates, the Company estimated the lease liability and the right-of-use assets at present value using the Company’s estimated incremental borrowing rate to determine their initial present values at inception.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 – RIGHT-OF-USE ASSETS AND LEASE LIABILITY (continued)

	2025	2024
Office leases	\$ 166,801	\$ 166,801
Right-of-use assets	166,801	166,801
Less: accumulated amortization	(111,201)	(55,600)
Right-of-use assets, net- noncurrent assets	<u>\$ 55,600</u>	<u>\$ 111,201</u>

	2025	2024
Operating lease obligation	\$ 61,102	\$ 116,576
Less: current portion of operating lease-current liability	(61,102)	(55,474)
Long-term portion- noncurrent liability	<u>\$ -</u>	<u>\$ 61,102</u>

Other supplemental information related to operating leases includes the following as of March 31:

	2025	2024
Weighted-Average Remaining Contractual Lease Term:		
Operating Leases	.4	1.5
Weighted-Average Discount Rate:		
Operating Leases	4%	4%
Operating cash outflows from operating leases	\$ 46,408	\$ 15,078
Operating leases assets obtained in exchange for lease obligations	\$ -	\$ 166,803

During the years ended March 31, 2025 and 2024, the Company recorded \$78,323 and \$77,159, respectively, as lease expense in facility costs on the accompanying consolidated statements of operations.

Lease expense consisted of the following as of March 31:

	2025	2024
Building lease expense	\$ 78,323	\$ 77,159
Total lease expense	<u>\$ 78,323</u>	<u>\$ 77,159</u>

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5 – RIGHT-OF-USE ASSETS AND LEASE LIABILITY (continued)

The maturity for the remaining term of the lease is as follows:

	2025
2026	63,443
Less: interest	(2,341)
Present value of minimum lease payments	61,102
Less: Current portion	(61,102)
Long-term portion	\$ -

NOTE 6 – ACCRUED EXPENSES

Accrued expenses consisted of the following as of March 31:

	2025	2024
Salaries and benefits	\$ 583,257	\$ 710,136
Other accrued expenses	1,646,720	1,515,546
Total	\$ 2,229,977	\$ 2,225,682

NOTE 7 – TERM LOAN AND WORKING CAPITAL FACILITY

On November 22, 2019, the Company entered into a Term Loan ("Term Loan") and Working Capital Facility ("Facility") with ICICI Bank Canada. The Term Loan contains a maximum borrowing limit of 7,500,000 Canadian Dollars ("CND") and the Facility has a maximum borrowing limit of 12,500,000 CND, both maturing on November 30, 2024. Borrowings under the Term Loan are to be repaid quarterly starting at 2.5% to 6.25% over the term of the loan. Borrowings under the working capital facility are due on the maturity date. Interest is charged at a percentage per annum that is an aggregate of the Canadian Dollar Offered Rate ("CDOR") and CDOR plus 2.5%. As of March 31, 2025 and 2024, the balance outstanding under the Term Loan was \$0 (0 CND) and \$1,039,920 (1,415,669 CND), respectively and the balance outstanding under the Working Capital facility was \$4,546,274 (6,512,637 CND) and \$3,614,236 (4,920,151 CND), respectively. The Company advanced the proceeds received to Brainhunter Systems Ltd, a related party. At March 31, 2025 and 2024, the Company had loans receivable related to these advances from Brainhunter Systems Ltd. of \$4,011,040 (5,745,902 CND) and \$3,892,744. The Agreement contains certain customary events of default including a subjective acceleration clause if a "material adverse effect" occurs in the Company's business that could result in an event of default. The Company believes that the likelihood of the lender exercising this right is remote.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 – TERM LOAN AND WORKING CAPITAL FACILITY (continued)

The future payments for the term loan and working capital facility as of March 31:

	<u>2025</u>
2026	<u>\$ 4,546,274</u>

NOTE 8 – FINANCE LEASE OBLIGATIONS

The Company has entered into several agreements to lease certain computer hardware and software that are classified as finance leases. As of March 31, 2025 and 2024, finance leases consisted of the following:

	<u>2025</u>	<u>2024</u>
Finance lease obligation	\$ 466,957	\$ 184,196
Less: current portion of finance lease- current liability	<u>(233,480)</u>	<u>(184,196)</u>
Long-term portion of finance lease- noncurrent liability	<u>\$ 233,477</u>	<u>\$ -</u>

Other supplemental information related to finance leases includes the following as of and for the years ended March 31:

	<u>2025</u>	<u>2024</u>
Weighted-Average Remaining Contractual Lease Term:		
Finance Leases	2.00	0.75
Weighted-Average Discount Rate:		
Finance leases	4.07%	8.00%

The right-of-use asset related to finance leases of \$466,957 and \$184,196 for the years ended March 31, 2025 and 2024 are included in property and equipment, net on the accompanying consolidated financial statements.

During the years ended March 31, 2025 and 2024, the Company recorded \$583,045 and \$826,060, respectively, in general and administrative expenses on the accompanying consolidated statements of operations for lease payments. The Company paid \$233,478 and \$537,047 in cash for finance leases included in the measurement of lease liabilities as of March 31, 2025 and 2024, respectively.

MTXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 – STOCKHOLDERS' DEFICIT

Common Stock

The Company has an unlimited number of authorized common shares. As of March 31, 2025, the Company has 1,211 shares of common stock issued and outstanding.

Class A Redeemable Preferred Stock

On January 24, 2019, the Company filed a Certificate of Amendment which authorizes the issuance of an unlimited number of shares of Class A redeemable preferred stock. The Class A preferred stock shall be entitled to receive non-cumulative annual dividends at the discretion of the directors and the shares do not have voting rights. The Company may redeem the Class A preferred stock upon giving ten (10) days written notice. The holder of the Class A preferred stock shall be entitled to require the Company to redeem at any time the whole or part of such holder's Class A preferred shares. Upon redemption, the Company shall pay to the holders of the Class A preferred stock to be redeemed, in respect of each share to be redeemed, an amount equal to the sum of (i) all dividends declared thereon and unpaid and (ii) the Class A preferred stock redemption amount defined as the amount equal to the aggregate net fair market value of the consideration received by the Company on the issuance of all Class A preferred shares, divided by the number of all such shares issued as consideration therefore, provided that if, after the date on which the Class A preferred stock was issued, the Company pays to the holder of the Class A preferred stock a return of capital (otherwise than on redemption of such shares), the Class A preferred stock redemption amount of each Class A preferred share shall thereafter be reduced by the amount resulting from dividing the amount so paid to the holder as a return of capital, by the number of Class A preferred shares issued and outstanding on the date of such return of capital.

On January 24, 2019, the Company issued 1 share of Class A redeemable preferred stock upon the acquisition of Brainhunter.

Class B Redeemable Preferred Stock

On March 20, 2019, the Company amended its Articles to authorize the issuance of an unlimited number of shares of Class B redeemable preferred stock. The Class B preferred stock shall be entitled to receive non-cumulative annual dividends at the discretion of the directors. The holders of the Class B preferred stock have voting rights. The Company may redeem the Class B preferred stock upon giving ten (10) days written notice. The holder of the Class B preferred stock shall be entitled to require the Company to redeem at any time the whole or part of such holder's Class B preferred shares. Upon redemption, the Company shall pay to the holders of the Class B preferred stock to be redeemed, in respect of each share to be redeemed, an amount equal to the sum of (i) all dividends declared thereon and unpaid and (ii) the Class B preferred stock redemption amount defined as the amount equal to the aggregate net fair market value of the consideration received by the Company on the issuance of all Class B preferred shares, divided by the number of all such shares issued as consideration therefore, provided that if, after the date on which the Class B preferred stock was issued, the Company pays to the holder of the Class B preferred stock a return of capital (otherwise than on a redemption of such shares), the Class B preferred stock redemption amount of each Class B preferred share shall thereafter be reduced by the amount resulting from dividing the amount so paid to the holder as a return of capital, by the number of Class B preferred shares issued and outstanding on the date of such return of capital.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 9 – STOCKHOLDERS’ DEFICIT (continued)

On April 1, 2019, the Company issued 1 share of Class B redeemable preferred stock upon the acquisition of Brainhunter Systems Ltd.

Class C Redeemable Preferred Stock

On March 20, 2019, the Company amended its Articles to authorize the issuance of an unlimited number of shares of Class C redeemable preferred stock. The Class C preferred stock shall be entitled to receive non-cumulative annual dividends at the discretion of the directors and the shares do not have voting rights. The Company may redeem the Class C preferred stock upon giving ten (10) days written notice. The holder of the Class C preferred stock shall be entitled to require the Company to redeem at any time the whole or part of such holder’s Class C preferred shares. Upon redemption, the Company shall pay to the holders of the Class C preferred stock to be redeemed, in respect of each share to be redeemed, an amount equal to the sum of (i) all dividends declared thereon and unpaid and (ii) the Class C preferred stock redemption amount defined as the amount equal to the aggregate net fair market value of the consideration received by the Company on the issuance of all Class C preferred shares, divided by the number of all such shares issued as consideration therefore, provided that if, after the date on which the Class C preferred stock was issued, the Company pays to the holder of the Class C preferred stock a return of capital (otherwise than on a redemption of such shares), the Class C preferred stock redemption amount of each Class C preferred share shall thereafter be reduced by the amount resulting from dividing the amount so paid to the holder as a return of capital, by the number of Class C preferred shares issued and outstanding on the date of such return of capital.

As of March 31, 2025 and 2024, there were no shares of Class C redeemable preferred stock issued and outstanding.

Liquidation Rights

If the Company is liquidated, dissolved or wound-up or its assets are otherwise distributed among the stockholders by way of repayment of capital, whether voluntary or involuntary (a) the holders of the Class A, Class B, and Class C preferred stock shall be entitled to receive all declared and unpaid dividends, and the redemption amount applicable to each Class of preferred stock prior to any distribution of assets of the Company among the common stockholders, (b) the holders of the Class A, Class B, and Class C preferred stock shall not be entitled to share any further in the distribution of the assets of the Company, (c) if there are insufficient assets to satisfy (a) then (i) the holders of the Class A preferred stock shall receive their entitlement prior to the holders of the Class B and Class C preferred stock, (ii) the holders of the Class B preferred stock shall receive their entitlement prior to the holders of the Class C preferred stock, and (iii) the holders of the Class C preferred stock receive their entitlement, and (d) hereafter the common stockholders shall be entitled to receive any remaining assets of the Company.

NOTE 10 – OTHER RELATED PARTY TRANSACTIONS

Accounts Payable

The Company uses a related party vendor, MFX Infotech Private Limited, to provide infrastructure and database technology services. As of March 31, 2025 and 2024, accounts payable and accrued

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 10 – OTHER RELATED PARTY TRANSACTIONS (continued)

expenses of \$3,234,882 and \$2,622,903 and \$300,475 and \$241,533, respectively, were the total outstanding amounts payable to MFX Infotech Private Limited.

Loan Receivable Related Party

The Company has a loan receivable of \$4,011,040 and \$3,892,747 as of March 31, 2025 and 2024, respectively, from Brainhunter Systems, Ltd. for the advance of proceeds received from the Term Loan & Working Capital Facility (see Note 7).

As of March 31, 2025 and 2024, the Company also had related party balances as follows:

	2025	2024
Loan and advance to Brainhunter System Ltd.	\$ 4,011,040	\$ 3,892,747
Advance receivable from Heptagon	-	121,500
Accounts receivable from Quess NA	-	24,371
Accounts receivable from Quess Qtek	26,529	
Accounts receivable/(payable) from Brainhunter System	45,090	(16,192)
Advance receivable/ (payable) to/from Allsec Technolgoies, Ltd.	231,251	(8,761)
Accounts payable to Alldigi	(522,774)	-
Accounts receivable/(payable) from Quess Corp (USA)	40,806	(40,498)
Accounts payable from Quess Corp Limited	(76,788)	-
Accounts payable from Brainhunter System Ltd.	-	(73,458)
Due from related parties, net	<u>\$ 3,755,154</u>	<u>\$ 3,899,709</u>

NOTE 11 – COMMITMENTS AND CONTINGENCIES

Redeemable Noncontrolling Interest

On March 27, 2020, MFXchange US, Inc. ("MFXUS"), a subsidiary of the Company, entered into a debt conversion agreement with Brainhunter Systems, Ltd. ("Holder") to convert \$3,551,412 in amounts owed into 100 shares of Series B Preferred Stock of MFXUS. The Series B Preferred Stock is redeemable by the MFXUS or the Holder for \$3,551,412 along with any dividends declared. The Series B is not entitled to any mandatory dividends and is not convertible into MFXUS common stock or any other security. The Company has 81% ownership in the Holder (see Note 1).

Concentrations

The Company had four customers that accounted for approximately 40% of the Company's revenues for the year ended March 31, 2025 and 55% of the Company's total accounts receivable as of March 31, 2025. The Company had three customers that accounted for approximately 36% of the Company's revenues for the year ended March 31, 2024 and total accounts receivable for the year ended March 31, 2024.

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 11 – COMMITMENTS AND CONTINGENCIES (continued)

The Company utilized three major suppliers for outside services totaling approximately 60% and 43% of the Company's total expenditures for outside services for the years ended March 31, 2025 and 2024, respectively. The Company's major suppliers noted above accounted for approximately 64% and 59% of total accounts payable and accrued expenses as of March 31, 2025 and 2024, respectively.

NOTE 12 – INCOME TAXES

As of March 31, 2025 and 2024, the tax effects of temporary differences and carryforwards that gave rise to significant portions of deferred tax assets were as follows:

	2025	2024
Net operating loss carry forwards	\$ 3,409,000	\$ 3,328,000
Accrual and reserves	3,314,000	3,772,000
Total assets	6,723,000	7,100,000
Less: valuation allowance	(6,281,000)	(6,658,000)
Net deferred tax assets	<u>\$ 442,000</u>	<u>\$ 442,000</u>

MFExchange US, Inc. had federal net operating loss carryforwards ("NOL's") of approximately \$16.2 million and \$12.8 million as of March 31, 2025 and 2024, respectively, that will be available to reduce future taxable income, if any. At March 31, 2025, MFExchange Holdings, Inc. had Canadian NOL's of \$0 and capital loss allowance deductions of approximately \$10.2 million available to reduce future taxable income, if any. The Company performs an analysis each year to determine whether the expected future income will more likely than not be sufficient to realize the deferred tax assets. The Company's recent operating results and projections of future income weighed heavily in the Company's overall assessment. A net tax benefit of \$442,000 has been reported in the balance sheets on the accompanying consolidated financial statements at March 31, 2025 and 2024.

Pursuant to the Internal Revenue Code Section 382 ("Section 382"), certain ownership changes may subject the net operating loss carryforwards ("carryforwards") to annual limitations which could reduce or defer the tax benefits recorded as of March 31, 2025 and 2024. Section 382 imposes limitations on a corporation's ability to utilize carryforwards if it experiences an ownership change. An ownership change may result from transactions increasing the ownership of certain stockholders in the stock of a corporation by more than 50 percentage points over a three-year period. In the event of an ownership change, utilization of the carryforwards would be subject to an annual limitation under Section 382 determined by multiplying the value of its stock at the time of the ownership change by the applicable long-term tax-exempt rate. Any unused annual limitation may be carried over to later years. The imposition of this limitation on its ability to use the carryforwards to offset future taxable income could cause the Company to pay U.S. federal income taxes earlier than if such limitation were not in effect and could cause such carryforwards to expire unused, reducing or eliminating the benefit of such carryforwards. The Company has not completed a Section 382 study on the net operating loss carryforwards of Brainhunter Ltd. as of January 24, 2019, the date of acquisition, and has not included the net operating losses in the calculation of deferred tax assets as they would be offset by a full valuation allowance.

MFXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 12 – INCOME TAXES (continued)

The Company's income tax provision for the years ended March 31 consisted of the following:

	2025	2023
Current (benefit) tax expense	\$ (100,120)	\$ 147,175
Deferred income tax expense	-	-
	<u>\$ (100,120)</u>	<u>\$ 147,175</u>

The Company applies the standard relating to accounting for uncertainty in income taxes (ASC 740-10), which prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The Company is required to recognize in the consolidated financial statements the impact of a tax position, if that position is more likely than not of being sustained on audit, based on the technical merits of the position. There were no significant unrecognized tax benefits recorded as of March 31, 2025 and 2024.

NOTE 13 – FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Assets and liabilities that are measured at fair value are reported using a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. This hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs.

The three levels of inputs used to measure fair value are as follows:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date of identical, unrestricted assets or liabilities.
- Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity)

MFEXCHANGE HOLDINGS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 13 – FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)

As of March 31, 2025 and 2024, the fair value of the Company's investments was determined based on the following:

Fair Value	Fair Value Measurements Using:		
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments	\$ -	\$ -	\$ 250,000

NOTE 14 – SUBSEQUENT EVENTS

The Company has evaluated events and transactions for potential recognition or disclosure through May 22, 2025, which is the date the consolidated financial statements were available to be issued. No subsequent events were noted.

BRAINHUNTER SYSTEMS LTD.
CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2025

BRAINHUNTER SYSTEMS LTD.

MARCH 31, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Shareholder of:
Brainhunter Systems Ltd.

Opinion

We have audited the financial statements of Brainhunter Systems Ltd. (the Company), which comprise the balance sheet as at March 31, 2025, and the statements of income and deficit, and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Company are prepared, in all material respects, in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

KNAV Professional Corporation

KNAV Professional Corporation
Chartered Professional Accountants

Authorized to practice public accounting by the
Chartered Professional Accountants of Ontario

Toronto, Ontario
May 2, 2025

BRAINHUNTER SYSTEMS LTD.**CONSOLIDATED BALANCE SHEET****AS AT MARCH 31, 2025**

	<u>2025</u>	<u>2024</u>
ASSETS		
Current		
Cash and cash equivalents (note 3)	\$ 663,183	\$ 1,149,760
Accounts receivable	7,929,976	5,282,604
Prepaid expenses	82,891	179,001
	<u>8,676,050</u>	<u>6,611,365</u>
Non-Current		
Deposits	115,985	46,353
Deposits with government authorities (note 13)	746,947	675,026
Future income tax recoverable (note 9)	340,822	361,457
Investments (note 14)	5,001,375	5,001,375
Property and equipment (note 4)	780,561	445,176
Intangibles (note 5)	<u>842,858</u>	<u>699,078</u>
	<u>7,828,548</u>	<u>7,228,465</u>
	<u>\$ 16,504,598</u>	<u>\$ 13,839,830</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 7)	\$ 5,135,826	\$ 2,794,250
Due to affiliated parties current portion (notes 6 and 8)	1,000,000	1,027,375
Deferred revenue	35,014	44,867
Deferred leasehold inducement	19,765	140,155
Income tax payable (note 9)	<u>27,642</u>	<u>31,544</u>
	6,218,247	4,038,191
Non-Current		
Due to affiliated parties (notes 6 and 8)	<u>4,185,629</u>	<u>3,903,257</u>
	<u>10,403,876</u>	<u>7,941,448</u>
SHAREHOLDER'S EQUITY		
Capital stock (note 10)	7,224,655	7,224,655
Deficit	<u>(1,123,933)</u>	<u>(1,326,273)</u>
	<u>6,100,722</u>	<u>5,898,382</u>
	<u>\$ 16,504,598</u>	<u>\$ 13,839,830</u>

Approved: _____

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.
CONSOLIDATED STATEMENT OF INCOME AND DEFICIT
FOR THE YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
Revenue	\$ 57,591,587	\$ 54,431,441
Cost of sales	<u>49,935,201</u>	<u>46,530,801</u>
Gross margin	<u>7,656,386</u>	<u>7,900,640</u>
Expenses		
Salaries and benefits	4,893,106	4,602,097
Selling, general, and administrative	<u>1,112,633</u>	<u>796,989</u>
	<u>6,005,739</u>	<u>5,399,086</u>
Income before the undernoted items	1,650,647	2,501,554
Loss on foreign exchange	(1,150)	(1,757)
Interest expense (note 8)	(682,359)	(554,662)
Depreciation of property and equipment (note 4)	(246,697)	(237,484)
Amortization of intangibles (note 5)	<u>(350,399)</u>	<u>(220,573)</u>
Income before income tax	<u>370,042</u>	<u>1,487,078</u>
Income tax		
Current (note 9)	147,067	257,113
Future (note 9)	<u>20,635</u>	<u>28,575</u>
	<u>167,702</u>	<u>285,688</u>
Net income	202,340	1,201,390
Deficit, beginning of year	<u>(1,326,273)</u>	<u>(2,527,663)</u>
Deficit, end of year	<u><u>\$ (1,123,933)</u></u>	<u><u>\$ (1,326,273)</u></u>

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

	<u>2025</u>	<u>2024</u>
Cash flows from (used in) operating activities		
Net income	\$ 202,340	\$ 1,201,390
Adjustments for:		
Future income tax recoverable	20,635	28,575
Depreciation of property and equipment (note 4)	246,697	237,484
Amortization of intangibles (note 5)	350,399	220,573
Accrued interest on loans from affiliated parties	<u>634,320</u>	<u>53,846</u>
	1,454,391	1,741,868
Changes in non-cash working capital		
Decrease (increase) in accounts receivable	(2,647,372)	(1,859,080)
Decrease (increase) in prepaid expenses	96,110	264,654
Increase (decrease) in accounts payable and accruals	2,341,580	1,361,673
Increase (decrease) in income tax payable	(3,902)	(192,885)
Increase (decrease) in deferred leasehold inducement	(120,390)	(114,699)
Increase (decrease) in deferred revenue	<u>(9,853)</u>	<u>(99,620)</u>
	<u>1,110,564</u>	<u>1,101,911</u>
Cash flows from (used in) investing activities		
Purchase of property and equipment	(582,083)	(127,869)
Deposits with government authorities	(71,921)	-
Deposits	(69,632)	(26,356)
Intangibles	<u>(494,179)</u>	<u>(492,033)</u>
	<u>(1,217,815)</u>	<u>(646,258)</u>
Cash flows from (used in) financing activities		
Loans from (to) affiliated parties	<u>(379,323)</u>	<u>(636,032)</u>
	<u>(379,323)</u>	<u>(636,032)</u>
Increase (decrease) in cash and cash equivalents	(486,574)	(180,379)
Cash and cash equivalents, beginning of year	<u>1,149,760</u>	<u>1,330,136</u>
Cash and cash equivalents, end of year	<u>\$ 663,186</u>	<u>\$ 1,149,757</u>
Supplemental information		
Interest paid	\$ 682,359	\$ 554,662
Income taxes paid	\$ 147,067	\$ 257,113

See accompanying notes.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

1. Nature of operations:

The operations of Brainhunter Systems Ltd. (the "Company") primarily consists of consulting, solutions and services in the information technology and engineering sectors. The Company was incorporated on October 2, 2009 under the Ontario Business Corporations Act.

MFExchange Holdings Inc., holds 81% of the shares and Quess Corp Ltd holds 19% of the shares.

Pursuant to a share purchase agreement dated September 17, 2014, Quess Corp Limited ("Quess" or the "Parent"), acquired 7,000,100 common shares of Zylog Systems (Canada) Ltd. Simultaneously, 7,300,000 shares were issued to Quess Corp (USA) Inc. Subsequent to the acquisition described above, the Company changed its legal name to Brainhunter Systems Ltd.

Pursuant to a unanimous shareholders agreement dated March 31, 2019, Quess Corp (USA) Inc. converted debt of \$2,710,153 into 22,542,531 common shares of the Company.

Pursuant to a share exchange agreement dated April 1, 2019, Quess Corp (USA) Inc. agreed to transfer 29,842,531 common shares, in the capital of the Company, to MFExchange Holdings Inc. (a Quess Corp North America holding company).

2. Significant accounting policies:

a. Basis of presentation:

These consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"), and are presented in Canadian dollars, which is the Company's functional currency. The consolidated financial statements include all the accounts of the Company and its wholly owned subsidiary. Mindwire Systems Ltd. All intercompany transactions and balances have been eliminated upon consolidation.

b. Property and equipment:

Property and equipment are recorded at cost. Amortization is provided annually on a straight-line basis over their estimated useful lives using the following annual rates:

Computer equipment	30%
Office furniture and fixtures	20%
Computer software	100%
Leasehold improvements	Term of lease

c. Revenue recognition:

Revenue is generated from information technology and engineering staffing and consulting services.

Revenue from staffing services includes temporary and permanent placement fees. Revenue from temporary placement fees are recognized once the services have been rendered, collection is reasonably assured, and all significant obligations have been fulfilled. Revenue from permanent placement fees are based on a percentage of annual salaries and are recognized once the employees have been placed, collection is reasonably assured, and all significant obligations have been fulfilled.

Revenue from IT service is recognized based on per call basis.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

2. Significant accounting policies (continued):

The Company enters into contracts with customers to complete software consulting projects. Customer billings are prepared monthly based on hours worked and agreed rates, at which time revenue is recognized. To a significantly lesser degree, certain other contracts are fixed price, for which revenue is recorded monthly using the percentage-of-completion basis, whereby revenue is recorded at the estimated net realizable value of the work completed to date.

The Company earns revenue from software licenses for in-house developed software that is deferred and recognized over the term of the license. Software customization revenue is recognized in the year the customization is completed.

d. Deferred financing costs:

Financing costs relating to the long-term debt and bank indebtedness are deferred and amortized using the effective interest method over the expected term of the corresponding loans. As the loans are repaid, the corresponding financial costs are charged to net income. Deferred financing costs are presented under bank indebtedness and long-term debt in the consolidated balance sheet and the related amortization under financing costs in the consolidated statement of operations and deficit.

e. Income taxes:

The Company accounts for income taxes using the liability method of tax allocation. Under this method, future income tax assets and liabilities are determined by reference to the temporary differences between carrying values and the tax basis of assets and liabilities. The future income tax assets or liabilities are measured using the income tax rates and laws that are anticipated to apply when these differences are expected to be recovered or settled. Future income tax assets are recognized to the extent that realization of such benefits are considered more likely than not. The effect on future income tax assets and liabilities of a change in income tax rates is recognized into net income in the year that includes the enactment date.

f. Management plans:

The operation of the company has improved since the prior year and projections for the future are favorable, so it is anticipated that the company will continue without any assistance. Consequently, the management considers that it is appropriate to prepare these financial statements on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future. The management has prepared future projections supported by business plans and contracted agreements supporting its sales. Further the Company has been generating positive operating cash flows in the current year and previous year. The Company also has been regular in its payment of bank debt and related party debt. As a result, these consolidated financial statements have been prepared on the basis that the Company will continue to be a going concern and has therefore continued to apply the going concern basis of accounting to the consolidated financial statements.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

2. Significant accounting policies (continued):

g. Use of estimates:

The preparation of consolidated financial statements in conformity with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from these estimates.

(i) Allowance for doubtful accounts:

The Company makes a provision to allow for potentially uncollectible amounts owed from customers. The allowance is reviewed by management periodically based on an analysis of the age of the outstanding accounts receivable. At March 31, 2025, an allowance of \$126,882 (2024 - \$62,312) has been included in the consolidated balance sheet.

(ii) Accrued liabilities:

Accrued liabilities, including those pertaining to commissions, bonuses and professional fees are established by management based on their best estimate of the actual obligation. Management believes that the estimates used in establishing these accrued liabilities are accurate.

(iii) Impairment of assets:

Property and equipment, goodwill and intangible assets are tested for impairment for each business unit should an event or circumstance indicate that their fair value has fallen below their carrying value. Should any negative variances occur in the comparison, an impairment representing the excess is made to the goodwill and then to intangible assets.

(iv) Income taxes:

The Company estimates its Canadian federal income taxes based on interpretation of tax rules and regulations. The Company is also subject to audits from the Canada Revenue Agency and the outcome of such audits may differ from original estimates. Management believes that a sufficient amount has been accrued for income taxes.

h. Foreign currency translation:

Monetary assets and liabilities of the Company that are denominated in foreign currencies are translated into Canadian dollars at the rates of exchange prevailing at the consolidated balance sheet date. Property and equipment and related amortization are translated at rates prevailing at the dates of acquisition. Revenue and expenses, other than amortization, are translated at the average rate of exchange in effect during the month that the transaction occurred. All exchange gains and losses are recognized in the current year's net income.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

2. Significant accounting policies (continued):

i. Intangible assets and goodwill:

The Company classifies intangible assets, obtained through acquisitions or developed internally, as definite-lived and indefinite-lived intangible assets, as well as goodwill. Definite-lived intangibles are amortized on a straight-line basis over the asset's useful life while indefinite-lived intangibles and goodwill are not amortized but are tested for impairment annually, or more frequently, if events or circumstances indicate that they might be impaired. The impairment test consists of allocating indefinite-lived intangibles and goodwill to reporting units and then comparing the book value of the reporting units, including indefinite-lived intangibles and goodwill, to their fair values. The Company determines fair value by using discounted future cash flows for reporting units. The excess of carrying value over fair value, if any, is recorded as an impairment charge to the consolidated statement of operations and deficit in the year in which the impairment is determined. Subsequent reversals of impairment are prohibited.

j. Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months from the date of acquisition.

k. Related party transactions:

Monetary-related party transactions and non-monetary related party transactions that have commercial substance are measured at the exchange amount when they are in the normal course of business, except when the transaction is an exchange of a product or property held for sale in the normal course of operations. Where the transaction is not in the normal course of operations, it is measured at the exchange amount when there is a substantive change in the ownership of the item transferred and there is independent evidence of the exchange amount.

All other related party transactions are measured at the carrying amount.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

3. Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits which are highly liquid with original maturities of less than three months from the date of acquisition.

	<u>2025</u>	<u>2024</u>
Cash	\$ <u>663,183</u>	\$ <u>1,149,760</u>

At year end, the carrying value of cash and cash equivalents approximated fair market value due to the short-term nature of the investments.

4. Property and equipment

	<u>2025</u>			<u>2024</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Computer equipment	\$ 1,741,932	\$ 1,266,589	\$ 475,342	\$ 34,405
Office furniture and fixtures	487,437	486,456	981	2,635
Computer software	767,095	726,339	40,756	58,343
Leasehold improvements	<u>1,259,810</u>	<u>996,328</u>	<u>263,482</u>	<u>349,793</u>
	<u>\$ 4,256,274</u>	<u>\$ 3,475,712</u>	<u>\$ 780,561</u>	<u>\$ 445,176</u>

The depreciation of property and equipment totaled \$ 246,697 in 2025 (2024 - \$ 237,484).

During the year, \$333,043 (2024 - NIL) was capitalized as computer equipment towards upgradation of Data Centre.

5. Intangibles

	<u>2025</u>	<u>2024</u>
Cost	\$ 2,349,487	\$ 1,855,308
Accumulated amortization	<u>(1,506,629)</u>	<u>(1,156,231)</u>
	<u>\$ 842,858</u>	<u>\$ 699,077</u>

The amortization of intangibles totaled \$ 350,399 in 2025 (2024 - \$220,573).

During the year \$ 494,179 (2024 - \$ 492,033) was capitalized as intangibles, which consist of Mobile enabled Enterprise Collaboration App of \$293,888 (2024 - \$214,700) and Facelift of Talentflow ATS application of \$145,740 (2024 - \$277,333), and Datacentre Maintenance and Support application of \$54,192 (2024 - \$NIL) which will seamlessly connect with the Company's ecosystem consisting of employees, clients, consultants, vendors, and job seekers. Management has estimated a useful life of 3 years and is amortizing it over that term accordingly.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

6. Bank indebtedness:

On November 22, 2019 a term loan and facilities agreement was executed between ICICI Bank of Canada and MFXchange Holdings Inc., the parent company, and its subsidiaries and other related companies whereby the existing facility with ICICI Bank of Canada was assigned to MFXchange Holdings Inc. (note 8). The loan is secured by a general security arrangement and has been guaranteed by Brainhunter Systems Limited and its subsidiary Mindwire Systems Limited amongst other guarantors.

The outstanding bank indebtedness was refinanced to include the following two facilities: (a) a \$7,500,000 term loan facility and (b) a \$12,500,000 working capital facility. Both of these facilities were utilized by MFXchange Holdings Inc. and its subsidiaries.

7. Accounts payable and accrued liabilities:

	2025	2024
Trade and accrued liabilities	\$ 5,120,826	\$ 2,766,026
Salaries and commissions payable	<u>15,000</u>	<u>28,220</u>
	<u><u>\$ 5,135,826</u></u>	<u><u>\$ 2,794,246</u></u>

Included in accounts payable and accrued liabilities as at March 31, 2025 are government remittances payable (recoverable) of \$74,891 (2024 - \$65,798) relating to federal and provincial sales taxes, payroll taxes, health taxes and workers' safety insurance.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

8. Due from (to) affiliated parties:

	<u>2025</u>	<u>2024</u>
MFXchange Holdings Inc. towards credit facilities from ICICI Bank of Canada (note 6) bearing interest at CDOR plus 2.5% per annum (2024 - 2.5%)	\$ (5,745,903)	\$ (5,083,498)
Quess Corp Limited bearing interest at NIL% per annum (2024 - NIL%)	<u>208,032</u>	<u>152,866</u>
	<u>\$ (5,185,629)</u>	<u>\$ (4,930,632)</u>
Current portion	\$ (1,000,000)	\$ (1,027,375)
Long-term portion	<u>(4,185,629)</u>	<u>(3,903,257)</u>
	<u>\$ (5,185,629)</u>	<u>\$ (4,930,632)</u>

During the year ended March 31, 2025, the Company recognized \$682,359 (2024 - \$554,662) in interest expense on the amounts due to MFXchange Holdings Inc.

The amount receivable from Quess Corp Limited in the amount of \$188,135 (2024 - \$152,866), and from Quess GTS Canada Holdings Inc. in the amount of \$19,897 (2024 - \$2,397), reflects debit notes issued for the expenses incurred on behalf of Quess Corp Limited.

All of the related party balances are recorded at their carrying amounts.

Accounts receivable include an amount due from MFXchange Holdings Inc. of \$4,746 (2024 - \$2,119), from Quess Corp (USA), Inc. of \$157,982 (2024 - \$352,242), and from MFXchange US Inc. of \$132,481 (2024 - \$46,829).

Accounts payables include an amount due to MFX Infotech Private Limited for \$NIL (2024 - \$188,421), and to MFXchange US Inc. of \$201,143 (2024 - \$26,877).

During the year ended March 31, 2025, the Company earned revenue of \$53,671 (2024 - \$NIL) from Quess Corp (USA), Inc., other income of \$617,316 (2024 - \$67,317) from MFXchange US Inc., and \$22,950 (2024 - \$72,214) from MFXchange Holdings Canada.

During the year ended March 31, 2025, the Company incurred expenses \$NIL (2024 - \$NIL) from Quess Corp (USA), Inc., \$630,630 (2024 - \$253,092) from MFXchange US Inc., and interest of \$634,319 (2024 - \$554,662) from MFXchange Holdings Canada.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

9. Income taxes:

The Company pays income taxes at a statutory rate of 26.5% (2024 - 26.5%). The difference between the Company's reported income tax expense on operating income and the expense that would otherwise result with the application of the applicable rate is as follows:

	<u>2025</u>	<u>2024</u>
Income before income taxes	\$ 370,042	\$ 1,487,078
Rate	<u>26.5%</u>	<u>26.5%</u>
Expected provision for (recovery of) income taxes	98,061	394,076
Increase (decrease) in income taxes resulting from:		
Permanent difference	2,863	2,687
Prior year adjustments	-	18,077
Change in valuation allowance	(132,407)	(173,877)
Other	<u>199,185</u>	<u>1,263</u>
Income tax expense	<u>\$ 167,702</u>	<u>\$ 242,226</u>

As at March 31, 2025, the Company has \$1,014,339 (2024 - \$1,175,321) of future tax assets before any valuation allowance. As at March 31, 2025, the Company recognized a future tax asset of \$340,822 (2024 - \$361,457) related to one of its subsidiaries, as it was determined to be more likely than not to recognize these future tax assets. The remaining balance of \$673,517 (2024 - \$813,864) of future tax assets has not been recognized as the future realization of these income tax assets did not meet the test of being more likely than not to occur. A summary of the future tax assets at March 31, 2025 is as follows:

	<u>2024</u>	<u>2023</u>
Future income tax assets (liabilities):		
Non-capital losses	\$ 708,660	\$ 885,311
Property and Equipment	291,703	252,762
Sub-lease inducement	(2,537)	20,735
Other temporary differences	16,513	16,513
	1,014,339	1,175,321
Less: valuation allowance	673,517	813,864
Net future income tax assets	<u>\$ 340,822</u>	<u>\$ 361,457</u>
Current income tax payable	<u>\$ 27,642</u>	<u>\$ 31,544</u>

As at March 31, 2025, the Company has non-capital losses of \$2,674,189 which can be used to reduce taxable income of future years. The potential tax benefit of these losses has not been recorded in consolidated financial statements. These losses are set to expire as follows:

2036	\$ 1,209,498
2037	1,146,245
2038	<u>318,446</u>
	<u>\$ 2,674,189</u>

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

10. Capital stock:

	<u>2025</u>	<u>2024</u>
Authorized		
Unlimited common shares		
Issued:		
36,842,631 (2024 - 36,842,631) common shares	\$ <u>7,224,655</u>	\$ <u>7,224,655</u>

11. Commitments:

The Company has entered into leases for office space. As at March 31, 2025, the Company has contractual obligations for basic rent payments as follows:

2025 - 2025	\$ 201,713
2026 and thereafter	\$ 789,545

12. Financial risks and concentration of risk:

Financial instruments are initially recorded at fair value. Financial instruments that are short-term investments are written down when their carrying amounts exceed their quoted market values. All other financial instrument assets are written down when their carrying amounts exceed their estimated market values and this condition is expected to be other than temporary.

The Company's financial instruments recognized in the consolidated balance sheet consist of cash and cash equivalents, accounts receivable, due to related parties, accounts payable and accrued liabilities and bank indebtedness. The fair values of cash and cash equivalents, accounts receivable, due to related parties, accounts payable and accrued liabilities approximate their recorded amounts due to the short-term receipt or payment of cash or determinable cash flow streams. The carrying value of the bank indebtedness approximates fair value because the interest rates approximate market rates.

a. Credit risk:

The Company grants credit to its customers in the normal course of business. The consolidated financial statements take into account an allowance for bad debts. The Company is exposed to credit risk from their customers but the concentration of the risk is minimized because of the large customer base. There has been no change to the risk exposure since the prior fiscal year.

b. Interest rate risk:

The Company is financed through related party debt which bears interest at rates tied to the related party acceptance rates. Consequently, the Company is exposed to the risk of increases in the bankers' acceptance rates. There has been no change to the risk exposure since the prior year.

c. Foreign exchange risk:

The Company carries out some transactions in U.S. dollars and, as such, is exposed to fluctuations in exchange rates. Approximately 2.18% (2024 - 1.29%) of the Company's sales and purchases are in U.S. dollars. The Company has not entered into derivative instruments to mitigate these risks. During the year ended March 31, 2025, the Company recorded a foreign exchange gain (loss) of \$(1,150) (2024 - \$(1,757)). There has been no change to the risk exposure since the prior year.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

12. Financial risks and concentration of risk (Continued):

d. Liquidity risk:

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. There has been no change to the risk exposure since the prior fiscal year.

13. Contingencies:

EHT Matter

On December 13, 2016, the Company received a Notice of Assessment from the Ontario Ministry of Finance regarding an employer health tax audit related to calendar years 2012 to 2015. The amount in the Notice of Assessment is \$576,118. In the opinion of management, this assessment is without substantial merit and the Company filed a Notice of Objection on June 7, 2017. Subsequent to filing the Notice of Objection, the Company entered into a compliance arrangement with the Ontario Ministry of Finance. Under this compliance agreement, the Company has agreed to remit the amount owing over an 18-month period while the objection is being reviewed. The last instalment was paid in the quarter ending December, 2018.

As at March 31, 2025, the Company has remitted payments which have been recorded as a deposit with government authorities on the consolidated balance sheet as follows:

	<u>2025</u>	<u>2024</u>
Deposit	\$ <u>746,947</u>	\$ <u>675,026</u>

On July 15, 2019 the company made additional submissions to the Ministry of Finance (Ontario) stating that the analysis of the Ministry of Finance (Ontario) fails to consider the relevant case law and that no analysis or decisions were provided to state that their conclusion "is consistent with the facts and judgements provided in various court cases". The company concluded in their submissions that based on relevant case law it is obvious that the workers are not employees. On September 18, 2019, the senior appeals officer of Ministry of Finance, Advisory, Objections, Appeals and Services Branch disagreed with the submissions of the company and concluded that the workers are providing their services to the company as employees under contract of service. On January 10, 2020 the company filed a Notice of Appeal with the Ontario Superior Court of Justice for the 2012 through 2015 taxation years with the respondent being the Minister of Finance. The company has filed with detailed submissions stating that the workers are not employees and are independent contractors.

On July 6, 2020, the Ministry of Finance indicated their intention to proceed with their claim.

During the year, an assessment was received for the year ended December 31, 2017 for the amount of \$31,880. The Company paid the amount of \$31,880 and filed a notice of objection in December 2021.

On August 2, 2022, the Ministry of Finance indicated that no change be made to the Notice of Assessment. The company filed a Notice of Appeal with the superior Court of Justice for the matter on November 4, 2022.

On April 28, 2023 the Minister of Finance filed a reply to the notice of appeal for the year ending December 31, 2017.

The Company believes that the likelihood of success on the appeal is "more likely than not" and therefore no provision has been recorded as at March 31, 2025.

BRAINHUNTER SYSTEMS LTD.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2025

14. Investment:

	<u>2025</u>	<u>2024</u>
MFXchange US Inc.	\$ 4,991,865	\$ 4,991,865
MFXchange Holdings Inc.	<u>9,510</u>	<u>9,510</u>
Total	<u>\$ 5,001,375</u>	<u>\$ 5,001,375</u>

The investment from MFXchange US Inc. resulted from a loan receivable, during the year ended March 31, 2020, the amount due of \$4,648,045 from MFXchange US Inc. was converted to 100 series B preference shares to the Company. The difference with \$4,991,865 is due to foreign exchange gain.

15. Subsequent Events

The Company evaluated all events and transactions that occurred after March 31, 2025 through May 2, 2025, the date the financial statements are issued. Based on the evaluations, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

Quesst Corp (USA), Inc.
STATEMENT OF INCOME

	For the year ended March 31, 2025	For the year ended March 31, 2024
Consulting Revenue	\$ -	\$ -
Other Income	\$ 87,656	\$ -
	<u>\$ 87,656</u>	<u>\$ -</u>
Direct Cost of Sales	\$ -	\$ -
Salaries	\$ -	\$ -
General and administrative	\$ 2,464	\$ 3,998
Professional fees	\$ 1,26,656	\$ 53,000
Total operating expenses	<u>1,29,120</u>	<u>56,998</u>
Income (loss) from operations	\$ (41,464)	\$ (56,998)
Other income (expense):		
Financing expenses, net	<u>\$ -</u>	<u>\$ -</u>
Income (loss) before provision for income taxes	<u>\$ (41,464)</u>	<u>\$ (56,998)</u>
Income taxes		
Net income	<u>\$ (41,464)</u>	<u>\$ (56,998)</u>

Quess Corp (USA), Inc.
BALANCE SHEET

	As of Mar 31, 2025	As of Mar 31, 2024
Cash and cash equivalents	\$ 5,188	\$ 852
Prepaid expenses		\$ -
Due from affiliates	\$ 100	\$ -
Total current assets	\$ 5,288	\$ 852
Investment in unconsolidated subsidiary	\$ 33,17,074	\$ 33,17,074
Other assets		\$ -
	\$ 33,17,074	\$ 33,17,074
Total assets	\$ 33,22,362	\$ 33,17,926
Accounts payable	\$ 30,000	\$ -
Accrued Expenses	\$ 21,957	\$ 1,07,655
Due to affiliates	\$ 4,03,452	\$ 3,01,855
Sales tax payable	\$ -	\$ -
Total current liabilities	\$ 4,55,409	\$ 4,09,510
Common stock, 200 shares authorized, 1 share issued and outstanding, no par value	\$ 1,00,000	\$ 1,00,000
Additional Share Capital issued	\$ 47,55,000	\$ 47,55,000
Retained earnings	\$ (19,88,047)	\$ (19,46,583)
Total stockholder's equity	\$ 28,66,953	\$ 29,08,417
Total liabilities and stockholder's equity	\$ 33,22,362	\$ 33,17,927

Quesst GTS Canada Holdings Inc.,
STATEMENT OF INCOME

	For the year ended March 31, 2025	For the year ended March 31, 2024
Consulting Revenue	\$ -	\$ -
Other Income	-	\$ -
	<u>\$ -</u>	<u>\$ -</u>
Direct Cost of Sales	\$ -	\$ -
Salaries	\$ -	\$ -
General and administrative	\$ -	\$ -
Professional fees	\$ 28,500	\$ 5,000
Total operating expenses	<u>28,500</u>	<u>5,000</u>
Income (loss) from operations	\$ (28,500)	\$ (5,000)
Other income (expense):		
Financing expenses, net	<u>\$ -</u>	<u>\$ -</u>
Income (loss) before provision for income taxes	<u>\$ (28,500)</u>	<u>\$ (5,000)</u>
Income taxes		
Net income	<u>\$ (28,500)</u>	<u>\$ (5,000)</u>

Quess GTS Canada Holdings Inc.,
BALANCE SHEET

	As of Mar 31, 2025	As of Mar 31, 2024
Cash and cash equivalents	\$ 200	\$ -
Prepaid expenses	\$ -	\$ -
Due from affiliates	\$ -	\$ 100
Total current assets	\$ 200	\$ 100
Investment in unconsolidated subsidiary	\$ -	\$ -
Other assets	\$ -	\$ -
Total assets	\$ 200	\$ 100
Loans	\$ 100	
Accounts payable	\$ 21,897	\$ 2,397
Accrued Expenses	\$ 11,603	\$ 2,603
Total current liabilities	\$ 33,600	\$ 5,000
Equity Share Capital	\$ 100	\$ 100
Retained earnings	\$ (33,500)	\$ (5,000)
Total stockholder's equity	\$ (33,400)	\$ (4,900)
Total liabilities and stockholder's equity	\$ 200	\$ 100