



ITC Limited

REPORT AND ACCOUNTS

OF

SUBSIDIARY COMPANIES

2025

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REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

The Directors of your Company ('the Company') submit their Report for the financial year ended 31st March, 2025.

BUSINESS REVIEW

The global technology industry has been in the midst of strong market dynamics, business transformations and technology disruptions in FY 2024-25. Over the past years, the Company has been building its organisation and shaping its core to handle such situations. Though it has been a tough year for most of the peers, the Company reported yet another top quartile performance with 13.80% YoY growth.

During the year, the Company's consolidated Revenue from Operations aggregated ₹4,244.83 crores (previous year ₹3,730.23 crores), representing growth of 13.80%, with Profit Before Tax of ₹620.76 crores (previous year ₹628.61 crores). Net Profit stood at ₹449.82 crores (previous year ₹463.13 crores), representing a decline of -2.87%.

The Company stayed relevant to the evolving business priorities of its clients and drove growth in its key customer accounts by partnering in their growth and transformation agendas. As technology clients are increasingly looking for strategic partners to streamline distributed portfolio of services and drive efficiencies, the Company leveraged an integrated global service delivery structure and strengthened operational efficiencies through a structured delivery excellence framework.

The Company continued to invest in institutionalising delivery excellence and building capabilities. During the year, the Company has invested in building its AI capabilities and created GenAI powered platforms & accelerators, offering unique proposition to the clients, with recent launch of the Company's first Global AI Center of Excellence (CoE) in Kolkata. The Company's present portfolio of client and industry-focused capabilities include Technology as a Service for Hospitality (TaaS), Direct to Consumer (D2C), PLM-led Digital Thread Solutions, Digital Manufacturing, SAP S/4HANA, and Cloud, amongst others.

In FY 2024-25, the Company formed an AI CoE as an incubation center to build capabilities in next generation technologies. It was primarily focused on building capabilities in Horizon 1 (DevOps + Fullstack) and Horizon 2 (GenAI) technologies through this CoE. It created platforms such as OmniFabrik (a composable meta platform that provides next-generation AI Driven integrated ADMS and digital operations across Apps and Infra) and K-Fabrik (an Enterprise GenAI Solution for Knowledge Management) that became relevant to many large deal propositions.

The need for attracting, training, and retaining high-quality talent, particularly in niche and future-focused technologies continues to remain a top priority, to succeed in the global technology landscape. The Company continues to foster an employee-centric and high-performance work culture. The Company's comprehensive employee value proposition drives holistic well-being and growth, and the Company continues to build leadership strength through curated leadership development programs and strengthen employee competencies through domain & technology-led training and career development programs. To provide AI talent at scale, we have embarked on extensive internal AI training for 9,000+ employees.

The Company's investments in building technology-led solutions and offerings in future-focused capabilities were acknowledged in global benchmarking reports across analyst firms. During the FY 2024-25, the Company was recognised as 'Disruptor' across several Avasant RadarView™ service provider benchmarking reports, including 'Digital CX Services', 'Data Management and Advanced Analytics', 'End-user Computing', 'Digital Workplace', 'Intelligent Automation', and 'Travel, Transportation & Hospitality'. The Company received two ISG 'Rising Star (U.S)' Awards in the categories of 'Data Modernization' and 'BI & Reporting Modernization'.

The Company also continues to pursue inorganic opportunities in strategic priority areas including Data and Analytics, SAP S/4HANA and Financial Services to augment and scale its portfolio of offerings.

While businesses witness cautious optimism in their discretionary IT spend, cost-optimization strategies continued to drive global technology spending. The Company will continue to invest in strengthening key client relationships towards long-term scale and differentiation and will amplify its portfolio of technology offerings across selected industry verticals, strengthening its platforms & accelerators, besides sharpening its alliance ecosystem with hyperscalers and platform providers in identified capability

areas around GenAI, Digital, Data & Analytics, Cloud, and Infrastructure Services. The Company will also sustain its investments in hiring and training the right talent with focus on strengthening its employee-centric and high-performance culture, driven by continuous learning.

As reported in the previous year, on 18th April, 2024, the Company had entered into share purchase agreements for acquisition of the entire share capital of Blazeclan Technologies Private Limited ('BTPL India'), a cloud-based company headquartered in Pune. BTPL India is a leader in providing Cloud transformation solutions to customers globally, with strong expertise in Cloud Migration, Application & Data Modernisation and Cloud Ops Services. On 1st October, 2024, the Company acquired 100% of the share capital of BTPL India. Consequently, BTPL India and its subsidiaries viz., Cloudlytics Technologies Private Limited ('CTPL'), Blazeclan Technologies PTE Ltd., Singapore, Blazeclan Technologies SDN. BHD., Malaysia, Blazeclan Technologies Pty. Ltd., Australia, Blazeclan Europe SRL., Belgium, Blazeclan Technologies Limited, New Zealand, Blazeclan Technologies Inc., Canada, Blazeclan Technologies LLC, USA, Blazeclan Americas Inc., USA, and Blazeclan Technologies Corporation, Philippines, became wholly owned subsidiaries of the Company with effect from the said date.

A key element of the acquisition was to integrate and consolidate the business of BTPL India and CTPL with the Company to realise the operational and commercial synergies and create a consolidated Cloud Service Line to drive growth in the cloud practice. In pursuit of the same, the Board of Directors of the Company ('the Board') at the meeting held on 30th January, 2025, subject to necessary regulatory approvals, has approved a Scheme for amalgamation of BTPL India and CTPL with the Company under Sections 230 to 232 of the Companies Act, 2013 ('the Act'). Necessary applications have been filed with the Honourable National Company Law Tribunal, Kolkata and Mumbai Benches, in this regard, which are pending.

FINANCIAL RESULTS

The Company's standalone and consolidated financial results for the year under review are provided below:

Financial Year	Standalone (₹ in crores)		Consolidated (₹ in crores)	
	2024-25	2023-24	2024-25	2023-24*
Total Income	3,332.67	2,941.96	4,287.65	3,784.17
Total Expenses	2,720.70	2,398.73	3,666.89	3,155.56
Profit before Tax	611.97	543.23	620.76	628.61
Tax Expenses	145.35	161.02	170.94	165.48
Profit after Tax	466.62	382.21	449.82	463.13

*The figures for the year 2023-24 do not include financials of ITC Infotech Arabia Limited, ITC Infotech Italia s.r.l., BTPL India and its wholly owned subsidiaries.

INCREASE IN SHARE CAPITAL

During the year, the Company issued 28,50,000 Equity Shares of ₹10/- each for cash at a premium of ₹1,390/- per share on rights basis to ITC Limited, the Holding Company ('ITC'), consequent to which the Issued and Paid-up Share Capital of the Company as on 31st March, 2025 stands increased to ₹90.85 crores, divided into 9,08,50,000 Equity Shares of ₹10/- each.

DIVIDEND

During the year, the Board declared three interim dividends of ₹22.00, ₹18.25 and ₹13.50 per share, on 9,08,50,000 Equity Shares of ₹10/- each, aggregating ₹53.75 per share (previous year: ₹55.50 per share), with total dividend being ₹488.32 crores. The Board has recommended that the aforesaid interim dividend be confirmed as the final dividend for the financial year ended 31st March, 2025.

EMPLOYEE STOCK OPTION SCHEME

During the year, the Board, pursuant to the Members' authorisation and on the recommendation of the Nomination and Remuneration Committee, approved the 'ITC Infotech India Limited Employee Stock Option Plan' ('ISL ESOP Plan 2024'), in accordance with the provisions of Section 62(1)(b) of the Act and Rule 12 of the Companies (Share Capital

and Debentures) Rules, 2014, for attracting and retaining key talent.

The I3L ESOP Plan 2024 envisages grant of Stock Options (comprising Employee Stock Options [ESOPs] and Performance Stock Units [PSUs]) to such permanent employees and Director(s) of the Company, including the employees of its subsidiaries and Holding Company (collectively referred to as 'eligible employees'), as may be determined by the Nomination and Remuneration Committee, entitling the eligible employees to apply for such number of Equity Shares of the Company not exceeding, in the aggregate, 2% of the issued and subscribed Share Capital of the Company as on 31st March, 2024 i.e., up to a maximum of 17,60,000 Equity Shares of ₹10/- each.

The disclosures required in connection with such Stock Options [covering ESOPs and PSUs], in terms of Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014, are given below:

Sl. No.	Particulars	Disclosure
1.	Stock Options granted (Nos.)	9,92,462
2.	Stock Options vested (Nos.)	Nil
3.	Stock Options exercised (Nos.)	Nil
4.	The total number of shares arising as a result of exercise of Stock Options (Nos.)	Nil
5.	Stock Options lapsed (Nos.)	Nil
6.	Exercise Price	ESOPs - ₹1,400/- per Stock Option PSUs - ₹10/- per Unit
7.	Variation of terms of Stock Options	N.A.
8.	Money realised by exercise of Stock Options	N.A.
9.	Total number of Stock Options in force (Nos.)	9,92,462
10.	Employee wise details of Stock Options granted to -	
	i. Key Managerial Personnel	1. Mr. Sudip Singh, Managing Director & CEO ESOPs – 95,551 PSUs – 48,284 2. Navneet Khandelwal, Chief Financial Officer ESOPs – 28,665 PSUs – 14,485
	ii. any other employee who received grant of Stock Options during the year amounting to 5% or more of the total number of Stock Options granted during that year	Manas Chakraborty, Chief Operating Officer ESOPs – 47,775 PSUs – 24,142
	iii. identified employees who were granted Stock Options during any one year equal to or exceeding 1% of the issued capital of the Company at the time of grant	Nil

Note: One ESOP / PSU is equivalent to One Equity Share of the Company of ₹10/- each.

WHOLLY OWNED SUBSIDIARY COMPANIES

Details about the subsidiaries of the Company, including highlights of their performance and contribution to the overall performance of the Company, are covered in **Annexure 1** to this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Changes in Directors

The Board at the meeting held on 27th March, 2025, on the recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of Section 161 of the Act read with Article 130 of the Articles of Association of the Company, appointed Ms. Komal Vashist (DIN: 11009285) as an Additional Director of the

Company with effect from 1st April, 2025, to hold such office up to the date of the 29th Annual General Meeting ('AGM') of the Company.

The Board at the meeting held on 10th May, 2025, on the recommendation of the Nomination and Remuneration Committee, has recommended the appointment of Ms. Vashist as a Non-Executive Director of the Company, liable to retire by rotation. Notice under Section 160 of the Act has been received by the Company for the appointment of Ms. Vashist, who has filed her consent to act as a Director of the Company, if appointed. Appropriate resolution seeking the approval of the Members to the appointment of Ms. Vashist is appearing in the Notice convening the 29th AGM of the Company.

Ms. Priti Balaji (DIN: 08900013) stepped down as a Director of the Company with effect from 29th April, 2025, consequent to her superannuation from the services of ITC; Ms. Balaji was earlier re-appointed, with the approval of the Members, as a Non-Executive Director of the Company with effect from 11th August, 2024. Your Board places on record its appreciation for the contribution made by Ms. Balaji during her tenure as a Director of the Company.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act read with Articles 143 and 144 of the Articles of Association of the Company, Mr. Rajendra Kumar Singhi (DIN: 00009931) will retire by rotation at the ensuing AGM and, being eligible, offers himself for re-election. Your Board has recommended his re-election.

Change in Key Managerial Personnel

Mr. Sharad Jain stepped down as the Company Secretary of the Company with effect from 15th April, 2025. The Board, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Thomas Philip Joshua (Membership No.: FCS 9839) as the Company Secretary of the Company with effect from 15th April, 2025, in terms of the provisions of Section 203 of the Act.

BOARD AND BOARD COMMITTEES

Currently, there are three Board Committees – the Audit Committee, the Nomination and Remuneration Committee and the Corporate Social Responsibility Committee. The present composition of these Board Committees is provided below:

Audit Committee

Mr. S. Dutta (Chairman)
Mr. R. K. Singhi
Mr. S. Sivakumar

Nomination and Remuneration Committee

Mr. S. Sivakumar (Chairman)
Mr. S. Dutta
Mr. R. K. Singhi

Corporate Social Responsibility Committee

Mr. S. Sivakumar (Chairman)
Mr. R. K. Singhi
Ms. K. Vashist

Number of Board Meetings

Eleven meetings of the Board were held during the year ended 31st March, 2025.

ATTRIBUTES, QUALIFICATIONS AND APPOINTMENT OF DIRECTORS

As reported in the previous years, the Nomination and Remuneration Committee has adopted the attributes and qualifications as provided in Section 149(6) of the Act and Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the extent applicable to the Directors of the Company.

All the Non-Executive Directors of the Company are liable to retire by rotation; one-third of them retire every year and are eligible for re-election. The Non-Executive Directors of the Company fulfil the fit and proper criteria for appointment as Directors.

BOARD EVALUATION

The Board carried out annual performance evaluation of its own performance and that of the individual Directors and also the functioning of the Board Committees, in terms of Section 134 of the Act. The performance evaluation of the Board and the Directors, as in the previous year, was based on criteria approved by the Nomination and Remuneration Committee. Reports on functioning of Board Committees were placed before the Board by the respective Committee Chairman.

REMUNERATION POLICY

The Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company is available on its website at <https://www.itcinfotech.com/compliance>.

The salient features of the Policy, which remained unchanged during the year, are as below:

Remuneration practices in the Company are designed to align each employee with ITC Infotech's superordinate goal of enhancing value creation and to enable a congruence between individual aspirations and the Company's vision. The remuneration practices will continue to be anchored on the principles of fairness, equity and consistency and will be free of discrimination.

The Company's Remuneration Policy, inter alia, provides:

1. To ensure that the Remuneration practices support and encourage meritocracy.
2. To ensure that Remuneration is market-led and takes into account the competitive context of the business.
3. To leverage Remuneration as an effective instrument to enhance performance and therefore to link remuneration to both individual and collective performance outcomes.
4. To design Remuneration practices such that they reinforce the Company's values and culture and creates an organisation that is an Employer of Choice.

RISK MANAGEMENT

The Company's Risk Management Policy & Framework is designed to bring robustness to the risk management processes within the Company and to address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company in a rapidly changing technology landscape and a dynamic business environment.

The management of risks is embedded in the corporate strategies of the Company that help in developing a world class business in the field of IT Services which match the organisational capability with market opportunities.

The Company has adopted the ISO 31000:2018 Risk Management Principles and Guidelines in 2021. Accordingly, the Risk Management Policy & Framework is assessed independently each year to ensure alignment with the aforesaid global Standard on Risk Management.

While the Corporate Governance Policy lays down the roles and responsibilities and authority at various levels, the corporate policies and standard operating procedures set out the philosophy and processes under which management needs to conduct the operations within a control driven and risk managed environment.

The Company conducts risk assessment of customer projects and ensures the provision of quality Information Technology services. The Company maintains its certification under international standards viz., ISO 9001:2015 for Quality Management System, ISO/IEC 20000-1:2018 for Information Technology Service Management System and ISO/IEC 27001:2022 for Information Security Management System.

Under this backdrop, management of risks vests with the executive management responsible for the day-to-day conduct of the affairs of the Company. The Internal Auditors of the Company periodically carry out risk focused audits which lead to the identification of areas where risk management processes need to be strengthened.

Further, the Corporate Audit Department of the Company, comprising identified managers, verifies compliance with laid down policies and procedures, and helps plug gaps in the formulation of control procedures for newer areas of operation; their reports are provided to the Internal Auditors to enable a holistic approach to audit.

Management provides an annual update to the Audit Committee on the effectiveness of the Company's risk management systems and policies. The Audit Committee evaluates the effectiveness of risk management systems and provides reassurance to the Board.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statements, commensurate with its size and scale of operations. The Internal Auditors evaluate the adequacy and efficacy of

such internal financial controls. The Audit Committee provides guidance on internal controls, reviews internal audit findings and ensures that the internal audit recommendations are implemented.

During the year under review, no reportable material weakness in the design or operation of the internal financial controls in the Company was observed. Nonetheless, the Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations. Therefore, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Annual Report on CSR activities of the Company, as required under Section 134(3)(o) read with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, is provided in **Annexure 2** to this Report.

During the year, the Company continued implementation of its exclusive CSR Programmes (a) 'ASPIRE' for promoting STEM (Science, Technology, Engineering and Mathematics) education; and (b) environmental sustainability programme for planting saplings to increase the green cover in urban areas and contribute to urban water management through lake rejuvenation, rainwater harvesting, water sanitation, etc.

OTHER INFORMATION

I. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The Company being in the business of providing information technology services and solutions, requires minimal energy consumption and every endeavour is made to ensure optimal use of energy. The Company's energy consumptions are primarily from managed office space operations, which have transitioned to Green Building Platinum certified buildings, designed for superior energy performance.

Within the managed office spaces, the Company is adopting newer technologies such as IoT-based light fixtures to optimize energy consumption through daylight and occupancy integration. Additionally, the Company employs Variable Air Volume (VAV) boxes for a high-efficiency air-conditioning distribution system controlled through a centralized building management system. Moreover, the HVAC systems are highly efficient and equipped with Variable Frequency Drives (VFDs) to optimize energy consumption based on occupancy levels, which are monitored through sensors.

As part of the Company's low-carbon energy transition strategy, emphasis is made to maximise use of renewable energy for the offices. The Company's office interior at ITC Green Centre is now USGBC LEED Platinum certified.

During the FY 2024-25, the Company recycled about 2.26 tonnes of wastepaper / cardboard thus avoiding the landfills and reducing carbon emissions. The Company has also responsibly disposed more than 3.71 tonnes of e-waste through Pollution Control Board authorized vendors and avoided landfills.

II. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earnings of the Company during the year aggregated ₹2,660.16 crores (previous year: ₹2,277.88 crores), while the outgoings aggregated ₹593.42 crores (previous year: ₹512.84 crores).

III. PARTICULARS OF EMPLOYEES

The particulars of the Company's employees, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including details of employees who had drawn remuneration more than the limits specified in the said Rule, are provided in **Annexure 3** to this Report. In terms of the proviso to Rule 5(3) of the aforesaid Rules, particulars of employees posted and working in a country outside India have not been included in the said Annexure. Such details will however be furnished to the Members of the Company upon request.

IV. ANNUAL RETURN

As per the provisions of Section 92(3) and Section 134(3) (a) of the Act, the Annual Return in Form No. MGT-7 is available on the Company's website and can be accessed at <https://www.itcinfotech.com/compliance>.

V. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are provided in the Notes to the Financial Statements of the Company.

VI. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts or arrangements entered into by the Company with its related parties during the financial year were in the ordinary course of business and on arm's length basis. The details of material transactions entered into by the Company with its related parties are provided in **Annexure 4** (Form No. AOC-2) to this Report.

VII. COST RECORDS

The Company, being in the business of providing Information Technology services and solutions, is not required to maintain cost records, as specified by the Central Government under Section 148(1) of the Act.

VIII. DEPOSITS

The Company has not accepted any deposit from the public / members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge & belief and according to the information and explanations obtained, your Directors, in terms of Sections 134(3) (c) and 134(5) of the Act, confirm having:

- i. followed in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable accounting standards along with proper explanation relating to material departures, if any;
- ii. selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii. taken proper and sufficient care for the 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 fraud and other irregularities;
- iv. prepared the Annual Accounts on a going concern basis, and
- v. devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its future operations.

AUDITORS**(a) Statutory Auditors**

Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants ('DHS'), were re-appointed with your approval as the Auditors of the Company at the 26th AGM for a period of five years i.e., till the conclusion of the 31st AGM.

The Board, in terms of Section 142 of the Act and on the recommendation of the Audit Committee, has recommended for the approval of the Members (i) increase in the remuneration of DHS for conduct of audit of the Standalone Financial Statements of the Company for the financial year 2024-25, and (ii) remuneration of DHS

for conduct of such audit for the financial year 2025-26. Appropriate resolutions seeking the approval of the Members for the remuneration to DHS are included in the Notice convening the 29th AGM of the Company.

There were no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors in their Report on the Financial Statements of the Company for the year ended 31st March, 2025.

(b) Secretarial Auditors

Your Board appointed Messrs. Vinod Kothari & Company, Practising Company Secretaries, to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2025. The Secretarial Auditors have confirmed that the Company has complied with the applicable laws and that there are adequate systems and processes in the Company commensurate with its size and scale of operations to monitor and ensure compliance with the applicable laws. There were no qualification, reservation, adverse remark or disclaimer made by the Secretarial Auditors in their Audit Report.

The Report of the Secretarial Auditors, in terms of Section 204(1) of the Act, is provided in **Annexure 5** to this Report.

WHISTLEBLOWER POLICY

During the year under review, the Company voluntarily adopted Whistleblower Policy as part of its commitment to high standards of ethical conduct and good corporate governance, and to promote transparency and accountability within the organisation.

The Policy provides a secure and confidential framework for Directors, employees, and other stakeholders of the Company to report genuine concerns relating to unethical behaviour, actual or suspected fraud, or any violation of the Company's Code of Conduct or internal policies. It also ensures that individuals making disclosures in good faith are protected against any form of retaliation or adverse action.

The Whistleblower Policy was approved by the Executive Management Committee of the Company and is accessible to all employees through the Company's internal communication platform. During the year under review, one complaint under the Whistleblower Policy of the Company was received and investigated.

SECRETARIAL STANDARDS

The Company has complied with the requirements of the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards any sexual harassment at the workplace. In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, the Company has in place an Internal Complaints Committee for conducting inquiry into the complaints received on harassments at the workplace. During the year under review, the Internal Complaints Committee did not receive any complaint.

ACKNOWLEDGEMENTS

Your Directors thank the clients, partners and vendors for their continued support, and employees for their unstinted support, hard work, solidarity and co-operation.

On behalf of the Board

S. Sivakumar
Vice Chairman
Hyderabad

S. Singh
Managing Director & CEO
Bengaluru

Date: 10th May, 2025

ANNEXURE 1 TO THE REPORT OF THE BOARD OF DIRECTORS**WHOLLY OWNED SUBSIDIARY COMPANIES**

The statement in Form AOC-1 containing the salient features of the financial statements of the subsidiaries for the financial year 2024-25 is attached to the Financial Statements of the Company.

The highlights of the performance of the subsidiaries of the Company during the year under review are set out below:

Company	Currency Million	Revenue		Net Profit	
		2024-25	2023-24	2024-25	2023-24
ITC Infotech Limited, UK*	GBP	28.80	34.11	1.33	1.49
ITC Infotech (USA), Inc.#	USD	148.26	145.04	8.45	3.06
Indivate Inc., USA	USD	12.45	13.54	3.08	3.64
ITC Infotech Do Brasil LTDA.	BRL	10.64	7.59	0.72	0.60
ITC Infotech Malaysia SDN. BHD.	MYR	27.89	7.95	1.34	0.37
ITC Infotech France SAS	EUR	8.82	6.05	0.66	0.43
ITC Infotech GmbH, Germany	EUR	14.71	14.25	0.84	2.80
ITC Infotech de México, S.A. de C.V.	MXN	47.76	5.90	2.75	0.75
ITC Infotech Arabia Limited	SAR	37.62	–	1.35	–
ITC Infotech Italia s.r.l.	EUR	0.45	–	0.02	–
Blazeclan Technologies Private Limited	INR	1200.23	1265.52	(228.4)	7.5
Cloudlytics Technologies Private Limited	INR	2.76	11.22	0.18	6.38
Blazeclan Technologies PTE Ltd., Singapore	SGD	8.18	8.35	0.38	0.29
Blazeclan Technologies SDN. BHD., Malaysia	MYR	9.31	13.64	0.04	0.46
Blazeclan Technologies Pty. Ltd., Australia	AUD	9.85	10.36	0.49	0.70
Blazeclan Europe SRL., Belgium	EUR	0.67	0.77	(0.01)	(0.17)
Blazeclan Technologies Limited, New Zealand	NZD	0.42	0.34	0.07	0.04
Blazeclan Technologies Inc., Canada	CAD	0.37	0.51	(0.01)	(0.27)
Blazeclan Technologies LLC, USA	USD	-	0.11	(0.004)	0.03
Blazeclan Americas Inc.	USD	0.52	0.48	0.06	(0.02)
Blazeclan Technologies Corporation, Philippines	PHP	3.52	12.59	0.05	0.70

(*) for the year under review, ITC Infotech Limited paid dividend of GBP 3 per share on 685,815 Ordinary Shares of GBP 1 each aggregating GBP ~2.06 million (FY 2023-24: Nil).

(#) for the year under review, ITC Infotech (USA), Inc. paid first and second interim dividend of USD 14.00 and USD 27.50, respectively, aggregating to USD 41.50 per Share (FY 2023-24: USD 14 per share) on 1,82,000 Common Shares-without par value, with total dividend being USD ~7.55 million (FY 2023-24: USD 2.55 million).

Notes:

- The Company had set up a new subsidiary 'ITC Infotech Italia s.r.l.' in Milan, Italy on 23rd July, 2024.
- The Company had acquired Blazeclan Technologies Private Limited (BTPL) and its wholly owned subsidiaries on 1st October, 2024.

ANNEXURE 2 TO THE REPORT OF THE BOARD OF DIRECTORS**Annual Report on CSR Activities of the Company for the Financial Year ended 31st March, 2025****1. Brief outline**

ITC Infotech India Limited, being a wholly owned subsidiary of ITC Limited ('ITC'), will discharge its corporate social responsibility by aligning itself with the CSR Policy of ITC and by undertaking CSR activities in areas or subjects which are independent of the normal conduct of the Company's business and are aligned to the activities listed in Schedule VII read with Section 135 of the Companies Act, 2013 ('the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Salient features of the Company's CSR Policy:

The Company -

- ✓ Will undertake CSR activities (a) directly, or (b) through a registered public trust or a registered society or a company under Section 8 of the Act, established by ITC or otherwise, having track record of at least three years in undertaking CSR activities, or (c) through other implementing agencies.
- ✓ May collaborate with ITC or other companies for undertaking CSR activities in such a manner that the respective companies are in a position to report separately on the CSR activities being undertaken.
- ✓ Will spend in every financial year, two percent of its average net profits during the three immediately preceding financial years (or such other limit as may be prescribed under the Act), on CSR activities in pursuance of the Policy.

2. Composition of the CSR Committee as on 31st March, 2025:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. S. Sivakumar (Chairman of the Committee)	Vice Chairman and Non-Executive Director	3	3
2	Ms. P. Balaji	Non-Executive Director		3
3	Mr. R. K. Singhi	Non-Executive Director		3

3. Provide the web-link(s) where composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company – <https://www.itcinfotech.com/compliance>.
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable – Not Applicable
5. (a) Average net profits of the Company as per sub-section (5) of Section 135 – ₹586.83 crores
 (b) Two percent of average net profits of the Company as per sub-section (5) of Section 135 – ₹11.74 crores
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - Nil
 (d) Amount required to be set-off for the financial year, if any - Nil
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)] - ₹11.74 crores
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹11.53 crores
 (b) Amount spent in Administrative Overheads – ₹0.22 crore
 (c) Amount spent on Impact Assessment, if applicable - Nil
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)] - ₹11.75 crores
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11.75 crores	Nil				

- (f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profits of the Company as per sub-section (5) of Section 135	Nil
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set-off in succeeding Financial Years [(iii)-(iv)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of Section 135, if any	Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer	
Nil							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes☒ No

If Yes, enter the number of Capital assets created / acquired

Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin Code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profits as per sub-section (5) of Section 135 – Not Applicable

Date: 10th May, 2025

S. Sivakumar
Chairman - CSR Committee
Hyderabad

S. Singh
Managing Director & CEO
Bengaluru

**ANNEXURE 3 TO THE REPORT OF THE BOARD OF DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Top ten employees in terms of remuneration drawn

Name	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of Commencement of Employment / Deputation	Previous Employment/ Position held
1	2	3	4	5	6	7	8	9
SUDIP SINGH	52	Managing Director & Chief Executive Officer	6,54,71,016	3,60,71,305	M.B.A.	26	28-Jan-2019	Infosys Ltd., Global Industry Head - Energy, Utilities, Resources & Services Segment
MANAS CHAKRABORTY	56	Chief Operating Officer	4,85,25,700	2,96,49,633	Master in Science	30	10-Apr-2023	Tech Mahindra, Global Head – Large Deal and Day Zero Delivery
NAVNEET PRAKASH KHANDELWAL#	45	Chief Financial Officer	3,86,26,193	2,30,63,882	B.Com (Hons.), F.C.A.	23	10-May-2023	Microland Limited, Chief Financial Officer
NARESH K. N.	53	President - Chief Account Officer	2,34,41,151	1,45,48,404	B.E. Post Diploma in Computer Engineering	31	28-Jul-2023	LTI Mindtree, Sr VP
SUDARSHAN BYATARAYA	54	President - CIO Services	2,08,12,232	1,32,41,938	B.E.	31	28-Jul-2023	LTI Mindtree, Executive Vice President – Global Head Quality Engineering Services
SREENIVAS TRICHY VENKATRAMAN	50	President - Digital Experience	2,01,67,522	1,28,70,881	M.B.A.	27	4-Jan-2023	Publicis Sapient, Vice President
SUBHRAKETAN MITRA #	49	President - Finance	1,72,68,324	87,33,496	A.C.A.	26	1-Sep-2017	ITC Ltd., Manager, Finance
MALLIGA RAJKUMAR	41	Chief Human Resources Officer	1,63,32,765	1,06,19,654	M.B.A.	19	29-Sep-2023	Flipkart, Sr. Director, Head of HR for Corporate Functions for Flipkart Group
AMANDEEP SINGH SARNA	47	Sr. Vice President	1,61,34,641	1,04,08,772	M.C.A.	24	18-Jul-2022	Leela Palaces and Resorts Ltd., Vice President – Information Technology
VALSARAJ ODITTAPOUTIN POURAIL	56	President - BAT Account	1,61,29,599	1,05,49,158	B.Tech	34	24-Jan-2024	Tech Mahindra - VP & Delivery Head - Insurance

Other employees employed throughout the year and in receipt of remuneration aggregating ₹ 1,02,00,000/- or more per annum

Name	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of Commencement of Employment / Deputation	Previous Employment/ Position held
1	2	3	4	5	6	7	8	9
JAISMON EMMANUEL	50	Sr. Vice President - Business Excellence	1,46,42,551	96,32,544	B.TECH.	25	31-Jul-2019	UST Global, Senior Director
SANDEEP KUMAR	54	Sr VP & Head Global Consulting	1,43,59,057	93,44,325	B.E., PGDM	30	26-Mar-2012	Infosys Ltd., Industry Principal
ARJUN WARTY	44	Vice President	1,29,95,786	85,25,612	B.Sc	20	19-Aug-2022	Zensar Technologies Ltd., Head Corporate Development
SANDEEP BISWAS	51	Vice-President	1,18,37,252	77,92,778	M.B.A., BE	23	15-Jul-2023	Maersk Global Service; Senior Engineering Manager
MAHENDRA KUMAR SAMAL	50	Vice President	1,12,17,494	73,68,647	B.E	24	19-Jul-2021	CSS Corp, Delivery Head
DIGANTA CHAKRABORTY	52	Vice President	1,10,50,048	73,28,050	B.E.	26	23-Aug-2023	Cognizant Technology Solutions; Sr. Director
ANURAG JAIN	51	Sr Vice President	1,06,78,617	70,29,194	M.B.A., B.E.	24	1-May-2021	NIIT Technologies; VP CEO
ANJAN PALIT	46	Vice President	1,05,29,145	72,85,565	M.B.A.	20	18-Mar-2024	Incedo INC; Senior Director
MANOJ JHA	56	Vice President	1,05,28,508	71,14,006	ICMA	27	2-Nov-2022	IBM, Business Development Executive

Other employees employed for a part of the year and in receipt of remuneration aggregating ₹ 8,50,000/- or more per month

Name	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of Commencement of Employment / Deputation	Previous Employment/ Position held
1	2	3	4	5	6	7	8	9
AMARTYA MUKHERJEE* #	46	Vice-President- Finance	1,07,06,108	55,99,930	B.Com (Hons.), A.C.A.	22	4-Apr-2017	ITC Ltd., Divisional Manager - Finance
SANTOSH MALI*#	44	Vice President - Legal	1,02,57,261	65,91,736	BA, LLB	18	1-Jan-2020	Wipro Ltd., Senior Corporate Counsel
SUNDARESH SHANKARAN*	55	President - Manufacturing & CPG	69,16,196	48,20,960	BE	34	6-Jan-2020	Infosys Ltd., Vice President
SIVA S KOTHAPALLI	50	President - Industry 4.0	59,27,333	40,95,861	M.B.A	27	5-Dec-2024	HCL; Senior Vice President
PIYUSH BAJLA	39	Vice President; Finance	58,62,236	40,41,836	C.S.	20	16-Sep-2024	Eka Care; VP Delivery Head Insurance
SAMPATH IYENGAR RAGHAVAN SRINIDHI	53	Sr. VP - Strategic Initiatives	51,67,293	38,37,315	B.E.	15	8-Jan-2025	Randstand Digital; Sr VC Global President Delivery
GOPAL SHARMA*	49	Chief Information Officer	25,69,886	10,23,905	B Tech	28	13-Nov-2023	Microland Ltd., Chief Information Officer

*Ceased to be associated with the Company during the year under review

#On deputation from ITC Limited, the Holding Company ('ITC').

Notes :-

- Gross Remuneration includes salary, performance bonus, allowances, long-term incentives, and other benefits / applicable perquisites borne by the Company, except the provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net Remuneration comprises cash income less (a) income tax, & education cess deducted at source, and (b) employee's own contribution to Provident Fund.
- During the year, some of the employees listed above have been granted Stock Options and Performance Stock Units under the ITC Infotech India Limited Employee Stock Option Plan, in accordance with the provisions of Section 62(1)(b) of the Companies Act, 2013 and Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014. Further, some of the employees listed above have been granted Stock Options by ITC under its Employee Stock Option Schemes at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]. Since these Stock Options and Performance Stock Units are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Options & Units and accordingly, the said grant has not been considered as remuneration.
- All appointments are / were contractual in accordance with terms and conditions as per Company's rules.
- None of the above employees is a relative of any Director of the Company.

On behalf of the Board

S. Sivakumar
Vice Chairman
Hyderabad

S. Singh
Managing Director & CEO
Bengaluru

Date: 10th May, 2025

ANNEXURE 4 TO THE REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**FORM NO. AOC - 2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto.1. Details of contracts or arrangements or transactions not at arm's length basis: **None**

2. Details of material contracts or arrangements or transactions at arm's length basis:

a)	Name(s) of the related party and nature of relationship	ITC Limited (Holding Company)	ITC Infotech Limited, UK (Subsidiary)	ITC Infotech (USA), Inc. (Subsidiary)	ITC Infotech France SAS (Subsidiary)	ITC Infotech Malaysia SDN. BHD (Subsidiary)	ITC Infotech Arabia Limited (Subsidiary)
b)	Nature of contracts / arrangements / transactions	Sale of IT Services	Sale of IT Services	Sale of IT Services	Purchase of IT Services	Purchase of IT Services	Sale/Purchase of IT Services
c)	Duration of the contracts / arrangements / transactions	Continuing	Continuing	Continuing	Continuing	Continuing	Continuing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	- Provision of IT Services	- Subcontracting of execution and management of customer contracts	- Subcontracting of execution and management of customer contracts	- Subcontracting of execution and management of customer contracts	- Subcontracting of execution and management of customer contracts	- Subcontracting of execution and management of customer contracts
		- Pricing based on arm's length margin	- Pricing based on arm's length margin	- Pricing based on arm's length margin	- Pricing based on arm's length margin	- Pricing based on arm's length margin	- Pricing based on arm's length margin
		- Payment upon receipt of invoice	- Periodic invoicing; payment within 90 days	- Periodic invoicing; payment within 90 days	- Periodic invoicing; payment within 90 days	- Periodic invoicing; payment within 90 days	- Periodic invoicing; payment within 90 days
		- Value of transactions during the year - ₹220.18 crores	- Value of transactions during the year - ₹136.31 crores	- Value of transactions during the year - ₹755.76 crores	- Value of transactions during the year - ₹51.06 crores	- Value of transactions during the year - ₹53.08 crores	- Value of transactions during the year - (Sale of IT Services) - ₹32.32 crores - Value of transactions during the year - (Purchase of IT Services) - ₹29.07 crores
e)	Date(s) of approval by the Board, if any	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
f)	Amount paid as advances, if any	Nil	Nil	Nil	Nil	Nil	Nil

On behalf of the Board**Date:** 10th May, 2025**S. Sivakumar**
Vice Chairman
Hyderabad**S. Singh**
Managing Director & CEO
Bengaluru

ANNEXURE 5 TO THE REPORT OF THE BOARD OF DIRECTORS**FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ITC Infotech India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ITC Infotech India Limited** (hereinafter called "**Company**") for the financial year ended March 31, 2025 ["Audit Period"]. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the Audit Period, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

We have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the Audit Period, according to the provisions of applicable law provided hereunder:

- The Companies Act, 2013 ('Act') and the rules made thereunder including any re-enactment thereof;
- Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- Specific laws applicable to the industry to which the Company belongs, as identified and compliance whereof as confirmed by the management, that is to say:
 - a. The Information Technology Act, 2000 and the rules made thereunder.

We have also examined compliance with the applicable clauses of the Secretarial Standards for Board Meetings (SS-1) and for General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

We report that during the Audit Period, the Company has complied with the provisions of the Act, rules, standards etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted and the changes in the composition of the Board of Directors that took place during the Audit Period, were carried out in compliance with the provisions of the Act and other applicable laws.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and consent has been taken from the directors where any meeting has been called at a shorter notice. Further, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee Meetings.

We further report that there are adequate systems and processes in the Company, commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company has undertaken the below mentioned specific event/ action that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, standards, etc:

a. Incorporation of Wholly Owned Subsidiary:

During the Audit Period, the Board has, at its meeting held on 06th May, 2024, accorded approval for incorporation of a wholly owned subsidiary named 'ITC Infotech Italia s.r.l.' in Italy having a share capital not exceeding EUR 1 million (Rs. 9 crores).

b. Share Purchase Agreement for acquisition of 100% Blazeclan Technologies Pvt Ltd and its subsidiaries

The Board in its meeting held on 18th April, 2024 approved a proposal for acquisition of 100% share capital of Blazeclan Technologies Private Limited. The acquisition results in Blazeclan Technologies Private Limited becoming a wholly owned subsidiary of the Company and all its subsidiaries becoming step-down subsidiaries of the Company. The acquisition was completed on 1st October, 2024.

c. Amalgamation of the Company with its subsidiary and step-down subsidiary:

The Board at its meeting held on 30th January 2025 approved the amalgamation of Blazeclan Technologies Private Limited (a wholly-owned subsidiary) and Cloudlytics Technologies Private Limited (a step-down subsidiary) with the Company. The same is pending before the National Company Law Tribunal for hearing and approval thereof.

d. Transferring business of branch to the wholly-owned subsidiary in Italy:

The Board at its meeting held on 28th December, 2024 approved transfer of existing business of the Italian Branch of the Company on a going concern basis to ITC Infotech Italia s.r.l., its newly incorporated wholly-owned subsidiary in Italy by way of entering into Business Transfer Agreement with effect from 1st February, 2025.

e. Allotment of equity shares by way of rights issue:

During the Audit Period, the Board at its meeting held on 26th September, 2024, took note of an allotment made by a circular resolution dated 17th September, 2024, of 28,50,000 Equity Shares of the Company at Rs. 10/- to its holding company ITC Limited by way of rights issue, for which necessary forms, filed within the requisite time.

f. Adoption of Employee Stock Options Plan

During the Audit Period, the Company has, in its EGM dated 3rd September, 2024, approved and adopted ITC Infotech India Limited Employee Stock Option Plan 2024 comprising of a pool not exceeding 2% of the issued and subscribed shared capital of the Company exercisable into up to 17,60,000 no. of Equity shares of the Company, for the employees of the Company as well as its holding company and subsidiary companies.

Place: Kolkata
Date: 10th May, 2025

For M/s Vinod Kothari & Company
Practicing Company Secretaries
Unique Code: P1996WB042300

Pammy Jaiswal
Partner

Membership No.: A48046

CP No.: 18059

UDIN:A048046G000312948

Peer Review Certificate No.: 781/2020

The report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report

**Auditor and Management Responsibility
ANNEXURE TO SECRETARIAL AUDIT REPORT**

To,
The Members,
ITC Infotech India Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;
2. We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on a test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. Our Audit examination is restricted only up to legal compliances of the applicable laws to be done by the Company, we have not checked the practical aspects relating to the same;
4. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute.;
5. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company as well as correctness of the values and figures reported in various disclosures and returns as required to be submitted by the Company under the specified laws.
6. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulation and happening of events etc;
7. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis;
8. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
9. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company;
10. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

INDEPENDENT AUDITOR'S REPORT**To the Members of ITC Infotech India Limited****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying standalone financial statements of ITC Infotech India Limited (the "Company"), which comprise the Balance Sheet as at 31st March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows 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 (the "Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its profit, total comprehensive income, the changes in equity and its cash flows 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 (the "SAs") 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 (the "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.

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 Board's Report including Annexures to the Board's Report but does not include the special purpose consolidated financial statements, standalone financial statements and our auditor's reports 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, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Ind AS specific 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 standalone 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 intends 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.

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.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant 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 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 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.
- g) 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.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.
 - ii. The Company did not have any long-term contracts including derivative contracts as at 31st March, 2025 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, 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, 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 interim dividend declared and paid by the Company during the year is in accordance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used an accounting software(s) for maintaining its books of account for the year ended 31st March, 2025 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(s). Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and the audit trail 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.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Girish Bagri
Partner

Place: Bengaluru
Date: 10 May, 2025

(Membership No. 066572)
UDIN : 25066572BMNSDW3887

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) 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 ITC Infotech India Limited ("the Company") as of 31st 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 is 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 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.

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 Act, 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 31st 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.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Girish Bagri
Partner

Place: Bengaluru
Date: 10th May, 2025

(Membership No. 066572)
UDIN : 25066572BMNSDW3887

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) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment, capital work-in-progress and relevant details of right-of-use assets.
- B. 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, capital work-in-progress and right-of-use assets so to cover all the Property, plant and equipment, capital work-in-progress and right-of-use assets in a phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, plant and equipment, capital work-in-progress and right of use were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee). Hence reporting under clause (i)(c) of the Order is not applicable.
- (d) The Company has not valued 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 31st March, 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 3(ii)(a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of Rs. 500 lakhs, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) (a) The Company has made investment in companies during the year. The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnership or any other parties during the year. Hence, reporting under clause (iii) (a), (b) (except to the extent it pertains to investments), (c), (d), (e) and (f) of the Order is not applicable.
- (b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2025 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March, 2025 on account of disputes are given below:

Name of the Statute	Nature of dues	Forum where the dispute is pending	Period to which the Amount relates	Amount (Rs. in lakhs)
Finance Act, 1994	Service tax (including interest and penalty)	CESTAT	1 st April, 2007 to 30 th June, 2011	119.52*
		CESTAT / Joint Commissioner (Appeals)	1 st July, 2011 to 30 th June, 2017	465.31 ⁴

* Net of amount deposited under protest Rs.27.22 lakhs

Net of amount deposited under protest Rs. 16.78 lakhs

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loan or borrowings or in the payment of interest thereon to any lender.
- (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 outstanding term loans at the beginning of the year and hence, reporting under clause 3(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, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any loans (funds) from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).
- (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 Sections 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv)(a) In our opinion, the Company has an adequate internal audit system (comprising the internal and corporate audit departments) commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports (including draft internal audit reports) for the year under audit, issued to the Company during the year and till date, 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 its Directors or persons connected with its directors, and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(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 realisation 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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Girish Bagri

Partner

Place: Bengaluru
Date: 10th May, 2025

(Membership No. 066572)
UDIN : 25066572BMNSDW3887

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2025

	Note No.	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	2	4,526	5,531
(b) Capital work-in-progress	2	154	192
(c) Other Intangible Assets	2	53,823	61,327
(d) Right of Use Assets	2	22,943	15,167
(e) Financial Assets			
(i) Investments	3 (a)	59,675	17,512
(ii) Others	4 (a)	168	192
(f) Income Tax Assets (Net)	9 (a)	3,413	2,910
(g) Other Non-Current Assets	10 (a)	1,897	1,087
Sub-Total		1,46,599	1,03,918
2 Current Assets			
(a) Financial Assets			
(i) Investments	3 (b)	23,961	46,450
(ii) Trade Receivables	5	37,803	40,388
(iii) Cash and Cash Equivalents	6	3,580	5,420
(iv) Other Bank Balances	7	10,000	–
(v) Others	4 (b)	34,681	30,580
(b) Other Current Assets	10 (b)	16,862	11,004
Sub-Total		1,26,887	1,33,842
TOTAL		2,73,486	2,37,760
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	11	9,085	8,800
(b) Other Equity		1,60,274	1,23,190
Sub-Total		1,69,359	1,31,990
2 Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	24	22,319	14,081
(ii) Other Financial Liabilities	12 (b)	1,595	668
(iii) Payable towards acquisition of Business and Commercial Rights	35	17,983	28,154
(b) Provisions	13 (a)	2,762	2,613
(c) Deferred Tax Liabilities (Net)	8	888	200
(d) Other Non Current Liabilities	14 (a)	3,129	1,839
Sub-Total		48,676	47,555
3 Current Liabilities			
(a) Financial Liabilities			
(i) Lease Liabilities	24	1,876	1,497
(ii) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises	12 (a)	–	–
- Total outstanding dues other than micro enterprises and small enterprises	12 (a)	9,790	10,879
(iii) Other Financial Liabilities	12 (c)	22,076	21,807
(iv) Payable towards acquisition of Business and Commercial Rights	35	11,538	11,857
(b) Other Current Liabilities	14 (b)	6,251	8,394
(c) Provisions	13 (b)	1,860	1,612
(d) Current Tax Liabilities (Net)	9 (b)	2,060	2,169
Sub-Total		55,451	58,215
TOTAL		2,73,486	2,37,760

The accompanying notes 1 to 40 are an integral part of the Standalone Financial Statements.
This is the Balance Sheet referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366W/W-100018

Girish Bagri

Partner

Membership Number : 066572

Place : Bengaluru

Date : 10 May, 2025

On behalf of the Board**S. Singh**Managing Director
Bengaluru**N. Khandelwal**Chief Financial Officer
Bengaluru**S. Sivakumar**Vice Chairman
Hyderabad**T. Joshua**Company Secretary
Bengaluru

Date : 10 May, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note No.	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
I Revenue from Operations	15	3,20,432	2,86,929
II Other Income	16	12,835	7,267
III Total Income (I + II)		<u>3,33,267</u>	<u>2,94,196</u>
IV Expenses			
Employee Benefits Expense	17	1,81,185	1,62,201
Finance Costs	18	1,315	656
Depreciation and Amortization Expense	2	11,966	10,597
Other Expenses	19	77,604	66,419
Total Expenses (IV)		<u>2,72,070</u>	<u>2,39,873</u>
V Profit Before Tax (III-IV)		<u>61,197</u>	<u>54,323</u>
VI Tax Expenses	20 (a)		
Current Tax		13,725	14,353
Deferred Tax		810	1,749
		<u>14,535</u>	<u>16,102</u>
VII Profit for the Year (V-VI)		<u>46,662</u>	<u>38,221</u>
VIII Other Comprehensive Income			
(a) Items that will not be reclassified subsequently to profit or loss			
- Remeasurement (Gain) / Loss of Net Defined Benefit Liability		(7)	296
Less: Tax Relating to Items that will not be reclassified subsequently to profit or loss	20 (b)	2	(74)
(b) Items that will be reclassified subsequently to profit or loss			
- Effective portion of losses on designated portion of hedging instruments in a cash flow hedge		(476)	(278)
Less: Tax Relating to Items that will be reclassified subsequently to profit or loss		120	70
Total Other Comprehensive Income		<u>(361)</u>	<u>14</u>
IX Total Comprehensive Income for the Year (VII+VIII)		<u>46,301</u>	<u>38,235</u>
X Earnings Per Share (in ₹) (Face value ₹ 10 each)	26		
(1) Basic (in ₹)		52.12	43.43
(2) Diluted (in ₹)		52.06	43.43

The accompanying notes 1 to 40 are an integral part of the Standalone Financial Statements.

This is the Statement of Profit and Loss referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366W/W-100018

On behalf of the Board

Girish Bagri

Partner

Membership Number : 066572

Place : Bengaluru

Date : 10 May, 2025

S. Singh

Managing Director

Bengaluru

N. Khandelwal

Chief Financial Officer

Bengaluru

S. Sivakumar

Vice Chairman

Hyderabad

T. Joshua

Company Secretary

Bengaluru

Date : 10 May, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

A. Equity Share Capital

(₹ in Lakhs)

	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	8,800	285	9,085
For the year ended 31st March, 2024	8,800	—	8,800

B. Other Equity

(₹ in Lakhs)

	Reserves and Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	Securities Premium	Capital Contribution for Share Based Payments	Effective Portion of Cash Flow Hedges	
Balance as at 1st April, 2024	70,944	44,520	8,305	(579)	1,23,190
- Profit for the Year	46,662	-	-	-	46,662
- Other Comprehensive Income (Net of Tax)	(5)	-	-	(356)	(361)
Total Comprehensive Income for the year	46,657	-	-	(356)	46,301
- Issue of Equity Shares to Parent	-	39,615	-	-	39,615
- Payment of Interim Dividend* : @ ₹ 22.00/- per share on 9,08,50,000 Shares: ₹ 19,987 Lakhs in Sep'24 @ ₹ 18.25/- per share on 9,08,50,000 Shares: ₹ 16,580 Lakhs in Dec'24 @ ₹ 13.50/- per share on 9,08,50,000 Shares: ₹ 12,265 Lakhs in Mar'25	(48,832)	-	-	-	(48,832)
- Recognition of Share Based Payment (Refer Note 28)	-	-	-	-	-
- Options Lapsed during the Year	68	-	(68)	-	-
Balance as at 31st March, 2025	68,837	84,135	8,237	(935)	1,60,274

(₹ in Lakhs)

	Reserves and Surplus			Items of Other Comprehensive Income	Total
	Retained Earnings	Securities Premium	Capital Contribution for Share Based Payments	Effective Portion of Cash Flow Hedges	
Balance as at 1st April, 2023	81,259	44,520	8,387	(371)	1,33,795
- Profit for the Year	38,221	-	-	-	38,221
- Other Comprehensive Income (Net of Tax)	222	-	-	(208)	14
Total Comprehensive Income for the year	38,443	-	-	(208)	38,235
- Issue of Equity Shares to Parent	-	-	-	-	-
- Payment of Interim Dividend* : @ ₹ 20.00/- per share on 8,80,00,000 Shares: ₹ 17,600 Lakhs in Sep'23 @ ₹ 22.50/- per share on 8,80,00,000 Shares: ₹ 19,800 Lakhs in Dec'23 @ ₹ 13.00/- per share on 8,80,00,000 Shares: ₹ 11,440 Lakhs in Mar'24	(48,840)	-	-	-	(48,840)
- Recognition of Share Based Payment (Refer Note 28)	-	-	-	-	-
- Options Lapsed during the Year	82	-	(82)	-	-
Balance as at 31st March, 2024	70,944	44,520	8,305	(579)	1,23,190

* Payment of interim dividend in compliance with Companies Act, 2013.

Retained Earnings: This represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Securities Premium: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

Capital Contribution for Share Based Payments: This Reserve represents fair value of options issued to employees under ITC Employee Stock Option Scheme by the Holding Company.

Effective Portion of Cash Flow Hedges: This Reserve represents the cumulative effective portion of changes in Fair Value of hedging instrument that are designated as Cash Flow Hedges. It will be reclassified to profit or loss or included in the carrying amount of the non-financial asset in accordance with the Company's accounting policy.

The accompanying notes 1 to 40 are an integral part of the Standalone Financial Statements.

This is the Statement of Changes in Equity referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366W/W-100018

Girish Bagri

Partner

Membership Number : 066572

Place : Bengaluru

Date : 10 May, 2025

On behalf of the Board

S. Singh

Managing Director

Bengaluru

N. Khandelwal

Chief Financial Officer

Bengaluru

S. Sivakumar

Vice Chairman

Hyderabad

T. Joshua

Company Secretary

Bengaluru

Date : 10 May, 2025

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES :		
PROFIT BEFORE TAX	61,197	54,323
ADJUSTMENTS FOR :		
Depreciation and Amortisation Expense	11,966	10,597
Dividend Income from Subsidiary Company	(8,720)	(2,118)
Net Gain on Sale of Investments	(2,898)	(2,954)
Property, Plant and Equipment - Loss / (Gain) on Sale / Discarded [net]	68	85
Unrealised Loss on Exchange [net]	(783)	318
Provision for Doubtful Receivables / advances [charge]	(388)	113
Net loss arising on liabilities measured at FVTPL	3,643	508
Interest Income	(595)	(1,272)
Finance Costs on Lease Liabilities	1,315	656
Liabilities no Longer Required Written Back	-	(6)
	<u>3,608</u>	<u>5,927</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	64,805	60,250
ADJUSTMENTS FOR :		
Trade Receivables, Loans and Advances and Other Assets	(11,419)	(7,309)
Trade Payables, Other Liabilities and Provisions	(470)	5,528
	<u>(11,889)</u>	<u>(1,781)</u>
CASH FROM OPERATIONS	52,916	58,469
Income Tax Paid (Net)	(13,367)	(9,564)
NET CASH FROM OPERATING ACTIVITIES	<u>39,549</u>	<u>48,905</u>
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant and Equipment and Capitalized Software	(1,678)	(3,234)
Payment towards acquisition of Intangible Assets - Business and Commercial Rights*	(11,102)	(10,149)
Purchase of Current Investments	(5,14,974)	(5,79,071)
Investment in Bank Deposits (original maturity more than 3 months)	(25,000)	(20,000)
Maturity of Bank Deposits (original maturity more than 3 months)	15,000	40,000
Sale / Redemption of Current Investments	5,40,361	5,71,239
Investment in Subsidiaries	(40,510)	(3,243)
Sale of Property, Plant and Equipment	121	2,819
Interest Received on maturity of Bank Deposits	575	1,537
Dividend Income from Subsidiary Company (net of withholding taxes)	7,748	1,798
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	<u>(29,459)</u>	<u>1,696</u>
C CASH FLOW FROM FINANCING ACTIVITIES :		
Infusion of share capital (including Securities Premium)	39,900	-
Interim dividend paid on Equity Shares (Net of TDS)	(43,949)	(43,956)
Tax deducted at source on dividend paid	(4,883)	(4,884)
Repayment of lease liability (Refer Note 24)	(2,960)	(1,606)
NET CASH (USED IN) / FROM FINANCING ACTIVITIES	<u>(11,892)</u>	<u>(50,446)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(1,802)</u>	<u>155</u>
OPENING CASH AND CASH EQUIVALENTS	<u>5,402</u>	<u>5,247</u>
CLOSING CASH AND CASH EQUIVALENTS	<u>3,600</u>	<u>5,402</u>
CASH AND CASH EQUIVALENTS COMPRISE :		
Cash and Cash Equivalents as above	3,600	5,402
Unrealised Gain / (Loss) on Foreign Currency Cash and Cash Equivalents	(20)	18
Cash and Cash Equivalents (Note 6)	<u>3,580</u>	<u>5,420</u>

* Excludes settlement of consideration for Business and Commercial Rights by offset of Trade receivables (Refer note 35)

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard - 7 "Statement of Cash Flows".

The accompanying notes 1 to 40 are an integral part of the Standalone Financial Statements.

This is the Statement of Cash Flows referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366W/W-100018

On behalf of the Board

Girish Bagri

Partner

Membership Number : 066572

S. Singh

Managing Director
Bengaluru

S. Sivakumar

Vice Chairman
Hyderabad

N. Khandelwal

Chief Financial Officer
Bengaluru

T. Joshua

Company Secretary
Bengaluru

Place : Bengaluru

Date : 10 May, 2025

Date : 10 May, 2025

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

Note No.

COMPANY INFORMATION

ITC Infotech India Limited ("the Company") [CIN: U65991WB1996PLC077341] is a wholly owned subsidiary of ITC Limited ("the Holding Company") providing information technology services to enterprise clients. The Company is incorporated and domiciled in India and has its registered office at Kolkata, West Bengal, India.

1 MATERIAL ACCOUNTING POLICIES

a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

b) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies. The functional currency of the Company is the Indian rupee (₹). These financial statements are presented in ₹ (rounded off to Lakhs).

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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key judgements applied in the preparation of the financial statements

- Recognition of intangible assets:** The Company had recognized intangible assets relating to Business and Commercial Rights in FY 2022-23. These assets are being amortized over 10 years considering the expected economic benefits arising out of the agreement with PTC Inc. The useful life of the intangible assets are reviewed periodically and the impact of changes in the estimated useful life is considered in the period in which the estimate is revised. These assets are tested for impairment when there is an indicator.
- Hedging:** The Company follows the principal of Hedge Accounting for managing the risk arising from cash flow variability on revenue forecast transactions. The amount accumulated in Other Comprehensive Income are recycled on recognition of the hedged item. In the event such hedge is rendered ineffective or the forecast transactions are not expected to occur, the cumulative amount accumulated in the Other Comprehensive Income is immediately recognized in Statement of Profit and Loss.
- Fair value measurements and valuation processes:** Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

- Actuarial Valuation:** The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

c) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Leasehold Properties - Building Improvement	Shorter of lease period or estimated useful lives
Plant and Equipment	15 Years
Furniture and Fixtures	10 Years
Motor Vehicles	8 Years
Office Equipment	5 Years
Computers, Servers and Networks	3 - 6 Years
Electrical Installations and Equipment	10 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

e) Other Intangible Assets

Other Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination, at fair value on the date of acquisition.
- for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Variable consideration, if any, for the purchase of intangible assets not acquired in a business combination are initially included in the cost of intangible assets at the fair value of all variable payments. The Company recognizes a financial liability for such variable payments. Subsequent changes in fair value of such financial liability is remeasured through the Statement of Profit or Loss, unless designated under hedge accounting in which case, principles of hedge accounting are followed.

Intangible assets represents purchased software and Business and Commercial Rights having finite useful lives. Such assets are amortized over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

The cost of acquisition of Business and Commercial Rights is amortised on the straight-line method over a period of 10 years and the cost of

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

acquisition of software is capitalised in the year in which the software is implemented for use and is amortised on the straight-line method over a period of 3 to 5 years.

Amortization expenses and impairment losses and reversal of impairment losses are included in the 'Depreciation and amortization expense' in the Statement of Profit and Loss.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Derivatives and Hedge Accounting

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of recognition in statement of profit or loss / inclusion in the initial cost of non-financial asset depends on the nature of the hedging relationship and the nature of the hedged item.

The Company complies with the principles of hedge accounting where derivative contracts and / or non-derivative financial assets / liabilities that are permitted under applicable accounting standards are designated as hedging instruments. At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with the risk management objectives and its strategy for undertaking hedge transaction, which can be a fair value hedge or a cash flow hedge.

(i) Fair value hedges

Changes in fair value of the designated portion of hedging instrument that qualify as fair value hedges are recognised in statement of profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. Such fair value changes are recognised in the line item relating to the hedged item in Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument is derecognised, expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to statement of profit or loss from that date.

(ii) Cash flow hedges

The effective portion of changes in the fair value of hedging instrument that are designated and qualify as cash flow hedges is recognised in the other comprehensive income and accumulated as 'Cash Flow Hedging Reserve'. The gains / losses relating to the ineffective portion are recognised in the Statement of Profit and Loss.

Amounts previously recognised and accumulated in other comprehensive income are reclassified to statement of profit or loss when the hedged item affects the Statement of Profit and Loss. However, when the hedged item results in the recognition of a non - financial asset, such gains / losses are transferred from equity (but not as reclassification adjustment) and included in the initial measurement cost of the non - financial asset.

Hedge accounting is discontinued when the hedging instrument is derecognised, expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gains / losses recognised in other comprehensive income and accumulated in equity at that time remain in equity and is reclassified when

the underlying transaction is ultimately recognised. When an underlying transaction is no longer expected to occur, the gains / losses accumulated in equity are recognised immediately in the Statement of Profit and Loss.

i) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, investments, fixed deposits, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss as other income only when the Company's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Investment in Subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any, in the financial statements.

j) Revenue from Sale of Products and Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change

becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with Ind AS 115 - Revenue from contracts with customers. Capitalised costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalised costs.

k) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Company makes contributions to both defined contribution schemes and defined benefit schemes such as defined benefit pension and gratuity plans which are mainly administered through duly constituted and approved Trusts.

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately in Other Comprehensive Income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under projected unit credit method. This benefit is unfunded.

l) Employee Share Based Compensation

Certain employees of the Company/ Subsidiary Companies / the Holding Company on deputation are covered under the stock option plans / stock appreciation linked reward plans of the Company / the Holding Company/Associates of the Holding Company. These schemes are in the nature of equity / cash settled.

In case of equity settled awards, the fair value of the awards at the grant date is amortised on a straight-line basis over the vesting period. In case of cash settled awards, the fair value of awards at the grant date is initially recognised and remeasured at each reporting date, until settled.

The cost in respect of such share-based payments is recognised as an Employee Benefit Expenses in the Statement of Profit and Loss with corresponding increase in Equity / Other Financial Liabilities, as applicable.

m) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude ₹ 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease. The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

n) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

o) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

p) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Management Committee (EMC). The Company is currently operating in a single segment i.e. Information Technology. Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements.

q) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

r) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

s) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 2 : PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK IN PROGRESS, OTHER INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS - FY 2024-25

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	As at 31st March, 2024	Additions	Withdrawals / Adjustments	As at 31st March, 2025	As at 31st March, 2024	Charge for the Year	On Withdrawals / Adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
i) TANGIBLE ASSETS										
Leasehold Properties - Building Improvement	726	3	0	729	101	66	0	167	562	625
Plant and Equipment	322	-	2	320	67	26	2	91	229	255
Furniture and Fixtures	797	59	5	851	359	42	4	397	454	438
Motor Vehicles	9	-	-	9	8	-	-	8	1	1
Office Equipment	653	240	63	830	392	67	59	400	430	261
Computers, Servers and Networks	10,473	714	2,624	8,563	6,873	1,584	2,428	6,029	2,534	3,600
Electrical Installations and Equipment	547	-	20	527	196	33	18	211	316	351
SUB TOTAL	13,527	1,016	2,714	11,829	7,996	1,818	2,511	7,303	4,526	5,531
ii) CAPITAL-WORK-IN-PROGRESS (CWIP)										
Capital work-in-progress	192	124	162	154	-	-	-	-	154	192
iii) OTHER INTANGIBLE ASSETS										
Capitalised Software	2,532	143	149	2,526	2,078	193	149	2,122	404	454
Business and Commercial Rights	74,538	-	-	74,538	13,665	7,454	-	21,119	53,419	60,873
SUB TOTAL	77,070	143	149	77,064	15,743	7,647	149	23,241	53,823	61,327
GRAND TOTAL	90,789	1,283	3,025	89,047	23,739	9,465	2,660	30,544	58,503	67,050
RIGHT-OF-USE ASSETS [Refer Note 1 (m)]										
Right-of-Use Assets - Buildings	16,326	10,253	653	25,926	1,215	2,422	653	2,984	22,942	15,111
Right-of-Use Assets - Car	193	94	268	19	137	79	198	18	1	56
TOTAL	16,519	10,347	921	25,945	1,352	2,501	851	3,002	22,943	15,167

Note : The aggregate depreciation and amortisation charge for the year/period has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

Note 2A : Ageing of CWIP:

(₹ in Lakhs)

As at 31st March, 2025	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	115	39	-	-	154

Note: There are no capital work in progress projects which have exceeded the cost and the timelines, based on approved plan.

Note 2 : PROPERTY, PLANT AND EQUIPMENT, CAPITAL WORK-IN-PROGRESS, OTHER INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS - FY 2023-24

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	As at 31st March, 2023	Additions	Withdrawals / Adjustments	As at 31st March, 2024	As at 31st March, 2023	Charge for the Year	On Withdrawals / Adjustments	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
i) PROPERTY, PLANT AND EQUIPMENT										
Leasehold Properties - Building Improvement	244	630	148	726	244	5	148	101	625	0
Plant and Equipment	305	247	230	322	270	3	206	67	255	35
Furniture and Fixtures	548	411	162	797	496	6	143	359	438	52
Motor Vehicles	9	-	-	9	8	-	-	8	1	1
Office Equipment	612	224	183	653	509	32	149	392	261	103
Computers, Servers and Networks	8,578	2,186	291	10,473	5,426	1,547	100	6,873	3,600	3,152
Electrical Installations and Equipment	1,067	324	844	547	948	4	756	196	351	119
SUB TOTAL	11,363	4,022	1,858	13,527	7,901	1,597	1,502	7,996	5,531	3,462
ii) CAPITAL-WORK-IN-PROGRESS (CWIP)										
Capital-work-in-progress (Refer Note 2A below) [Also refer Note 34]	3,717	1,288	4,813	192	-	-	-	-	192	3,717
iii) OTHER INTANGIBLE ASSETS										
Capitalised Software	2,393	139	-	2,532	1,889	189	-	2,078	454	504
Business and Commercial Rights	74,538	-	-	74,538	6,212	7,453	-	13,665	60,873	68,326
SUB TOTAL	76,931	139	-	77,070	8,101	7,642	-	15,743	61,327	68,830
GRAND TOTAL	92,011	5,449	6,671	90,789	16,002	9,239	1,502	23,739	67,050	76,009

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK		
	As at 31st March, 2023	Additions	Withdrawals / Adjustments	As at 31st March, 2024	As at 31st March, 2023	Charge for the Year	On Withdrawals / Adjustments	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Right-of-Use Assets [Refer Note 1 (m)]										
Right-of-Use Assets - Buildings	1,230	15,673	577	16,326	560	1,232	577	1,215	15,111	670
Right-of-Use Assets - Car	292	-	99	193	110	126	99	137	56	182
TOTAL	1,522	15,673	676	16,519	670	1,358	676	1,352	15,167	852

Note : The aggregate depreciation and amortisation charge for the year has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

Note 2A : Ageing of CWIP

(₹ in Lakhs)

As at 31st March, 2024	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	192	-	-	-	192

Note: There are no capital work in progress projects which have exceeded the cost and the timelines, based on approved plan.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025	(₹ in Lakhs) As at 31st March, 2024		As at 31st March, 2025	(₹ in Lakhs) As at 31st March, 2024
3. INVESTMENTS			4. OTHER FINANCIAL ASSETS		
3 (a) Non-Current			4 (a) Non-Current		
In Subsidiaries			Unsecured Considered Good, Unless Otherwise Stated		
Investments in Equity Instruments- (At Cost) Unquoted			Security Deposits (includes deposits for		
ITC Infotech Limited (UK)	687	687	Company accommodations, offices etc.)	168	192
6,85,815 (2024 - 6,85,815) Equity Shares of GBP 1 each, fully paid			Total	168	192
ITC Infotech (USA), Inc.	8,017	8,017			
1,82,000 (2024 - 1,82,000) Ordinary Shares without			4 (b) Current		
par value, fully paid			Unsecured Considered Good, Unless Otherwise Stated		
ITC Infotech do Brasil LTDA	422	422	Unbilled Revenue - time and material basis &		
26,00,000 (2024 - 26,00,000) Equity Shares of BRL 1 each, fully paid			& fixed price support contracts *	33,721	30,035
ITC Infotech France SAS	2,662	2,662	Security Deposits (includes deposits for Company		
30,00,000 (2024 - 30,00,000) Equity Shares of EUR 1 each, fully paid			accommodations, offices etc.)	131	279
ITC Infotech GmbH	2,481	2,481	Foreign Currency Forward Contracts	555	29
57,00,000 (2024 - 57,00,000) Equity Shares of EUR 1 each,			Interest Accrued on Deposits	20	-
partly paid up to EUR 0.5 each			ESOS - Subsidiaries (Refer note 33)	65	-
ITC Infotech Malaysia SDN. BHD.	1,473	1,473	Advances (includes advance to employees)		
80,00,000 (2024 - 80,00,000) Equity Shares of MYR 1 each, fully paid			- Considered Good	189	237
ITC Infotech de México, S.A. de C.V.	1,770	1,770	- Considered Doubtful	4	-
3,64,99,999 (2024 - 3,64,99,999) Equity Shares of MXN 1 each, fully paid			Total	193	237
ITC Infotech Arabia Limited	3,560	-	Less : Allowance for Doubtful Advances	(4)	-
16,00,000 (2024 - Nil) Equity Shares of SAR 10 each, fully paid			Total	34,681	30,580
ITC Infotech Italia s.r.l	909	-			
10,00,000 (2024- Nil) Equity shares of EUR 1 each, fully paid					
Blazecan Technologies Private Limited	37,694	-			
11,02,50,718 (2024-Nil) Equity shares of INR 1 each, fully paid					
Total	59,675	17,512			
3 (b) Current (at fair value through profit or loss)					
Investment in Mutual Funds - Unquoted					
Bandhan Money Manager Fund-Regular Plan-Growth- 1,28,94,594 units (2024 - Nil)	5,100	-			
Axis Money Market Fund-Regular Growth-3,63,402 units (2024 -Nil)	5,101	-			
Axis Liquid Fund - Regular- Growth- 1,22,579 units (2024 - 5,94,531 Units)	3,506	15,840			
Nippon India Short Term Fund - Direct - Growth- 46,36,086 units (2024 - Nil)	2,594	-			
Kotak Money Market Fund - Direct - Growth 58,148 units (2024 - Nil)	2,585	-			
SBI Corporate Bond Fund- Regular- Growth - 1,67,34,445 units (2024-Nil)	2,538	-			
Aditya Birla Sun Life Short Term Fund - 50,45,839 units (2024-Nil)	2,537	-			
Nippon India Liquid Fund -Nil (2024 - 2,73,525 Units)	-	15,984			
HDFC Liquid Fund Growth -Nil (2024 - 3,11,330 Units)	-	14,626			
Total	23,961	46,450			

Trade Receivables as at 31st March, 2025	Outstanding for following periods						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	27,416	3,364	3,454	3,376	578	124	38,312
Undisputed Trade Receivables - credit impaired	-	86	-	31	78	272	467
Gross	27,416	3,450	3,454	3,407	656	396	38,779
Less : Expected Credit Loss Allowance							976
Net							37,803

(₹ in Lakhs)

Trade Receivables as at 31st March, 2024	Outstanding for following periods						Total
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	22,719	15,412	2,436	179	86	65	40,897
Undisputed Trade Receivables - credit impaired	-	18	4	532	254	23	831
Gross	22,719	15,430	2,440	711	340	88	41,728
Less : Expected Credit Loss Allowance							1,340
Net							40,388

	As at 31st March, 2025	(₹ in Lakhs) As at 31st March, 2024		Opening Balance	Recognized in profit or loss	Recognized in OCI	Closing Balance
6. CASH AND CASH EQUIVALENTS *			Movement in Deferred Tax				
Balances with Banks :			FY 2024-25				
Current Accounts	3,580	5,420	Deferred Tax Assets [Charge/(Credit)]:				
Total	3,580	5,420	On provision for employees' separation and retirement etc.	1,821	(121)	2	1,702
* Cash and cash equivalents include cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.			On provision for doubtful receivables	341	(98)	-	243
7. OTHER BANK BALANCES			On fiscal allowances on property, plant and equipment	585	(29)	-	556
In Deposit Accounts*	10,000	-	On lease Liabilities	3,921	2,169	-	6,090
Total	10,000	-	Other timing differences				
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.			(includes provision for expenses)	1,201	(449)	-	752
8. DEFERRED TAX ASSETS / LIABILITY (NET)			Total Deferred Tax Assets	7,869	1,472	2	9,343
Deferred Tax Assets	9,343	7,869	Deferred Tax Liabilities [Charge/(Credit)]:				
Less: Deferred Tax Liabilities	10,231	8,069	On Business and Commercial Rights	4,169	291	(120)	4,340
Deferred Tax Assets / (Liability)(Net)	(888)	(200)	On Right-of-Use Assets	3,818	1,957	-	5,775
			Other timing differences	82	34	-	116
			Total Deferred Tax Liabilities	8,069	2,282	(120)	10,231
			Deferred Tax Assets (Net)	(200)	(810)	122	(888)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

			(₹ in Lakhs)				
	Opening Balance	Recognized in profit or loss	Recognized in OCI	Closing Balance		As at 31st March, 2025	As at 31st March, 2024
FY 2023-24							
Deferred Tax Assets [Charge/(Credit)]:							
On provision for employees' separation and retirement etc.	1,686	209	(74)	1,821	9(a) INCOME TAX ASSETS (NET)		
On provision for doubtful receivables and advances	405	(64)	-	341	Advance Tax (Net of Provision for Income Tax)	3,413	2,910
On fiscal allowances on property, plant and equipment	646	(61)	-	585	Total	3,413	2,910
On lease Liabilities	215	3,706	-	3,921	9(b) CURRENT TAX LIABILITIES		
Other timing differences (includes provision for expenses)	1,152	49	-	1,201	Provision for Income Tax (Net of Advance Tax)	2,060	2,169
Total Deferred Tax Assets	4,104	3,839	(74)	7,869	Total	2,060	2,169
Deferred Tax Liabilities [Charge/(Credit)]:					10 OTHER ASSETS		
On Business and Commercial Rights	2,319	1,920	(70)	4,169	10(a) Non-Current		
On Right-of-Use Assets	215	3,603	-	3,818	Advances other than Capital Advances		
Other timing differences	17	65	-	82	With Statutory Authorities	64	50
Total Deferred Tax Liabilities	2,551	5,588	(70)	8,069	Other Advances (Unexpired Expenses)	188	83
Deferred Tax Assets (Net)	1,553	(1,749)	(4)	(200)	Contract Assets	783	-
					Advance to related parties (Refer Note 33)	862	954
					Total	1,897	1,087
					10(b) Current		
					Contract Assets *	6,645	4,196
					Advances other than Capital Advances		
					With Statutory Authorities	5,914	3,672
					Other Advances (includes Unexpired Expenses)	4,303	3,136
					Total	16,862	11,004

*Contractual right to consideration is dependent on completion of contractual milestones. During the year ended 31st March, 2025 and 31st March, 2024, ₹ 1,799 lakhs and ₹ 2,204 lakhs, respectively, of Unbilled Revenue - percentage of completion pertaining to fixed price development contracts have been reclassified to Trade Receivables on completion of milestones.

			(₹ in Lakhs)		
		As at 31st March, 2025		As at 31st March, 2024	
11 EQUITY SHARE CAPITAL					
Authorised:					
10,00,00,000 (2024 - 10,00,00,000) Equity Shares of ₹ 10 each		10,000		10,000	
Issued and subscribed :					
9,08,50,000 (2024 - 8,80,00,000)					
Equity Shares of ₹10 each, fully paid		9,085		8,800	
[All equity shares are held by ITC Limited, the Holding Company.					
The Equity Shares of the Company, having par value of ₹ 10 per share, rank pari passu in all respects including entitlement to dividend].					
Total		9,085		8,800	

11(a) Shares held by Promoters

Particulars	Promoter Name	As at 31 March 2025			As at 31 March 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each, fully paid	ITC Limited	9,08,50,000	100%	3%	8,80,00,000	100%	-

12 FINANCIAL LIABILITIES (Refer to Note 24 for Lease Liabilities)

12 (a) Trade Payables

Ageing schedule

(₹ in Lakhs)

Trade Payable as at 31st March, 2025	Outstanding for following periods							Total
	Unbilled (Accrued)	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises - Undisputed	-	-	-	-	-	-	-	-
Others - Undisputed	7,625	842	1,322	-	-	-	1	9,790
Total	7,625	842	1,322	-	-	-	1	9,790

Trade Payable as at 31st March, 2024	Outstanding for following periods							Total
	Unbilled (Accrued)	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Micro enterprises and small enterprises - Undisputed	-	-	-	-	-	-	-	-
Others - Undisputed	9,835	670	373	-	-	1	-	10,879
Total	9,835	670	373	-	-	1	-	10,879

Relationship with struck off Companies

(₹ in Lakhs)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at 31st March 2025	Relationship with the struck off company, if any, to be disclosed
Thought Works Consulting Private Limited	Payables	1	Vendor

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at 31st March 2024	Relationship with the struck off company, if any, to be disclosed
Thought Works Consulting Private Limited	Payables	1	Vendor

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025	(₹ in Lakhs) As at 31st March, 2024
12 (b) Non- Current		
Employee Payable	898	654
Liability for shared based payments (Refer to Note 33)	697	14
Total	1,595	668
12 (c) Current		
Employee Payable	12,804	11,824
Foreign Currency Forward Contracts	18	119
Liability for shared based payments (Refer to Note 33)	32	83
Inter-company payable (Refer to Note 33)	7,504	9,159
Other Liabilities (includes payables for property, plant and equipment)		
[₹ 48 Lakhs (2024 - ₹ 622 Lakhs)] [₹8 lakhs towards Micro & Small Enterprises (2024 - ₹ 3 lakhs)]	65	622
Payable towards acquisition of BTPL	1,653	-
Total	22,076	21,807
13 PROVISIONS		
13 (a) Non- Current		
Provision for Employee Benefits*		
Retirement Benefits	393	510
Compensated Absences	2,369	2,103
Total	2,762	2,613
13 (b) Current		
Provision for Employee Benefits*		
Retirement Benefits	1,150	907
Compensated Absences	710	705
Total	1,860	1,612
*Includes provision for pension, gratuity and compensated absences. For details refer to note 25.		
14 OTHER LIABILITIES		
14(a) Non-Current		
Contract Liability	3,129	1,839
Total	3,129	1,839
14(b) Current		
Statutory Dues	3,302	2,801
Contract Liability	2,949	5,593
[Out of last year's amount of ₹ 5,593 Lakhs (FY 2024 - ₹ 203 Lakhs), revenue recognised in current year is ₹ 932 Lakhs (FY 2024 - 120 Lakhs)]		
Total	6,251	8,394
	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
15 REVENUE FROM OPERATIONS		
Sale of Services*		
Exports	2,57,128	2,25,442
Domestic	62,986	60,894
Resale of Software and Hardware (including Support Charges)*		
Exports	168	228
Domestic	149	240
Total Sales#	3,20,431	2,86,804
OTHER OPERATING REVENUES	1	125
Total	3,20,432	2,86,929
* For disaggregated revenues from contracts with customers by geography, please refer Note 32 on Segment Reporting.		
# The percentage of revenue from fixed-price contracts for the year ended 31st March, 2025 and 31st March, 2024 is approximately 67% and 65%, respectively.		
The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. The Company has applied the practical expedients as given in Ind AS 115 - Revenue from Contracts with Customers, and not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis and unit of work based contracts, and contracts with contract term or original expected duration of one year or less. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialised and adjustments for currency fluctuations.		
The aggregate value of performance obligations that are completely or partially unsatisfied as at 31st March, 2025, other than those meeting the exclusion criteria mentioned above, is ₹ 1,22,113 Lakhs (2024- ₹ 67,232 Lakhs) Out of this, the company expects to recognize revenue of around 31% (2024 - 32.7%) within the next one year and the remaining thereafter.		
16 OTHER INCOME		
Interest Income	596	1,778
Dividend Income	8,720	2,118
Other Non Operating Income	3,519	3,371
Total	12,835	7,267
Interest income comprises Interest from:		
Deposits	595	1,272
Others (from statutory authorities)	1	506
	596	1,778
Other Non Operating Income		
Net Foreign Exchange Gains	301	295
Net Gain on Investments [includes unrealised gain: ₹ 151 Lakhs (2024 - ₹ 246 Lakhs)]	2898	2,954
Others	320	122
	3,519	3,371

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
17 EMPLOYEE BENEFITS EXPENSE		
Salaries and Bonus	1,69,031	1,50,325
Contribution to Provident and Other Funds (Refer Note 25)	8,000	8,585
Share based Payments to Employees (Refer Note 28)	705	143
Staff Welfare Expenses	1,787	1,277
Reimbursement of Contractual Remuneration, net	1,662	1,871
Total	1,81,185	1,62,201
18 FINANCE COSTS		
Interest Expense		
On Lease Liabilities	1,315	656
Total	1,315	656
19 OTHER EXPENSES		
Rent (Refer Note 24)	1,555	2,000
Rates and Taxes	174	224
Insurance	2,051	1,534
Travelling and Conveyance	9,560	8,382
Recruitment Expenses	1,436	1,428
Communication	1,024	981
Power and Fuel	323	510
Outsourcing Charges	40,475	31,634
Software and Related Expenses	5,962	4,994
Purchase of Hardware and Software for Resale	712	330
Business Development Expenses	542	568
Repairs and Maintenance		
- Buildings	136	72
- Machinery	36	98
- Others	58	37
Legal, Professional and Consultancy Expenses	3,346	6,811
Doubtful and Bad Receivables	(392)	113
Doubtful advances	4	-
Property, Plant and Equipment Discarded, net	68	85
Auditor's Remuneration and Expenses (Refer Note 27)	65	50
Expenditure on Corporate Social Responsibility (Refer Note 21)	1,175	1,180
Training and Development	829	562
Bank Charges	146	143
Printing and Stationery	13	17
Fair value loss arising on payable for Business and Commercial Rights (Refer Note 35)	3,643	508
Miscellaneous Expenses*	4,663	4,158
Total	77,604	66,419
* During the year, the following donations were made by the Company in compliance with section 182 of the Companies Act, 2013: Bharatiya Janata Party – ₹ 3,350 lakhs (2024 – ₹ 3,000 lakhs), Indian National Congress – ₹ 650 lakhs (2024 – ₹ 500 lakhs)		
20 TAX EXPENSES		
20(a) Tax Expense Recognised in Statement of Profit and Loss		
Current Tax	13,682	12,814
[including tax on foreign branches ₹ 344 Lakhs (2024 - ₹ 2,600 Lakhs)]		
Charge / (Credits) related to previous years	43	1,539
	13,725	14,353
Deferred Tax Charge	818	3,433
Credits related to previous years	(8)	(1,684)
	810	1,749
Total	14,535	16,102
20(b) Tax Expense Recognised in Other Comprehensive Income		
Current Tax		
Deferred Tax Credit / (Charge)		
Arising on Remeasurement of Net Defined Benefit Liability	2	(74)
Arising on Effective portion of losses on designated portion of hedging instruments in a cash flow hedge	120	70
Total	122	(4)
20(c) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:		
Profit before tax	61,197	54,322
Income tax expense calculated at 25.168% (2024 - 25.168%)	15,402	13,672
Effects of:		
- Effect of tax relating to uncertain tax positions	17	36
- Effect of different tax rate on certain items	-	2,036
- Other differences	(919)	661
- Change in Tax Rates	-	-
- Adjustments recognised in the current year in relation to the tax of prior years	35	(303)
Income Tax expenses recognised in Statement of Profit and Loss	14,535	16,102

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)**21 Expenditure on Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013 ("Act"), a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for 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.

- Gross amount required to be spent by the Company during the year ₹ 1,175 Lakhs (2024 - ₹ 1,180 Lakhs).
- Amount spent during the year in cash for purpose other than construction / acquisition of an asset ₹ 1,175 Lakhs (2024 - ₹ 1,180 Lakhs).
- Nature of CSR activities in the year are as follows:
 - Primary education through ITC Bhadrachalam Education Trust, Secunderabad
 - Science, Technology, Engineering and Mathematics (STEM) education through ICT Academy of Tamil Nadu, NASSCOM Foundation
 - School Infrastructure Development through ITC Rural Development Trust, Kolkata
 - Environmental Sustainability through SayTrees NGO and Biome Environmental Trust

CSR expenditure does not include any spends on construction / acquisition of assets.

22 Commitments and Contingencies

- There are contracts remaining to be executed on capital account and not provided ₹ 932 Lakhs (2024 - ₹ 160 Lakhs).
- Claims against the Company not acknowledged as debts ₹ 4,706 Lakhs (2024 - ₹ 4,846 Lakhs). These comprise:
 - Income tax claims disputed by the Company relating to issues of applicability and determination aggregating ₹ 4,063 Lakhs (2024 - ₹ 4,226 Lakhs)
 - Service tax claims disputed by the Company relating to issues of applicability aggregating ₹ 629 Lakhs (2024 - ₹ 606 Lakhs)
 - Other matters aggregating ₹ 14 Lakhs (2024 - ₹ 14 Lakhs)

It is not practicable for the Company to estimate the closure of these issues and the consequential timing of cash flow, if any, in respect of the above. An amount of ₹ 44 Lakhs (2024 - ₹ 44 Lakhs) has been deposited under protest and is included under Other Non-Current Assets. [Refer Note 10(a)]

23 Micro Enterprises and Small Enterprises

The following details relating to Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31st March, 2025	(₹ in Lakhs) As at 31st March, 2024
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. Principal amount due [Refer Note 12 (c) for FY 2024-25] Interest amount due thereon	8 -	3 -
(b) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

24 Leases

The amount of ROU Asset and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 2 and on the face of the Balance Sheet respectively. The total cash outflow for leases for the year is ₹ 4,515 Lakhs (2024 - ₹ 3,606 Lakhs) [including payments in respect of short-term leases aggregating ₹ 1,555 Lakhs (2024 - ₹ 2,000 Lakhs)]. These lease arrangements generally range between 2 years and 10 years. Also Refer to Note 31 (b) for Contractual maturities of lease liabilities.

Movement of Lease Liabilities during the year

	As at 31st March, 2025	(₹ in Lakhs) As at 31st March, 2024
Opening Lease Liabilities	15,578	855
New Lease recognised	10,347	15,673
Remeasurements and Withdrawals/Transfer	(85)	-
Interest expense on Lease Liability	1,315	656
Payments of Lease Liability made	(2,960)	(1,606)
Closing balance of Lease Liability	24,195	15,578

25 Employee Benefits**Description of Plans****(a) Defined Contribution Plan**

Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and Other Funds in Note 17: ₹ 7,035 Lakhs (2024 - ₹ 7,705 Lakhs).

(b) Defined Benefit Plan

The Company also makes contribution to defined benefit pension and gratuity plans. The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through Other Comprehensive Income in the period in which they occur. Gratuity and Pension Benefits are both funded as well as unfunded; and Leave Encashment Benefits are unfunded in nature.

Risk Management

The defined benefit plans expose the Company to actuarial deficit arising out of investment risk, interest rate risk, salary cost inflation risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. Investment risks may arise from volatility in asset values and losses arising due to impairment of assets. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. However, this may be partially offset by an increase in capital value of the scheme assets that have similar characteristics. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

The Trustees monitor funding and investments positions and have mandated a diversified investment strategy in line with the statutory requirements. The investment strategy with respect to asset mix ensures that investment volatility risk is appropriately managed. Robust risk mitigation systems ensure that investments do not pose significant risk of impairment.

The following table sets out the Defined Benefit Plans / Long-Term Compensated Absences as per Actuarial Valuation as on 31st March, 2025 and recognised in the financial statements in respect of Employee Benefit Schemes:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(₹ in Lakhs)

			For the year ended 31st March, 2025			For the year ended 31st March, 2024		
			Pension	Gratuity	Compensated absences	Pension	Gratuity	Compensated absences
			Partly Funded	Partly Funded	Unfunded	Partly Funded	Partly Funded	Unfunded
I	Components of Employer Expense							
	Recognised in Statement of Profit or Loss							
	1	Current Service Cost	90	879	931	131	726	1,103
	2	Net Interest Cost (Income)	(50)	46	145	(26)	49	133
	3	Total expense recognised in the Statement of Profit and Loss	40	925	1,076	105	775	1,236
	Re-measurements recognised in Other Comprehensive Income							
	4	Return on plan assets (excluding amounts included in Net interest cost)	(47)	(50)	-	(131)	(1)	-
	5	Effect of changes in demographic assumptions	-	-	-	-	-	-
	6	Effect of changes in financial assumptions	22	61	18	53	79	33
	7	Effect of experience adjustments	101	48	(146)	(357)	7	21
	8	Total re-measurements included in OCI	76	59	(128)	(435)	85	54
	9	Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (3+8)	116	984	948	(330)	860	1,290
The current service cost and net interest expense for the year pertaining to Pension and Gratuity expenses have been recognised in “Contribution to Provident and other funds” and Compensated absences in “Salaries and Bonus”. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.								
II	Actual Returns		278	353	-	378	275	-
III	Net (Asset)/Liability recognised in Balance Sheet							
	1	Present Value of Defined Benefit Obligation	2,727	6,137	2,512	2,839	5,341	2,310
	2	Obligation w.r.t Overseas branches	-	-	567	-	-	498
	3	Fair Value of Plan Assets	3,328	4,856	-	3,556	4,161	-
	4	Status [(Surplus)/Deficit]*	(601)	1,281	3,079	(717)	1,180	2,808
	5	Net (Asset)/Liability recognised in Balance Sheet	As at 31st March, 2025			As at 31st March, 2024		
			Current		Non-Current	Current		Non-Current
		- Pension*	262		(862)	123		(840)
		- Gratuity	888		393	784		396
		- Compensated absences	710		2,369	705		2,103
* This includes ₹ 862 Lakhs (FY 24: ₹ 954 lakhs) of Company's surplus funds with ITC Pension Fund as on date, represented under note no 10 (a) as Advances to related parties.								
			For the year ended 31st March, 2025			For the year ended 31st March, 2024		
			Pension	Gratuity	Compensated absences	Pension	Gratuity	Compensated absences
			Partly Funded	Partly Funded	Unfunded	Partly Funded	Partly Funded	Unfunded
IV	Change in Defined Benefit Obligation (DBO)							
	1	Present Value of DBO at the beginning of the year	2,839	5,341	2,310	4,638	4,625	1,981
	2	Current Service Cost	90	879	664	131	726	546
	3	Interest Cost	181	349	145	221	323	133
	4	Remeasurement (Gains) / Losses:						
		Effect of changes in demographic assumptions	-	-	-	-	-	-
		Effect of changes in financial assumptions	22	61	18	53	79	33
		Effect of experience adjustments	101	48	(146)	(357)	7	21
	5	Transfer of Obligation	-	-	-	(1,610)	-	-
	6	Exchange difference on foreign plans	-	9	-	(11)	2	-
	7	Benefits Paid	(506)	(549)	(479)	(226)	(421)	(404)
	8	Present Value of DBO at the end of the year	2,727	6,138	2,512	2,839	5,341	2,310
	Best Estimate of Employers' Expected Contribution for the next year		As at 31st March, 2025			As at 31st March, 2024		
		- Pension	-			74		
		- Gratuity	880			829		
V	Change in Fair Value of Assets							
	1	Plan Assets at the beginning of the year	3,556	4,161	-	3,404	3,427	-
	2	Expected Return on Plan Assets	231	303	-	247	274	-
	3	Remeasurement Gains/(Losses) on plan assets	47	50	-	131	1	-
	4	Actual Company Contributions	-	776	-	-	880	-
	5	Benefits Paid	(506)	(434)	-	(226)	(421)	-
	6	Plan Assets at the end of the year	3,328	4,856	-	3,556	4,161	-
VI	Actuarial Assumptions				As at 31st March, 2025		As at 31st March, 2024	
	1	Discount Rate (%)	6.75%				7.00%	
	2	Expected Return on Plan Assets (%)	6.75%				7.00%	
	3	Long term rate of compensation increase	7.50%				7.50%	
VII	Major Category of Plan Assets as a % of the Total Plan Assets				As at 31st March, 2025		As at 31st March, 2024	
	1	Government Securities/Special Deposit with RBI	11%				13%	
	2	High Quality Corporate Bonds	10%				11%	
	3	Insurer Managed Funds*	68%				65%	
	4	Mutual Funds	7%				7%	
	5	Cash and Cash Equivalents	5%				4%	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

* In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The fair value of Government Securities, Corporate Bonds, Mutual Funds are determined based on quoted market prices in active markets. The employee benefit plans do not hold any securities issued by the Company.

VIII Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimize returns within acceptable risk parameters, the plan assets are well diversified.

(₹ in Lakhs)

IX	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)	For the year ended 31st March, 2025			For the year ended 31st March, 2024		
		Pension	Gratuity	Compensated absences	Pension	Gratuity	Compensated absences
		Partly Funded	Partly Funded	Unfunded	Partly Funded	Partly Funded	Unfunded
1	Present Value of Defined Benefit Obligation	2,727	6,138	2,512	2,839	5,341	2,310
2	Fair Value of Plan Assets	3,328	4,856	-	3,556	4,161	-
3	Status [(Surplus) / Deficit]	(601)	1,281	2,512	(717)	1,180	2,310
4	Experience Adjustment of Plan Assets [(Gain) / Loss]	(47)	(50)	-	(131)	(1)	-
5	Experience Adjustment of obligation [(Gain) / Loss]	101	48	(146)	(357)	7	21

X Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of sensitivity analysis from previous year.

XI	Sl. No.	Particulars	DBO as at 31st March, 2025	DBO as at 31st March, 2024
	1	Discount Rate + 100 basis points	11,005	10,129
	2	Discount Rate - 100 basis points	11,776	10,879
	3	Long term Compensation Increase Rate + 1%	11,751	10,854
	4	Long term Compensation Increase Rate - 1%	11,021	10,145

XII	Sl. No.	Maturity Analysis of the Benefit Payments	31st March, 2025	31st March, 2024
	1	Year 1	2,259	2,224
	2	Year 2	2,129	1,616
	3	Year 3	2,046	1,742
	4	Year 4	1,402	1,672
	5	Year 5	1,466	1,070
	6	Next 5 Years	3,848	4,392

		For the year ended 31st March, 2025	For the year ended 31st March, 2024
26	Earnings per share (Basic and Diluted)		
(a)	Profit after Tax	₹ in Lakhs 46,662	38,221
(b)	Weighted average number of Ordinary shares outstanding for the purpose of basic earnings per share	No. 8,95,30,411	8,80,00,000
(c)	Effect of potential Ordinary shares on Employee Stock Options outstanding	No. 1,03,003	-
(d)	Weighted average number of Ordinary shares in computing diluted earnings per share [(b) + (c)]	No. 8,96,33,414	-
(e)	Earnings Per Share (Face value of ₹ 10 per share)		
	- Basic [(a)/(b)]	₹ 52.12	43.43
	- Diluted [(a)/(d)]	₹ 52.06	43.43
		For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)

27 Auditor's Remuneration and Expenses

(Net of input tax credit)

Audit Fees	36	26
Tax Audit Fees	3	3
Fees for Auditor's Certifications and Reports	21	19
Reimbursement of Expenses	5	2
Total	65	50

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

28 Share Based Payments

28(a) Stock Option Plan and Stock Appreciation linked reward plan of Holding Company & its Associates

- (i) The eligible employees of the Company, including employees deputed from ITC Limited (ITC) have been granted Stock Options by ITC under the ITC Employee Stock Option Schemes (ITC ESOS). Further, consequent to the demerger of Hotels Business of ITC, Stock Options of ITC Hotels Limited (ITCHL) have been granted to the eligible employees of the Company by ITCHL under the ITC Hotels Special Purpose Employee Stock Option Scheme (ITCHL SP ESOP Scheme).
- (ii) ITC has also granted Employee Stock Appreciation Linked Reward Units (ESAR Units) in the previous year(s) to the eligible managers deputed to the Company under the ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR Plan).
- (iii) The cost of equity settled options granted under the ESOS schemes / cash settled units granted under ITC ESAR Plan have been recognised as equity settled / cash settled share-based payments, respectively, in accordance with Ind AS 102 – Share Based Payment. In terms of the deputation arrangement, the Company has accounted for the cost of the fair value of Stock Options / ESAR Units granted to the deputed employees on-charge by ITC. Accordingly, an amount of ₹ 67 lakhs (2024: ₹ 105 lakhs) towards Stock Options and ₹ 6 lakhs (2024: ₹ 38 lakhs) towards ESAR Units have been recognised as employee benefits expense (Refer Note 17). The net liability of ₹ 32 lakhs (2024: ₹ 97 lakhs) on account of share based payments is included under Note 12 of the financial statements.

Out of the above, ₹ 31 Lakhs (2024 - ₹ 101 Lakhs) is attributable to key management personnel [Navneet Khandelwal ₹ 30 Lakhs (2024 - ₹ 46 Lakhs), Rakesh Batra: ₹ Nil Lakhs (2024 - ₹ 54 Lakhs), Sharad Jain: ₹ 1 Lakh (2024 - ₹ 1 lakhs)].

- (iv) The summary of movement of such options granted by ITC/ITCHL and status of the outstanding options is as under:

Particulars	As at 31st March, 2025		As at 31st March, 2024
	ITC Options No. of Options	ITCHL Options No. of Options	No. of Options
Outstanding at the beginning of the year	1,62,237	-	4,02,066
Add: Granted during the year	6,100	6,073	12,550
Less: Lapsed during the year	(952)	-	(2,606)
Less: Movement of employees to whom options are granted	(7,876)	-	(44,513)
Less: Exercised during the year	(1,03,564)	-	(2,05,260)
Outstanding at the end of the year	55,945	6,073	1,62,237
Options exercisable at the end of the year	42,625	4,741	1,46,677

The weighted average exercise price of the Options granted to all Optionees under the ITC ESOS & ITCHL SP ESOP Scheme is computed by ITC & ITCHL respectively as a whole.

28 (b)(i) Stock Option Plan of the Company:

The eligible employees of the Company have been granted Stock Options under the ITC Infotech India Limited Employee Stock Option Plan 2024 (I3L ESOP 2024) in accordance with the terms and conditions of the scheme, key details of which are as under:

1. Time-Based Options: Vesting of Options would be subject to continued employment of the individual.
2. Performance-Based Options: The Nomination and Remuneration Committee has specified certain performance criteria for vesting of the Options.

The Options granted shall vest in accordance with the following vesting schedule:

Date of Vesting	Annual Vesting Percentage
2nd anniversary from date of Grant	35% of Options granted
4th anniversary from the date of Grant	65% of Options granted

- (ii) In the event the Company gets listed before vesting, the exercise period shall be up to 5 years from the respective date of vesting. In the event of no listing, there will be mandatory cash settlement within three months from the date of vesting.

The cost of stock options granted under I3L ESOP 2024 have been recognised as cash settled share-based payments in accordance with Ind AS 102 – Share Based Payment. In terms of the aforesaid arrangement, the Company accounts for the cost of the fair value of units granted to the eligible employees as Employee Benefits Expense with a corresponding increase in Other Financial Liabilities.

The fair value of each option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:

Risk-free interest rate: 6.4%

Expected life: 3.67 years

Expected volatility: 32.2%

The value of the underlying shares at the time of option grant: ₹ 1,400 per share

- (iii) The Company has granted 6,11,537 Time based stock options and 3,09,008 Performance based stock options during the year at a exercise price of ₹ 1,400 and ₹ 10 respectively. These options are outstanding as at 31st March, 2025 and none of these options are exercisable as at that date.

In accordance with Ind AS 102 - Shared Based Payments, the Company has recognised an amount of ₹ 632 Lakhs (2024 - NA) under employee benefits expense (Refer Note 17).

Out of the above, ₹ 229 Lakhs (2024 - NA) is attributable to key management personnel [Sudip Singh ₹ 109 Lakhs (2024 - NA), Manas Chakraborty ₹ 54 Lakhs (2024 - NA), Navneet Khandelwal ₹ 33 Lakhs (2024 - NA), Malliga Rajkumar: ₹ 33 Lakhs (2024 - NA)]

29 Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals except for new acquisitions. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity. The Company does not have any long-term debt obligation. The Company is not exposed to any externally imposed capital requirements.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

30 Categories of Financial Instruments

(₹ in Lakhs)

	As at 31st March, 2025		As at 31st March, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Measured at amortised cost				
Cash and Cash Equivalents	3,580	3,580	5,420	5,420
Other Bank Balances	10,000	10,000	–	–
Trade Receivables	37,803	37,803	40,388	40,388
Other Financial Assets	34,294	34,230	30,743	30,663
	85,677	85,613	76,551	76,471
Measured at fair value through profit and loss (FVTPL)				
Investments in Mutual Funds	23,961	23,961	46,450	46,450
Foreign Currency Forward Contracts	555	555	29	29
	24,516	24,516	46,479	46,479
Total	1,10,193	1,10,129	1,23,030	1,22,950
Financial Liabilities				
Measured at amortised cost				
Trade Payables	9,790	9,790	10,879	10,879
Lease Liability	24,195	24,195	15,578	15,578
Other Financial Liabilities	21,303	21,167	22,356	22,240
	55,288	55,152	48,813	48,697
Measured at fair value through profit and loss (FVTPL)				
Foreign Currency Forward Contracts	18	18	119	119
Consideration Payable towards acquisition of Business and Commercial Rights	29,521	29,521	40,011	40,011
Payable towards acquisition of BTPL	1,653	1,653		
Liability for Share Based Payments	697	697		
	31,889	31,889	40,130	40,130
Total	87,177	87,041	88,943	88,827

31 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) **Market Risk**

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) **Foreign Currency Risk**

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities. A significant portion of these transactions are in US Dollar (USD), Pound Sterling (GBP) and EURO.

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

(₹ in Lakhs)

As at 31st March, 2025	USD	GBP	EURO	Others	Total
Financial Assets	32,205	4,606	11,930	10,103	58,844
Financial Liabilities *	1,617	3	1,986	13,360	16,966

As at 31st March, 2024	USD	GBP	EURO	Others	Total
Financial Assets	26,386	17,574	13,528	4,594	62,082
Financial Liabilities*	175	5	723	1,162	2,065

*The above does not include the consideration payable to PTC Inc. towards acquisition of Business and Commercial Rights since the same is hedged through cash flow hedge.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

The Company uses foreign exchange forward and options contracts to hedge its exposures in foreign currency arising from firm commitments and highly probable forecast transactions.

a. Forward exchange contracts that were outstanding on respective reporting dates:

(in Lakhs)

Currency	Cross Currency	31st March, 2025		31st March, 2024	
		Buy	Sell	Buy	Sell
GBP	USD	119	-	-	12
EUR	USD	-	23	-	28
USD	INR	-	90	-	311
SEK	USD	5	-	2	-
PLN	USD	5	-	4	-
ZAR	USD	-	372	-	331
CHF	USD	1	-	-	4
CAD	USD	4	-	3	-
AUD	USD	1	-	1	-
JPY	USD	-	266	-	-

b. Currency options that were outstanding on respective reporting dates:

Currency	Cross Currency	31st March, 2025		31st March, 2024	
		Buy	Sell	Buy	Sell
USD	INR	-	94	-	-

Hedges of Foreign Currency Risk and Derivative Financial Instruments

The Company follows established risk management policies, including the use of derivatives to hedge against the volatility associated with the aforesaid exchange rate risk. The Company uses foreign exchange forward and options contracts to hedge its transactional currency exposures in foreign currency related to underlying transactions and firm commitments and measures them at fair value. The counter party in these derivative instruments are generally highly rated counter parties such as banks and the Company considers the risk of non-performance by such counterparty as not material. The Company has not designated Forward Exchange Contracts under Hedge Accounting. These derivative instruments are carried at fair value with changes being recognised in the Statement of Profit and Loss. Although such derivative instruments are not designated in a hedge relationship, they act as an economic hedge and will offset the gain / loss in the underlying transactions when they occur.

The Company has designated the foreign exchange risk component of the payable towards acquisition of Business and Commercial Rights as a hedge of the highly probable forecast USD denominated revenues. The above will result in matching of foreign exchange gain / loss arising from changes in spot rates of the highly probable forecast revenues with the loss/gain arising from translation of non – derivative financial liabilities carried in the Balance Sheet (details of such hedge instrument are provided in Note 35). The foreign exchange risk component designated under hedge accounting are evaluated basis the currency, amount and timing of such highly probable forecast transactions that are matched to the hedging instrument. Changes in the fair value of the effective portion of such cash flow hedges are recognised as cash flow hedging reserve in Other Comprehensive Income. Whilst ineffectiveness in the hedge relationship may arise due to changes in timing of the forecast USD denominated revenues, the probability of such hedges becoming ineffective is very low and such ineffective portion, if any, is immediately recognised in the Statement of Profit and Loss.

The movement in the cash flow hedging reserve in respect of designated cash flow hedges is summarised below:

(₹ in Lakhs)

Particulars	2025	2024
At the beginning of the year	579	371
Add: Loss recognised in OCI on fair value change of effective portion of hedge instrument	767	558
Less: Amounts transferred to the Statement of Profit and Loss on occurrence of forecast hedge transactions during the year	(291)	(280)
Less : Deferred tax	(120)	(70)
At the end of the year	935	579
Of the above, balances remaining in cash flow hedge reserve for matured hedging relationships	-	-

Once the hedged transaction materialises, the amount accumulated in the cash flow hedging reserve is expected to be reclassified to profit or loss in the anticipated timeframes given below:

(₹ in Lakhs)

Outstanding balance in cash Flow Hedge Reserve to be subsequently recycled from OCI	As at 31st March, 2025	As at 31st March, 2024
Within One Year	309	121
Between One and Three Years	626	247
More than Three Years	-	201

Foreign Currency Sensitivity

The sensitivity analysis arises on account of outstanding foreign currency denominated assets and liabilities, including derivative contracts. The Company considers a sensitivity of 1% (2024 - 1%) in applicable foreign currency rates, holding all other variables constant. In the event the exchange rate fluctuates by +1%, the profit before tax for the year ended 31st March, 2025 and pre-tax total equity as at 31st March, 2025 will be higher by ₹ 419 Lakhs (2024 - ₹ 600 Lakhs). If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on profit before tax and pre-tax total equity.

ii) Interest Rate Risk

Interest rate risk refers to 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 investments in fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility. As majority of the other financial assets and liabilities of the Company are non-interest/ fixed interest bearing, the Company's net exposure to interest risk is negligible.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

iii) Other Price Risk

The Company invests its surplus funds primarily for short tenure in debt mutual funds. Aggregate value of investments in debt mutual funds, which are measured at fair value through profit or loss, as at 31st March, 2025 is ₹ 23,961 Lakhs (2024 - ₹ 46,450 Lakhs). Accordingly, given the relatively short tenure of these investments, these do not pose any significant price risk..

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. Considering the dynamic nature of the underlying businesses, the Company also maintains adequate committed credit lines.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date :

(₹ in Lakhs)

As at 31st March, 2025 Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total
Trade Payables	9,790	9,790	-	-	-	-	9,790
Lease Liability	24,195	926	926	1,822	7,723	21,827	33,224
Other Financial Liabilities	23,671	10,029	11,572	475	1,595	-	23,671
Payable towards acquisition of Business and Commercial Rights	29,521	2,440	2,691	5,528	19,797	-	30,456
Total	87,177	23,185	15,189	7,825	29,115	21,827	97,141
As at 31st March, 2024 Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total
Trade Payables	10,879	10,879	-	-	-	-	10,879
Lease Liability	15,578	652	652	1,296	4,620	14,682	21,902
Other Financial Liabilities	22,475	9,284	11,824	699	668	-	22,475
Payable towards acquisition of Business and Commercial Rights	40,011	5,155	2,374	5,737	18,341	14,824	46,431
Total	88,943	25,970	14,850	7,732	23,629	29,506	1,01,687

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Apart from its operating activities, wherein the Company deals with a large number of customers, the Company is also exposed to credit risk from its investing activities.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. One external customer group individually accounts for 19% of outstanding trade receivables and unbilled revenues as at March 31, 2025. There was no single customer group contributing more than 10% of outstanding trade receivables and unbilled revenues as at March 31, 2024.

The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

(₹ in Lakhs)

	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	1,340	1,579
Effects of foreign exchange fluctuation	28	14
Add: Expected credit loss provisions made during the year	119	241
Less: Utilisation for Impairment / De-recognition	(511)	(494)
Closing Balance	976	1,340

For age wise break-up of receivables, refer to Note 5.

Investment in debt mutual funds are made only with approved mutual funds and credit risk in such funds are limited because the underlying investments are diversified and the Company's investment framework considers the credit quality of the underlying investments made by the fund house. There are limits for any exposure to financial institutions. Deployment in fixed deposits are with highly rated banks and are held at amortised cost. Thus, counter party risk attached to such assets is considered to be insignificant.

The carrying amount of financial assets, net of loss allowance recognised in accordance with Ind AS 109 - Financial Instruments and any amounts offset in accordance with Ind AS 32 - Financial Instruments (Presentation), that represents the Company's maximum exposure to credit risk as at 31st March, 2025 is ₹ 1,13,258 Lakhs (2024 - ₹ 121,806 Lakhs) represented by carrying amounts of Investments (except investments in subsidiaries), Trade Receivables, Unbilled Revenue, Loans, Other financial assets measured at amortised cost and Other financial assets measured at Fair Value.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

d) Fair Value Measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

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 with listed instruments where market is not liquid and for unlisted instruments.

The fair value of trade receivables, loans, other financial assets, other financial liabilities and payables classified as current is considered to be equal to the carrying amounts of these items due to their short – term nature. There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

(₹ in Lakhs)

	Fair Value Hierarchy	Fair Value as at	
		31st March 2025	31st March 2024
Financial Assets			
Mandatorily Measured at Fair Value Through Profit and Loss (FVTPL)			
Investments in Mutual Funds	1	23,961	46,650
		23,961	46,650
Derivatives measured at fair value			
Foreign Currency Forward Contracts	2	555	29
		555	29
Total		24,516	46,679
Financial Liabilities			
Measured at amortized cost			
Other Financial Liabilities*	3	1,285	552
		1,285	552
Derivatives measured at fair value			
Foreign Currency Forward Contracts	2	18	119
Measurement at fair value through profit and loss (FVTPL)			
Payable towards acquisition of Business and Commercial Rights (Refer Note 35)	3	29,521	40,011
Payable towards acquisition of BTPL (Refer Note 36)	3	1,653	-
Liability for shared based payments [Refer to Note 12(b)]	3	697	-
		31,889	40,130
Total		33,174	40,682

* Represents Fair value of Non-current Financial Instruments

32 Segment Reporting

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Geographical Information is given below:

(₹ in Lakhs)

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Segment Revenue		
India	63,135	61,134
North America	80,390	76,264
Europe	1,19,604	1,03,375
Middle East and Africa	44,330	38,586
Rest of the World	12,972	7,445
Total	3,20,431	2,86,804

Revenues of ₹ 59,960 Lakhs (2024 - ₹ 40,157 Lakhs) are derived from a single external customer / group in the year ended 31st March, 2025.

(₹ in Lakhs)

	As at 31st March, 2025	As at 31st March, 2024
Non-Current Assets*		
India	86,648	86,214
Europe	81	187
Middle East and Africa	4	5
North America	23	-
Total	86,756	86,406

* Non- Current Assets have been considered on the basis of physical location.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

33 RELATED PARTY DISCLOSURES

(i) HOLDING COMPANY:

ITC Limited

(ii) ENTERPRISES WHERE CONTROL EXISTS:

Wholly Owned Subsidiaries:

ITC Infotech Limited

ITC Infotech (USA), Inc. and its wholly owned subsidiary Indivate Inc.

ITC Infotech Do Brasil LTDA

ITC Infotech Malaysia SDN. BHD.

ITC Infotech France SAS

ITC Infotech GmbH

ITC Infotech de México, S.A. de C.V.

ITC Infotech Arabia Limited

ITC Infotech Italia s.r.l. (w.e.f 23rd July, 2024)

Blazeclan Technologies Private Limited (w.e.f 1st October, 2024)

Cloudlytics Technologies Private Limited, India (CTPL) (w.e.f 1st October, 2024)

Blazeclan Technologies PTE Ltd., Singapore (w.e.f 1st October, 2024)

Blazeclan Technologies SDN. BHD., Malaysia (w.e.f 1st October, 2024)

Blazeclan Technologies Pty. Ltd., Australia (w.e.f 1st October, 2024)

Blazeclan Europe SRL., Belgium (w.e.f 1st October, 2024)

Blazeclan Technologies Limited, New Zealand (w.e.f 1st October, 2024)

Blazeclan Technologies Inc., Canada (w.e.f 1st October, 2024)

Blazeclan Technologies LLC, USA (w.e.f 1st October, 2024)

Blazeclan Americas Inc., USA (w.e.f 1st October, 2024)

Blazeclan Technologies Corporation, Philippines (w.e.f 1st October, 2024)

(iii) OTHER RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS, etc.

Fellow Subsidiary Companies	Associate of Holding Company:	Associate of Holding Company's Subsidiary :	Subsidiaries of Ultimate Parent	Employee Trusts
Surya Nepal Private Limited	International Travel House Limited (up to 31st December, 2024) ITC Hotels Limited (w.e.f 1st January, 2025)	ATC Limited	Company of Tobacco Manufacturers (India) Limited (TMI) of which the Holding Company is an Associate	ITC Management Staff Gratuity Fund ITC Pension Fund ITC Gratuity Fund - C
Technico Agri Sciences Limited				
North East Nutrients Private Limited				
Fortune Park Hotels Limited (up to 31st December, 2024)		Subsidiary of Holding Company's Associate:		
Russell Credit Limited		WelcomHotels Lanka (Private) Limited (w.e.f 1st January, 2025)		
ITC IndiVision Limited				
ITC Integrated Business Services Limited				
ITC Fibre Innovations Ltd				

(iv) KEY MANAGEMENT PERSONNEL

Non-Executive Directors

Mr. S. Puri - Chairman (DIN: 00280529)

Mr. S. Sivakumar - Vice Chairman (DIN: 00341392)

Ms. P. Balaji (DIN: 08900013) (up to 28th April, 2025)

Mr. S. Dutta (DIN: 01804345)

Mr. R. K. Singhi (DIN: 00009931)

Ms. K. Vashist (DIN: 11009285) (appointed w.e.f. 1st April, 2025)

Others (Members of Executive Management Committee)

Mr. S. Singh, Managing Director & CEO (DIN: 08345392)

Mr. N. Khandelwal, Chief Financial Officer

Ms. M. Rajkumar, Chief Human Resources Officer

Mr. M. Chakraborty, Chief Operating Officer

Company Secretary

Mr. S. Jain (up to 14th April, 2025)

Mr. T. Joshua (appointed w.e.f. 15th April, 2025)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(v)	DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES																	₹ in Lakhs									
Sl.No.	Description	Holding Company		Wholly Owned Subsidiaries										Fellow Subsidiaries													
		2025	2024	2025					2024					2024													
				ITC Infotech Limited (UK)	ITC Infotech (USA), Inc.	ITC Infotech Do Brasil LTDA	ITC Infotech France SAS	ITC Infotech GmbH	ITC Infotech Malaysia SDN BHD	ITC Infotech de México, S.A. de C.V.	ITC Infotech Arabia Limited	ITC Infotech Italia s.r.l.	Blazecan Technologies Private Limited	ITC Infotech Limited (UK)	ITC Infotech (USA), Inc.	ITC Infotech Do Brasil LTDA	ITC Infotech France SAS	ITC Infotech GmbH	ITC Infotech Malaysia SDN, BHD.	ITC Infotech de México, S.A. de C.V.	2025	2024					
1	Sale of Goods / Services	22,018	21,382	13,631	75,576	-	1,470	5,106	955	1,329	-	3,232	-	25	16,483	73,350	-	4,222	-	354	546						
2	Purchase of Goods / Services	590	357	-	-	-	1,470	5,106	955	1,329	-	3,232	352	413	-	-	1,210	5,048	-	1,400	263						
3	Sale of Property, Plant and Equipment	-	2,859	-	-	-	-	-	-	-	-	-	-	-	-	-	-	87	116	-	-						
4	Cost incurred towards Property, Plant and Equipment	-	69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
5	Issue of shares to Holding Company	39,900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
6	Investment in Subsidiaries	-	-	-	-	-	-	-	-	-	-	3,560	909	37,694	-	-	-	-	1,473	1,770	-						
7	Lease Rent Paid (including short term leases)	3,278	2,295	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
8	Reimbursement of Contractual Remuneration [includes remuneration to KMP ₹ 509 Lakhs (2024 : ₹ 405 Lakhs)]	1,572	1,551	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
9	Recovery of Contractual Remuneration	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	-	-	-	79						
10	Transfer of Assets/ Liabilities (net)	-	-	42	-	-	-	-	27	-	36	-	345	-	-	-	-	2,338	2,644	-	-						
11	Services rendered to PTC Inc. on behalf of the Company against settlement of consideration pursuant to Strategic Partnership Agreement	-	-	-	3,282	-	-	-	-	-	-	-	-	-	-	1,762	-	-	-	-	-						
12	Expenses Recovered	695	5	2	34	-	-	-	-	-	13	96	-	-	-	89	70	-	58	76	54						
13	Expenses Reimbursed	333	432	8	-	-	-	-	-	-	-	464	-	-	170	-	-	-	-	-	-						
14	Employee Share Based Payments	73	143	-	55	-	5	-	-	-	-	5	-	-	-	-	-	-	-	-	-						
15	Interim Dividend	48,832	48,840	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-						
16	Dividend Income from Subsidiary	-	-	2,245	6,475	-	-	-	-	-	-	-	-	-	-	2,118	-	-	-	-	-						

(₹ in Lakhs)

Sl. No.	Description	Associates of the Holding Company		Subsidiaries of Ultimate Parent Company of TMI of which the Holding Company is an Associate		Employee Trusts		Key Management Personnel	
		2025		2025		2025		2025	
		2025	2024	2025	2024	2025	2024	2025	2024
1	Sale of Goods / Services	320	57	59,960	40,157	-	-	-	-
2	Purchase of Goods / Services	1,762	2,491	-	-	-	-	-	-
3	Remuneration to Key Management Personnel (KMP)	-	-	-	-	-	-	-	-
	(i) Directors	-	-	-	-	-	-	640	632
	(ii) Others	-	-	-	-	-	-	674	392
4	Contribution to Employees' Benefit Plans	-	-	-	-	776	880	-	-

(vi) DISCLOSURE OF OUTSTANDING BALANCES

Description	Holding Company		Wholly Owned Subsidiaries														Fellow Subsidiaries				
	2025	2024	2025							2024							ITC Infotech de México, S.A. de C.V.	2025	2024		
			ITC Infotech Limited (UK)	ITC Infotech (USA), Inc.	ITC Infotech Do Brasil LTDA	ITC Infotech France SAS	ITC Infotech GmbH	ITC Infotech Malaysia SDN. BHD	ITC Infotech de México, S.A. de C.V.	ITC Infotech Arabia Limited	ITC Infotech Italia s.r.l.	Blazelean Technologies Private Limited	ITC Infotech Limited (UK)	ITC Infotech (USA), Inc.	ITC Infotech Do Brasil LTDA	ITC Infotech France SAS				ITC Infotech GmbH	ITC Infotech Malaysia SDN. BHD.
Balances as at 31st March,																					
i) Trade Receivables	13	65	1,895	7,224	–	–	1,351	71	–	3,327	345	25	1,136	6,904	–	58	2,583	54	–	144	232
ii) Trade Payables	265	171	6	1,240	255	794	389	1,520	1,149	1,410	352	413	125	1,936	392	5,035	6	1,400	265	–	–
iii) Other Receivables	–	–	–	55	–	5	–	–	–	5	–	–	–	–	–	–	–	–	–	–	–
iv) Other Payables	16	98	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(₹ in Lakhs)

Description	Associates of the Holding Company		Subsidiaries of Ultimate Parent Company of TMI of which the Holding Company is an Associate		Employee Trusts	
	2025	2024	2025	2024	2025	2024
Balances as at 31st March,						
i) Trade Receivables	157	–	4,887	18,315	–	–
ii) Trade Payables	29	–	–	–	–	–
iii) Advances Given	–	–	–	–	862	954

(vii) INFORMATION REGARDING SIGNIFICANT TRANSACTIONS

(Generally in excess of 10% of the total transaction value of the same type)

(₹ in Lakhs)

Related Party Transactions	2025	2024
Sale of Goods / Services		
Subsidiaries of Ultimate Parent Company of TMI, of which the Holding Company is an Associate	59,960	40,157
Purchase of Goods / Services		
International Travel House Limited	1,733	2,491
Contribution to Employees' Benefit Plans		
ITC Gratuity Fund	163	37
ITC Management Staff Gratuity Fund	613	843

Related Party Transactions	2025*	2024*
Remuneration to Key Management Personnel (KMP)		
Mr. S. Singh	640	632
Mr. R. Batra	53	214
Mr. N. Khandelwal	387	129
Mr. M. Chakraborty	501	239
Mr. K. Ray	–	69
Ms. M. Rajkumar	173	84
Mr. S. Jain	69	62

* Includes provision for incentives, as applicable, which gets finalised subsequently. Remuneration shown here is for the period of time the concerned people were Key Management Personnel, as per Point (iv) above.

(viii) INFORMATION REGARDING SIGNIFICANT BALANCES

(Generally in excess of 10% of the total balance of the same type)

(₹ in Lakhs)

Related Party Balances	2025	2024
Advances Given		
ITC Pension Fund	862	954
Other Payables		
ITC Gratuity Fund C	327	163
ITC Management Staff Gratuity Fund	553	613

(ix) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

(₹ in Lakhs)

	2025	2024
Employee Benefits	1,823	1,429

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above. Further, value of employee share based payments is not included above, refer note 28 for details.

(x) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

34 Ratios

Particulars	Numerator	Denominator	31st March 2025	31st March 2024
Current Ratio	Current Assets	Current Liabilities	2.3	2.4
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.1	0.1
Debt Service Coverage Ratio ¹	Earnings available for Debt Service ³	Debt Service ²	20.3	30.9
Return on Equity	Net Profits after Taxes	Average Shareholder's Equity	31.0%	27.8%
Trade Receivables turnover ratio	Revenue	Average Trade Receivable	8.2	7.0
Trade Payables turnover ratio ⁵	Adjusted Other Expenses ⁴	Average Trade Payables	6.7	4.9
Net capital turnover ratio	Revenue	Working Capital	4.5	3.7
Net profit ratio	Net Profit	Revenue	14.6%	13.3%
Return on capital employed (ROCE)	Earning before Interest and Taxes	Average Capital Employed	36.7%	37.8%
Return on Investment(ROI)	Income generated from Investments	Time weighted average Investment	7.3%	7.0%

¹ Increase in the debt equity ratio by over 34% is due to increase in lease liabilities.

² Debt service represents Lease Payments. The change in the debt service coverage ratio by over 36% is due to increase in lease payments.

³ Earnings available for Debt Service: Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

⁴ Adjusted other expenses refers to other expenses net of non-cash and non-operating expenses.

⁵ The change in trade payables turnover by 35% mainly due to increase in scale of operations.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)**35 Business and Commercial Rights**

In FY 22-23, the Company had entered into an agreement with PTC Inc., a global technology company headquartered in Boston, USA, to acquire a part of PTC's PLM implementation services business and create a new service line focused on the adoption of PTC's industry-leading Windchill PLM software as a service (SaaS).

The consideration against the above agreement is payable to PTC over a period of time by way of cash consideration and also involves contingent consideration which is subject to achievement of revenue and business targets. The contingent consideration is recognized as a level 3 input as they are dependent on achievement of revenue and business targets. The movement of the PTC liability is as below:

(₹ in Lakhs)

Particulars	31st March, 2025	31st March 2024
Opening Balance	40,011	52,274
Referral Fees	(7,124)	(10,149)
Settlement of consideration through standardisation projects and service credits	(7,485)	(2,900)
Changes in fair value recognised in Other Expenses [Refer Note 19]	3,643	508
Change in fair value transferred to Hedge Reserve [Refer Note 31]	476	278
Closing Balance*	29,521	40,011

*Out of the total closing balance of ₹ 29,521 lakhs (2024 - ₹ 40,011 lakhs), ₹ 17,983 lakhs (2024 - ₹ 28,154 lakhs) is non-current liability and ₹ 11,538 lakhs (2024 - ₹ 11,857 lakhs) is current liability.

36 Acquisition of 100% shareholding of Blazeclan Technologies Private Limited

The Company on 1st October 2024 acquired, in an all-cash deal, 100% of the equity share capital of Blazeclan Technologies Private Limited (BTPL), an Indian company primarily engaged in the business of end-to-end cloud based solutions and services for an amount of INR 29,698 lakhs (including deferred and contingent consideration of INR 1,653 lakhs). The maximum contingent consideration payable is INR 7,500 lakhs. This acquisition is expected to augment ITC Infotech's capabilities to service its customers in a multi-cloud and hybrid cloud environment.

Consequent to the aforesaid acquisition, BTPL and its ten wholly owned subsidiaries, as listed below, became subsidiaries of the Company with effect from 1st October 2024:

- Cloudlytics Technologies Private Limited, India (CTPL)
- Blazeclan Technologies PTE Ltd., Singapore
- Blazeclan Technologies SDN. BHD., Malaysia
- Blazeclan Technologies Pty. Ltd., Australia
- Blazeclan Europe SRL., Belgium
- Blazeclan Technologies Limited, New Zealand
- Blazeclan Technologies Inc., Canada
- Blazeclan Technologies LLC, USA
- Blazeclan Americas Inc., USA; and
- Blazeclan Technologies Corporation, Philippines

Applications for amalgamation of BTPL and CTPL with the Company is pending before the Hon'ble National Company Law Tribunal, Kolkata and Mumbai Benches.

37 Subsequent Events

All events up to the date of issue of financial statements have been considered.

38 Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 10th May, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

39 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

40 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS (Contd.)

(₹ in Lakhs)

Form AOC-1 (PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (ACCOUNTS) RULES, 2014) STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES PART A: SUBSIDIARIES										
Sl. No.	1	2	3	4	5	6	7	8	9	10
Name of the Subsidiary	ITC Infotech Limited (UK)	ITC Infotech (USA), Inc.	Indivate Inc. (Note 2)	ITC Infotech do Brasil LTDA	ITC Infotech France SAS	ITC Infotech GmbH	ITC Infotech Malaysia SDN. BHD.	ITC Infotech de Mexico, S. A. de C. V. (Note 2)	ITC Infotech Arabia Limited	ITC Infotech Italia s.r.l.
The date since when subsidiary was acquired	19th June, 2001	24th May, 2001	18th November, 2016	10th October, 2022	8th February, 2023	10th March, 2023	3rd February, 2023	17th April, 2023	17th December 2023	23rd July, 2024
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Reporting currency - GBP Exchange rate GBP 1 = ₹110.7025	Reporting currency - USD Exchange rate USD 1 = ₹85.4750	Reporting currency - USD Exchange rate USD 1 = ₹85.4750	Reporting currency - BRL Exchange rate BRL 1 = ₹14.8859	Reporting currency - EUR Exchange rate EUR 1 = ₹92.0900	Reporting currency - EUR Exchange rate EUR 1 = ₹92.0900	Reporting currency - MYR Exchange rate MYR 1 = ₹19.2625	Reporting currency - MXN Exchange rate MXN 1 = ₹4.2128	Reporting currency - SAR Exchange rate SAR 1 = ₹22.7875	Reporting currency - EUR Exchange rate EUR 1 = ₹92.0900
Share Capital	759	15,556	85	387	2,763	2,625	1,541	1,538	3,646	921
Reserves and Surplus	9,841	11,142	2,177	214	1,073	3,309	328	147	307	(146)
Total Assets	16,127	41,204	4,420	839	7,101	10,690	2,548	1,856	8,946	1,586
Total Liabilities	16,127	41,204	4,420	839	7,101	10,690	2,548	1,856	8,946	1,586
Investments (excluding Investments in subsidiaries)	-	-	-	-	-	-	-	-	-	-
Turnover (Note 1)	31,888	1,31,236	10,844	1,596	8,211	13,596	5,377	2,036	8,608	414
Profit before Taxation	1,754	9,036	2,634	156	823	1,140	353	155	385	41
Provision for Taxation	286	1,811	-	50	212	365	96	40	78	19
Profit after Taxation	1,468	7,225	2,634	107	611	774	257	116	307	23
Proposed Dividend (Paid during the year)	2,275	6,456	4,274	-	-	-	-	-	-	-
Extent of Shareholding (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Note 1: Turnover includes other income and other operating revenue

Note 2: Shareholding in Indivate Inc. & ITC Infotech de México, S.A. de C.V. includes shares held by ITC Infotech (USA), Inc.

On behalf of the Board

S. Singh
Managing Director
Bengaluru

S. Sivakumar
Vice Chairman
Hyderabad

N. Khandelwal
Chief Financial Officer
Bengaluru

T. Joshua
Company Secretary
Bengaluru

Date : 10th May, 2025

(₹ in Lakhs)

Form AOC-1 (PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (ACCOUNTS) RULES, 2014) STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES																				
PART A: SUBSIDIARIES (CONTD.)																				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
	Sl. No.	Name of the Subsidiary*																		

Note 1: Turnover includes other income and other operating revenue

Note 2: Shareholding in Indivate Inc. & ITC Infotech de México, S.A. de C.V. includes shares held by ITC Infotech (USA), Inc.

PART B: ASSOCIATES AND JOINT VENTURES - NOT APPLICABLE

On behalf of the Board

S. Singh
Managing Director
Bengaluru

S. Sivakumar
Vice Chairman
Hyderabad

N. Khandelwal
Chief Financial Officer
Bengaluru

T. Joshua
Company Secretary
Bengaluru

Date : 10th May, 2025

Strategic Report

The Directors present their Strategic Report for the year ended 31st March 2025.

Key Performance Indicators

	£ (million)	
Year Ended March 31,	2025	2024
Total Revenue	28.80	34.11
Cost of Sales	22.16	26.45
Gross Profit	6.64	7.66
Profit before Tax	1.59	1.67
Profit after Tax	1.33	1.49

Business review

The Company is part of ITC Infotech Group which has a presence in multiple geographies across the globe. In the current year, the group has delivered strong performance in the European region in Consumer & Packaged Goods and Manufacturing industry verticals and registered significant growth over the previous year. The growth in these verticals has positioned us as strategic partners to our clients.

In 2024-25 the Company achieved revenue of GBP 28.80 million with a net profit of GBP 1.33 million. Revenue in the current year was impacted by the changes in strategic priorities in a few key accounts, in the backdrop of the volatile macro-economic environment. During this year, we have invested in building our AI capabilities, created innovative GenAI powered platforms and accelerators which addresses unique challenges of our clients. Furthermore, we have strengthened our Cloud capabilities by leveraging synergies within ITC Infotech Group. This strategic move allows us to leverage their strong partnerships with industry leading cloud platforms and enable us to simplify the cloud transformation journey for our clients, delivering trust, value and velocity. The Company also saw good demand for its Data & Analytics, SAP S/4 HANA Services, Infrastructure Services, D2C, PLM-led Digital Thread, Digital Manufacturing and Hospitality capabilities. Majority of the customers of the Company are based in UK, please refer to Note 14.

Section 172(1) statement

During the year ended 31 March 2025, the directors have complied with their duties with regard to the matters set out in section 172(1) (a)-(f) of the Companies Act 2006. The directors believe that they have acted in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. Further information is set out in this Strategic Report and the Directors' Report.

Customers

Customer centricity is one of the strategic pillars of the Company. Towards fulfilling our vision of providing business- friendly solutions to our clients, the Company has remained focused on strengthening key customer relationships across all industry verticals. The Company's strategic and trusted partnerships with key customers across its portfolio, its expanded nearshore capabilities, its high standard of delivery excellence and continued investments in enhancing its capabilities enable it to drive opportunities for long-term, sustainable and profitable growth.

Employees

The Company's employee-centric and high-performance culture enables it to attract, train and retain high-quality talent. The Company's differentiated employee value proposition is built on the core tenets of a compelling purpose & culture, holistic well-being, and global career opportunities. To strengthen its culture of continuous learning and to support long-term growth aspirations,

the Company continued to invest in building employee competencies through domain and technology-led training and career development programs. To provide AI talent at scale, we have embarked on extensive internal AI training for all our employees.

Future Outlook

In the backdrop of global economic volatility, cost takeouts, vendor consolidation, digital transformation continues to drive strategic priorities of the clients. Our strategic choices under the main themes of 'Strengthening the core', 'How to win', and 'Building Scale' will enable us to lay a strong foundation for strong, profitable and industry-leading growth in the future. The company is committed to investing in mining and growing key client relationships towards becoming their trusted partners in driving their growth and transformation agendas.

The Company will increase its investment in strengthening its Sales teams and further sharpening its alliance ecosystem with future ready Software Vendors in identified capability areas in Digital, Data & Analytics, Cloud and Infrastructure Services amongst others. The Company will sustain its investments in hiring and training the right talent with a focus on strengthening its employee-centric and high-performance culture, driven by continuous learning.

Principal Risks and Uncertainties

The cautious economic outlook is expected to weigh on client sentiment and IT spending leading to sustained focus on cost-optimization and vendor consolidation. Clients are increasingly looking for trusted partners who are jointly invested in shaping and driving their growth and transformation agenda. The Company's investments in increasing its near-shore capabilities through its expanded global presence and local hiring, its investments in strengthening its Sales teams (hiring & sales enablement training) and its investments in building capabilities and strengthening learning & development for its employees will enable us to stay relevant to the evolving business priorities of our clients. The Company is also focused on increasing its client relevance through differentiated AI & micro-vertical led offerings across its portfolio of services. In addition, the volatility around British Pound, USD and Euro are also key risks for the Company. The Company reviews its foreign exchange management processes on a regular basis and ensures that fund flow position is maintained in a manner to minimize the impact of foreign exchange fluctuations. The Company will focus on the stated strategy to grow the business in identified markets in the European region, which presents a significant growth opportunity. Attracting, training, and retaining high-quality talent, particularly in niche and future-focused technologies remains a top priority to succeed in the global technology landscape.

Sustainability

ITC Infotech Limited is committed to creating a sustainable future by focusing on the Environmental, Social, and Governance (ESG) priorities that matter most to its business and stakeholders. When making decisions the directors consider the impact of the company's operations on the community and the environment. ITC Infotech Group has constituted an ESG Committee responsible for designing the ESG strategy, budgeting, and monitoring the implementation of ESG action plans. The group's sustainability framework covers materiality assessment, stakeholder engagement, identification of ESG priorities, enhancement of ESG policies, determination of key sustainability KPIs, and the setting of ESG targets. We further strengthened our sustainability framework in FY 2024-25 by implementing a three-tiered ESG governance structure, putting in place a ESG program office and through implementation of the framework.

Approved by the Board on 9th May, 2025 and signed on behalf of the Board by

S. Singh
Director

S. Sivakumar
Vice Chairman

ITC Infotech Limited
1st Floor,
101 Great Portland Street,
London, W1W 6QE,
United Kingdom

Directors' Report

The Directors present their Report together with the Audited Financial Statements for the year ended 31st March 2025.

The Company is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India. The Company has foreign branches in Singapore and Czech Republic. Details of the future outlook for the Company can be found in the Strategic Report which forms part of this report.

Principal activities

The Company is engaged in providing information technology services to enterprise clients.

Financial risk management objectives and policies

The objective of financial risk management is to protect the value of the Company's financial assets against possible erosion due to adverse materialisation of risks related to credit, liquidity, and foreign currency exposures.

The existence of financial assets exposes the Company to a number of financial risks. The main risks are market risk due to currency risk, credit risk and liquidity risk.

a) Market risk - currency risk

The Company is exposed to translation and transaction foreign exchange risks. While the Company makes payments, mostly in GBP, to its major supplier(s), 17% (2024: 19%) of its sales in the year under review were in US dollars and 37% (2024: 27%) in Euro. The Company has bank accounts in multiple currencies. The Company reviews its foreign exchange management processes on a regular basis and ensures that fund flow position is maintained in a manner to minimize the impact of foreign exchange fluctuations.

b) Credit risk

The Company's principal financial assets are cash and trade debtors. The Company has robust processes to assess customer credit worthiness and consequently there are no significant risks on this count.

c) Liquidity risk

The Company seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Dividend

During the year, the Board of Directors declared an interim dividend of £3 per share (2024: NIL) on 685,815 shares of £1 each, amounting to approximately £2.06 million (2024: NIL), on 17th October 2024. The Board has recommended that the said interim dividend be confirmed as the final dividend for the financial year ended 31st March, 2025.

Directors

The Directors in the office at the end of the year are listed below. The Directors did not have any interest in the shares of the Company during the year and to the date of signing this report as indicated below:

	Ordinary Shares
S. Puri	-
S. Sivakumar	-
S. Dutta	-
R. K. Singhi	-
S. Singh	-

Mr. S. Puri, Chairman & Director, and Mr. R. K. Singhi, Director, will retire by rotation at the next Annual General Meeting and, being eligible, offer themselves for re-election.

Equal Opportunities for Employees

The Company believes that people are our most valuable asset and will give our business a distinct competitive advantage. Our people strategies are designed to enable our employees to enhance their professional skills and actualise their potential. The Company is committed to building a work culture that will enable people to derive the maximum professional satisfaction and help them harness their potential in achieving individual and organisational goals.

The Company strives to give full and fair consideration to applications for employment made by differently abled persons, having regard to their particular aptitudes and abilities, and extends full support during their employment by providing, inter alia, appropriate training and opportunities for

career development.

The Company is an equal opportunity employer and all positions within the Company are open to all regardless of sex, race, religion, colour or marital status. This also covers opportunities for promotion within ITC Infotech Limited. The Company continues to be guided by its values of Customer focus, Respect for People, Excellence, Abounding Innovation, Trusteeship and Ethical Corporate Citizenship.

Business Relationships

As stated in the Strategic Report, the Company is focused on achieving growth through well defined offerings aligned to the theme of delivering Business Friendly Solutions to select industry verticals. Strengthening alliances with a select set of Software Vendors will continue to be an important focus area of the Company, while forming and nurturing new partnerships with emerging, future ready Software Vendors. The Company did not make any political contributions during the year (2024: Nil).

Going Concern Assessment

The Company has considered internal and external sources of information up to the date of approval of these financial statements, including credit reports and related information, economic forecasts etc. The Company has also performed sensitivity analysis on the assumptions used, and based on current estimates, does not expect any material impact on such carrying values for a period of 12 months from the date of signing the financial statements.

For its day-to-day working capital requirements, the Company uses its cash reserves, when required. In this context, the key factors considered in assessing the going-concern status of the Company are:

1. The transfer pricing arrangements with its parent company, whereby the Company will earn a minimum return on relevant costs.
2. The results of the forecasts and projections prepared by the Company for its business plan for 12 months from the date of signing of the financial statements which, taking into account reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves.
3. The Company's FY 2024-25 collections from customers have remained robust which is evident in reduction in Trade Receivables (£8.5 million as on 31st March 2024 to £5.04 million as at 31st March 2025) and marginal increase in contract asset-unbilled revenue accrual (£3.54 million as on 31st March 2024 to £3.77 million as at 31st March 2025).

Based on the above, the Directors are confident that the business plan projections support their reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom adopted international accounting standards. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose

with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' Confirmation

Each of the directors, whose names are listed in Directors' Report confirm that, to the best of their knowledge:

- the company's financial statements, which have been prepared in accordance with IFRSs as adopted by the U.K., give a true and fair view of the assets, liabilities, financial position and profit of the company; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that it faces.

Disclosure of Information to Auditor

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of

which the Company's auditor are unaware; and

- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent Auditor

Messrs. Deloitte LLP, UK, Reg. no. OC303675 (Deloitte LLP) were appointed as the Auditors to hold office until the conclusion of the next Annual Meeting to conduct audit of the Financial Statements of the Company for the financial year 2024-25.

Deloitte LLP have expressed their willingness to continue as Auditors of the Company for the financial year 2025-26. The Board has recommended for the approval of the Members, the appointment of Deloitte LLP to conduct audit of the Financial Statements of the Company for the year ending March 31, 2026.

Appropriate resolution seeking your approval in respect of the aforesaid appointment is included in the Notice convening the Annual Meeting of the Company for the year ended March 31, 2025.

Approved by the Board on 09th May 2025 and signed on behalf of the Board by

S. Singh
Director

S. Sivakumar
Vice Chairman

ITC Infotech Limited
1st Floor,
101 Great Portland Street,
London, W1W 6QE,
United Kingdom

*Independent auditors' report to the members of ITC Infotech Limited***Report on the audit of the financial statements****Opinion**

In our opinion the financial statements of ITC Infotech Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of financial position;
- the statement of changes in equity;
- the statement of cash flows;
- the material accounting policy information; and
- the related notes 1 to 22.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom adopted international accounting standards and IFRS Accounting Standards as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. 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 the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 ISAs (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.'

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These include the UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the Anti Bribery Act, GDPR, health and safety legislation and employment law.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

The existence assertion of unbilled revenue and the associated cut-off assertions of revenue, both specifically relating to Time and Material contracts, have been pinpointed as the potential risks of fraud. This requires manual input and some extent of judgement, hence, may be subject to fraud. Our audit procedures included the test of unbilled revenue against timesheet data and the underlying contracts, which provided us reasonable assurance over the existence of unbilled revenue and the related cut-off assertion of revenue.'

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual

and potential litigation and claims, and instances of non-compliance with laws and regulations; and

- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Chris Wademan FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Newcastle upon Tyne, U.K.

19th May 2025

Income Statement

Year ended March 31,

		2025 £	2025 ₹	2024 £	2024 ₹
			Unaudited		Unaudited
Revenue					
- Sale of Services		28,761,894	3,184,013,655	33,846,293	3,554,960,750
- Resale of Software/Hardware		42,884	4,747,333	261,702	27,487,233
Total Revenue	14	28,804,778	3,188,760,988	34,107,995	3,582,447,983
Cost of sales	15	(22,158,803)	(2,453,034,896)	(26,446,139)	(27,77,704,055)
Gross profit		6,645,975	735,726,092	7,661,856	804,743,928
Other Operating Income	17	-	-	299,139	31,419,262
Selling, general and administrative expenses	15	(5,046,606)	(558,671,904)	(6,247,331)	(656,172,777)
Operating Profit		1,599,369	177,054,188	1,713,664	179,990,413
Foreign exchange (loss)/gain		(151,284)	(16,747,499)	(123,670)	(12,989,316)
Finance income	18	136,469	15,107,422	84,128	8,836,162
Profit before income tax		1,584,554	175,414,111	1,674,122	175,837,259
Income tax expense	12	(258,766)	(28,646,034)	(182,294)	(19,146,828)
Profit for the year		1,325,788	146,768,077	1,491,828	156,690,431

All the above results relate to continuing activities.

There are no recognised gains or losses in the current and prior year other than as included in the income statement. Accordingly, no statement of comprehensive income is presented.

The accompanying notes on pages 53 to 63 form an integral part of these financial statements.

Statement of Financial Position

Company Reg No - 02777705

	Note	As at 31 March 2025 £	As at 31 March 2025 ₹ Unaudited	As at 31 March 2024 £	As at 31 March 2024 ₹ Unaudited
Assets					
Property, plant and equipment	4	31,031	3,435,214	45,059	4,732,578
Other non-current assets	7	43,240	4,786,776	42,940	4,510,096
Deferred tax asset	12	-	-	9,881	1,037,826
Right-of-Use Asset	19	129,590	14,345,969	323,445	33,972,246
Total non-current assets		203,861	22,567,959	421,325	44,252,746
Current tax asset		218,817	24,223,589	42,078	4,419,557
Trade receivables	5	5,044,271	558,413,410	8,503,092	893,101,007
Contract assets-Unbilled revenue	5	3,732,891	413,240,366	3,537,800	371,583,978
Other current assets	7	266,104	29,458,377	128,985	13,547,617
Cash and cash equivalents	6	5,102,108	564,816,111	3,714,848	390,179,773
Total current assets		14,364,191	1,590,151,853	15,926,803	1,672,831,932
Total assets		14,568,052	1,612,719,812	16,348,128	1,717,084,678
Equity					
Share capital	13	685,815	75,921,435	685,815	72,032,864
Retained earnings		8,889,455	984,084,717	9,618,951	1,010,302,306
Equity attributable to owners of the company		9,575,270	1,060,006,152	10,304,766	1,082,335,170
Total equity		9,575,270	1,060,006,152	10,304,766	1,082,335,170
Non-current - Lease liability	19	-	-	137,290	14,419,920
Non-current - Other liabilities	9	36,977	4,093,448	139,835	14,687,220
Deferred income tax liability	12	2,752	304,654	-	-
Total Non-current liabilities		39,729	4,398,102	277,125	29,107,140
Trade payables and accrued expenses	8	2,640,504	292,310,596	2,246,507	235,956,329
Unearned revenue	10	530,508	58,728,562	499,989	52,515,095
Current - Lease liability	19	137,290	15,198,347	190,799	20,040,047
Other current liabilities	9	1,644,751	182,078,053	2,828,942	297,130,897
Total current liabilities		4,953,053	548,315,558	5,766,237	605,642,368
Total liabilities		4,992,782	552,713,660	6,043,362	634,749,508
Total equity and liabilities		14,568,052	1,612,719,812	16,348,128	17,17,084,678

These financial statements on pages 50 to 63 were approved by the directors on 9th May, 2025 and are signed on their behalf by:

The accompanying notes on pages 53 to 63 form an integral part of these financial statements.

Anindya Roy
President

Karan Shukla
Financial Controller

S. Singh
Director

S. Sivakumar
Vice Chairman

Statement of Changes in Equity for the year ended 31st March, 2025

	Note	No. of Shares	Share Capital		Retained Earnings		Total equity	
			£	₹ Unaudited	£	₹ Unaudited	£	₹ Unaudited
Balance as at April 1, 2023		685,815	685,815	72,032,864	8,127,123	853,611,875	8,812,938	925,644,739
Profit for the year		-	-	-	1,491,828	156,690,431	1,491,828	156,690,431
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	1,491,828	156,690,431	1,491,828	156,690,431
Transactions with owners in their capacity as owners:								
Cash dividend paid		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Balance as at March 31, 2024		685,815	685,815	72,032,864	9,618,951	1,010,302,306	10,304,766	1,082,335,170
Balance as at April 1, 2024		685,815	685,815	75,921,435	9,618,951	1,064,841,709	10,304,766	1,140,763,144
Profit for the year		-	-	-	1,325,788	146,768,077	1,325,788	146,768,077
Other comprehensive income		-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	1,325,788	146,768,077	1,325,788	146,768,077
Transactions with owners in their capacity as owners:								
Cash dividend paid		-	-	-	(2,055,284)	(227,525,069)	(2,055,284)	(227,525,069)
		-	-	-	(2,055,284)	(227,525,069)	(2,055,284)	(227,525,069)
Balance as at March 31, 2025		685,815	685,815	75,921,435	8,889,455	984,084,717	9,575,270	1,060,006,152

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

The accompanying notes on pages 53 to 63 form an integral part of these financial statements.

Statement of Cash Flows

	Note	Year ended March 31,			
		2025 £	2025 ₹ Unaudited	2024 £	2024 ₹ Unaudited
Cash flows from operating activities					
Profit for the year		1,325,788	146,768,077	1,491,828	156,690,431
Adjustment for:					
Depreciation	4	25,557	2,829,224	50,060	5,258,007
Loss on disposal of asset	4	-	-	95,620	10,043,138
ROU Depreciation	19	193,855	21,460,211	123,742	12,996,885
Interest on Lease Liability	19	15,201	1,682,788	8,390	881,223
Interest income	18	(136,469)	(15,107,422)	(84,128)	(8,836,162)
Income tax expense	12	258,766	28,646,034	182,294	19,146,828
Changes in operating assets and liabilities					
Trade receivables	5	3,458,822	382,900,240	(3,586,874)	(376,738,320)
Contract Assets-Unbilled revenues	5	(195,092)	(21,597,193)	78,169	8,210,239
Contract Asset (capitalized cost)		-	-	606,449	63,696,872
Contract Liability		-	-	(909,674)	(95,545,363)
Other assets	7	(137,416)	(15,212,317)	38,373	4,030,424
Trade payables and accrued expenses	8	394,001	43,616,959	1,515,727	159,200,610
Unearned revenues	10	30,519	3,378,524	421,985	44,322,156
Other liabilities	9	(1,287,056)	(142,480,329)	1,248,801	131,164,695
Net cash provided by operating activities before taxes		3,946,476	436,884,796	1,280,762	134,521,663
Income tax paid (net)		(422,872)	(46,812,970)	(214,125)	(22,490,101)
Net cash (utilised by)/generated in operating activities		3,523,604	390,071,826	1,066,637	112,031,562
Cash flows from investing activities					
Purchase of Property, Plant and Equipment	4	(11,529)	(1,276,314)	(23,485)	(2,466,688)
Interest Received	18	136,469	15,107,422	84,128	8,836,162
Net cash used in investing activities		124,940	13,831,108	60,643	6,369,474
Cash flows from financing activities					
Lease Liability Payment	19	(206,000)	(22,804,715)	(134,225)	(14,097,987)
Dividends paid to the parent company		(20,55,284)	(22,75,25,069)	-	-
Net cash used in financing activities		(2,261,284)	(250,329,784)	(134,225)	(14,097,987)
Net (decrease)/increase in cash and cash equivalents		1,387,260	153,573,150	993,055	104,303,049
Cash and cash equivalents at beginning of the year	6	3,714,848	411,242,961	2,721,793	285,876,723
Cash and cash equivalents at end of the year	6	5,102,108	564,816,111	3,714,848	390,179,772
		5,102,108	564,816,111	3,714,848	390,179,773

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

The accompanying notes on pages 53 to 63 form an integral part of these financial statements.

Notes to the financial statements

Supplementary information - Indian Rupee amounts

The financial statements of ITC Infotech Limited are prepared in accordance with International Financial Reporting Standards and are presented in GBP. The supplementary information (comprising the pro-forma financial information disclosed in Indian Rupees) requested by the parent company has been arrived at by applying the year end interbank exchange rate of £1 = ₹110.70 (2024: £1 = ₹105.03) as provided by the parent company. The supplementary information has not been audited.

1. Company overview

The Company is engaged in providing information technology services to enterprise clients.

The Company is a private company limited by shares incorporated and registered in England and Wales and has its registered office at 1st Floor, 101 Great Portland Street, London, W1W 6QE, United Kingdom.

2. Basis of preparation of financial statements

(a) Statement of compliance

These financial statements as at and for the year ended March 31, 2025, have been prepared in accordance with The Companies Act 2006 as applicable to companies using International Financial Reporting Standards ("IFRS") and interpretations issued by the IFRS Interpretations Committee (IFRS IC).

(b) Basis of measurement

These financial statements are prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and IFRSs as issued by IASB and UK adopted International Accounting Standards. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

(c) Going Concern Assessment

The Company has considered internal and external sources of information up to the date of approval of these financial statements, including credit reports and related information, economic forecasts etc. The Company has also performed sensitivity analysis on the assumptions used, and based on current estimates, does not expect any material impact on such carrying values for a period of 12 months from the date of signing the financial statements.

For its day-to-day working capital requirements, the Company uses its cash reserves, when required. In this context, the key factors considered in assessing the going concern status of the Company are:

1. The transfer pricing arrangements with its parent company, whereby the Company will earn a minimum return on relevant costs.
2. The results of the forecasts and projections prepared by the Company for its business plan for 12 months from the date of signing of the financial statements which, taking into account reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current cash reserves.
3. The Company's FY 2024-25 collections from customers have remained robust which is evident in reduction in Trade Receivables (£ 8.5 million as on 31st March 2024 to £ 5.04 million as at 31st March 2025) and marginal increase in contract asset-unbilled revenue accrual (£ 3.54 million as on 31st March 2024 to £3.77 million as at 31st March 2025).

Based on the above, the Directors are confident that the business plan projections support their reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

(d) Functional and presentation currency

The financial statements are presented in British pound, which is the functional currency of the company which is the currency of the primary economic environment in which the entity operates.

(e) Use of estimates

There are no judgments other than the estimates involving judgments as stated below. The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognised 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 judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- i) *Revenue recognition:* The Company uses the percentage of completion method using the input (cost expended) method to measure progress towards completion in respect of fixed price contracts. Percentage of completion method accounting relies on estimates of total expected contract revenue and costs. This method is followed when reasonably dependable estimates of the revenues and costs applicable to various elements of the contract can be made. Key factors that are reviewed in estimating the future costs to complete include estimates of future labour costs and productivity efficiencies. Because the financial reporting of these contracts depends on estimates that are assessed continually during the term of these contracts, recognised revenue and profit are subject to revisions as the contract progresses to completion. When estimates indicate that a loss will be incurred, the loss is provided for in the year in which the loss becomes probable. Due to the nature of the contracts under unbilled revenue, it is not feasible to prepare a sensitivity analysis. Contract assets-unbilled revenues represent amounts recognised based on services performed in advance of billing in accordance with contract terms. The Company recognises contract assets-unbilled revenues based on underlying contractual documents for services rendered, further evidenced by timesheet approval where applicable. The carrying value has been disclosed in Note 5.

3. Material accounting policies

Financial instruments

Non-derivative financial instruments of the Company comprise of trade and other receivables and trade and other liabilities.

There are no derivative financial instruments.

The classification of financial instruments depends on the purpose for which those were acquired. Management determines the classification of its financial instruments at initial recognition.

(i) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Trade and other receivables are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest method, less any impairment loss.

Credit is extended to customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on risk assessment, which are conducted regularly and considers all aspects with respect to debts such as invoice ageing,

Notes to the financial statements (Contd.)

credit information, etc. The Company writes off a financial asset when there is no probability of recovery of the debt, any recoveries made post write off are recognised in the profit & loss account.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default (i.e., no longer recoverable) in future. Refer to note 5 for values of Trade Receivables and provisions.

Trade and other receivables are represented by trade receivables, contract assets-unbilled revenue, employee loans and other advances.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which are unrestricted for withdrawal and usage.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand and are considered part of the Company's cash management system.

(iii) Trade and other payables

Trade and other payables are presented as current liabilities, except for those maturing later than 12 months after the reporting date which are presented as non-current liabilities. Trade and other payables are initially recognised at fair value, and subsequently carried at amortized cost using the effective interest method.

(iv) Contract assets and liabilities

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with IFRS 15. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

Revenue

The Company is engaged in providing information technology services to enterprise clients. 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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price"). The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Group allocates the transaction price to each distinct performance obligation based on expected cost-plus margin. Revenue excludes amounts collected on behalf of third parties, such as value added tax.

- Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed.
- Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.
- Revenue is recognised from services performed on "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.
- Revenue from sales of third-party vendor software / hardware is recognised from trading in software packages / licenses / hardware upon delivery to customer.

The billing schedules agreed with customers include periodic performance-based billing and/or milestone-based progress billings.

Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue (contract assets) represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

Property, plant and equipment

All fixed assets are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset. Deposits and advances paid towards the acquisition of fixed assets outstanding as of each reporting date and the cost of fixed assets not available for use before such date are disclosed under capital work- in-progress.

Depreciation

The Company depreciates fixed assets over the estimated useful life on a straight-line basis from the date the assets are available for use. Assets acquired under finance lease and leasehold improvements are amortized over the shorter of estimated useful life or the related lease term.

The estimated useful lives of assets for the current and comparative period of significant items of fixed assets are as follows:

Category	Useful life
Leasehold improvements	2 years
Fixtures & fittings	10 years
Computer equipment	3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Income tax

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

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period.

b) Deferred income tax

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements.

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

Deferred income tax liabilities are recognised for all taxable temporary differences.

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

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. All exchange differences are dealt with through the profit and loss account except those gains and losses arising from the retranslation of the opening retained earnings in overseas branches are adjusted against the reserves.

Notes to the financial statements (Contd.)**Employee Benefits**

The employer and employees each make periodic contributions to the pension fund equal to a specified percentage of the covered employee's salary. It is a defined contribution plan. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service.

Leases**As a Lessee**

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight-line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

The amount of ROU Asset and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 19.

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

New and amended IFRS Accounting Standards that are effective for the current year

In the current year, the company has applied a number of amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2024. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Title	Subject	Effective date per IASB
<u>Mandatorily effective in the current period</u>		
IFRS S1	General Requirements for Disclosure of Sustainability-related Financial Information	1 Jan 2024
IFRS S2	Climate-related financial disclosure	1 Jan 2024
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current - 1 Jan 2024	1 Jan 2024
Amendments to IAS 1	Non-current Liabilities with Covenants	1 Jan 2024
Amendments to IFRS 17	Lease Liability in a Sale and Leaseback	1 Jan 2024
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements	1 Jan 2024

New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorization of these financial statements, the Company has not applied the following new and revised IFRS Standards that have been issued but are not yet effective and, in some cases, had not yet been adopted by the IASB.

The directors do not expect that the adoption of the Standards listed above will have a material impact on these financial statements in future periods, except if indicated below.

Title	Subject	Effective date per IASB
<u>Not yet mandatorily effective</u>		
Amendment to IFRS 21	Lack of Exchangeability	1 Jan 2025
IFRS 18	Presentation and Disclosures in Financial Statements	1 Jan 2027
IFRS 19	Subsidiaries without Public Accountability : Disclosures	1 Jan 2027

Notes to the financial statements (Contd.)

4. Property, plant, and equipment

	Leasehold improvements		Computer equipment		Fixtures & fittings		Total	
	£	₹	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited		Unaudited	
Gross carrying value:								
As at 1 April 2023	147,829	15,526,849	190,035	19,959,851	57,060	5,993,154	394,924	41,479,854
Additions	-	-	23,485	2,466,688	-	-	23,485	2,466,688
Disposal	(147,829)	(15,526,849)	(70,416)	(7,395,969)	(57,355)	(6,024,139)	(275,600)	(28,946,957)
As at March 31, 2024	-	-	143,104	15,030,570	(295)	(30,985)	142,809	14,999,585
Accumulated depreciation:								
As at 1 April 2023	60,291	6,332,514	127,408	13,381,981	39,971	4,198,254	227,670	23,912,749
Depreciation	9,884	1,038,141	38,259	4,018,519	1,917	201,347	50,060	5,258,007
Disposal	(70,175)	(7,370,655)	(67,622)	(7,102,508)	(42,183)	(4,430,586)	(179,980)	(18,903,749)
As at March 31, 2024	-	-	98,045	10,297,992	(295)	(30,985)	97,750	10,267,007
Net carrying value as at March 31, 2024	-	-	45,059	4,732,578	-	-	45,059	4,732,578
Gross carrying value:								
As at 1 April 2024	-	-	143,104	15,841,971	-	-	143,104	15,841,971
Additions	353	39,078	11,176	1,237,236	-	-	11,529	1,276,314
Disposal	-	-	(32,305)	(3,576,244)	-	-	(32,305)	(3,576,244)
As at March 31, 2025	353	39,078	121,975	13,502,963	-	-	122,328	13,542,041
Accumulated depreciation:								
As at 1 April 2024	-	-	98,045	10,853,847	-	-	98,045	10,853,847
Depreciation	196	21,698	25,361	2,807,526	-	-	25,557	2,829,224
Disposal	-	-	(32,305)	(3,576,244)	-	-	(32,305)	(3,576,244)
As at March 31, 2025	196	21,698	91,101	10,085,129	-	-	91,297	10,106,827
Net carrying value as at March 31, 2025	157	17,380	30,874	3,417,834	-	-	31,031	3,435,214

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

5. Trade receivables

	As at 31 March 2025 £	As at 31 March 2025 ₹ Unaudited	As at 31 March 2024 £	As at 31 March 2024 ₹ Unaudited
Trade Receivables	5,044,271	558,413,410	8,503,092	893,101,007
Contract Assets-Unbilled Revenue				
- Time & Material	2,994,476	331,495,984	3,017,024	316,885,573
- Fixed Price contracts based on % Completion	738,415	81,744,382	520,776	54,698,405
Total	8,777,162	971,653,776	12,040,892	1,264,684,985

The carrying amount of trade receivables equates to fair value. An expected credit loss provision of £201,108 (2024: £165,359) against Trade Receivables is included in the figures above. Contract assets-unbilled revenue receivables represent amounts recognised based on services performed in advance of billing in accordance with contract terms, (refer to note 2(e)(i) for further details):

- a) in a Time & Material Contract – Right to consideration from customer that is unconditional upon passage of time
b) in a Milestone Contract - Contractual right to consideration is dependent on completion of contractual milestones.

For receivables from group companies, please refer to Note 20.

6. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	As at 31 March 2025 £	As at 31 March 2025 ₹ Unaudited	As at 31 March 2024 £	As at 31 March 2024 ₹ Unaudited
Cash at bank	5,102,108	564,816,111	3,714,848	390,179,773
Cash and cash equivalents in the statement of financial position	5,102,108	564,816,111	3,714,848	390,179,773
Cash and cash equivalents in the cash flow statement	5,102,108	564,816,111	3,714,848	390,179,773

7. Other Assets

	As at 31 March 2025 £	As at 31 March 2025 ₹ Unaudited	As at 31 March 2024 £	As at 31 March 2024 ₹ Unaudited
Non-current				
Security deposits	42,940	4,753,565	42,940	4,510,096
Loans and Advances to employees	300	33,211	-	-
	43,240	4,786,776	42,940	4,510,096
Current				
Prepaid Expenses	47,234	5,228,922	62,106	6,523,148
Loans and Advances to Employees	217,394	24,066,058	65,403	6,869,441
Others	1,476	163,397	1,476	155,028
	266,104	29,458,377	128,985	13,547,617
Total	309,344	34,245,153	171,925	18,057,713

Notes to the financial statements (Contd.)

8. Trade payables and accrued expenses

Trade payables and accrued expenses consist of the following:

	As at 31 March 2025 £	As at 31 March 2025 ₹ Unaudited	As at 31 March 2024 £	As at 31 March 2024 ₹ Unaudited
Trade payables	1,747,321	193,432,803	1,163,321	122,186,513
Accrued expenses	893,183	98,877,793	1,083,186	113,769,816
Total	2,640,504	292,310,596	2,246,507	235,956,329

For payables to group companies, please refer to Note 20.

9. Other liabilities

	As at 31 March 2025 £	As at 31 March 2025 ₹ Unaudited	As at 31 March 2024 £	As at 31 March 2024 ₹ Unaudited
Non-current				
Employee and other liabilities	36,977	4,093,448	139,835	14,687,219
	<u>36,977</u>	<u>4,093,448</u>	<u>139,835</u>	<u>14,687,219</u>
Current				
Employee and other liabilities	660,353	73,102,728	1,424,474	149,616,112
Statutory dues payable	984,398	108,975,325	1,404,468	147,514,785
	<u>1,644,751</u>	<u>182,078,053</u>	<u>2,828,942</u>	<u>297,130,897</u>
Total	1,681,728	186,171,501	2,968,777	311,818,116

10. Unearned Revenue

	As at 31 March 2025 £	As at 31 March 2025 ₹ Unaudited	As at 31 March 2024 £	As at 31 March 2024 ₹ Unaudited
Non-current				
Amounts received in advance of delivery for service	5,30,508	5,87,28,562	4,99,989	5,25,15,095
Total	5,30,508	5,87,28,562	4,99,989	5,25,15,095

Revenue of 2024-25 includes an amount of £237,926 (2024: £7,885) recognised as 'Unearned Revenue' in financial year 2023-24.

11. Financial instruments

Financial instruments by category

The carrying value and fair value of financial instruments by categories as at March 31, 2025 and March 31, 2024 are as follows:

	Financial instruments measured at amortised cost equated to Fair Value			
	£	₹ Unaudited	£	₹ Unaudited
Assets:				
Trade receivables	5,044,271	558,413,410	8,503,092	893,101,007
Contract Assets-Unbilled revenue	3,732,891	413,240,366	3,537,800	371,583,978
Cash and cash equivalents	5,102,108	564,816,111	3,714,848	390,179,773
Other Assets	309,344	34,245,153	171,925	18,057,713
Total assets	14,188,614	1,570,715,040	15,927,665	16,72,922,471
Liabilities:				
Trade payables and accrued expenses	2,640,504	292,310,596	2,246,507	23,59,56,329
Unearned revenue	530,508	58,728,562	499,989	5,25,15,095
Total liabilities	3,171,012	351,039,158	2,746,496	28,84,71,424

Financial risk management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The objective of financial risk management is to protect the value of the Company's financial assets against possible erosion due to adverse materialisation of risks related to credit, liquidity, interest rate and foreign currency exposures.

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 customer. The Company's principal financial assets are cash and trade debtors. The Company has robust processes to assess customer credit worthiness and consequently there are no significant risks on this count. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of losses incurred in respect of receivables.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	Year Ended March 31			
	£	₹ Unaudited	£	₹ Unaudited
Assets:				
Revenue from top customer	5,144,884	569,551,514	7,521,275	789,978,314
Revenue from top 5 customers	<u>15,454,957</u>	<u>1,661,137,388</u>	<u>17,028,536</u>	<u>1,788,549,672</u>

Notes to the financial statements (Contd.)

There is no other class of financial assets that is past due but not impaired except for trade receivables. The company's credit period generally ranges from 30-120 days (2023-24: 30-120 days). The age wise break up of trade receivables, net of allowances that are past due, is given below:

Period (in days)	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
	£	₹	£	₹
		Unaudited		Unaudited
Past due 0-30 days	529,305	58,595,387	2,116,914	222,344,770
Past due 30-60 days	65,513	7,252,479	315,715	33,160,336
Past due 60-90 days	43,995	4,870,341	21,987	2,309,350
Past due over 90 days	(157,279)	(17,411,232)	(33,359)	(3,503,776)
Total past due and not impaired	481,534	53,306,975	2,421,257	254,310,680

The allowance for impairment in respect of trade receivables at the year ended March 31, 2025, and March 31, 2024 was £ 201,108 and £ 165,359, respectively. The movement in the allowance for impairment in respect of trade receivables is as follows:

	For the year ended / As at 31 March 2025	For the year ended / As at 31 March 2025	For the year ended / As at 31 March 2024	For the year ended / As at 31 March 2024
	£	₹	£	₹
		Unaudited		Unaudited
Balance at the beginning of the year	165,359	18,305,655	159,359	16,737,874
Additions during the year	41,749	4,621,719	6,000	630,195
Received during the year	(6,000)	(664,215)	–	–
Written off during the year	–	–	–	–
Balance at the end of the year	201,108	2,22,63,159	165,359	17,368,069

For simplicity, the unaudited brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st March of the respective financial year.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

The cash position of the company is given below:

	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
	£	₹	£	₹
		Unaudited		Unaudited
Cash and cash equivalents	5,102,108	564,816,111	3,714,848	390,179,773
Total	5,102,108	5,648,16,111	3,714,848	390,179,773

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2025 and March 31, 2024:

	As At 31st March 2025					
	Less than 1 year		1–2 years		2 years and above	
	£	₹	£	₹	£	₹
		Unaudited		Unaudited		Unaudited
Trade payables and accrued expenses	2,640,504	292,310,596	–	–	–	–
Other liabilities	1,644,751	182,078,053	36,977	4,093,448	–	–
	As At 31st March 2024					
	Less than 1 year		1–2 years		2 years and above	
	£	₹	£	₹	£	₹
		Unaudited		Unaudited		Unaudited
Trade payables and accrued expenses	2,246,507	235,956,329	–	–	–	–
Other liabilities	2,828,942	297,130,897	139,835	14,687,219	–	–

Notes to the financial statements (Contd.)

Market Risk- Foreign Currency risk

The Company is exposed to translation and transaction foreign exchange risks. While the Company makes payments, mostly in GBP, to its major suppliers, 17% (2024: 19%) of its sales in the year under review were in US dollars and 37% (2024: 27%) in Euro. The Company has bank accounts in multiple currencies and during the year under review it did not hold any hedging instruments. Foreign exchange management is, however, kept under regular review.

The following table presents foreign currency risk from non-derivative financial instruments as of March 31, 2025 and March 31, 2024.

As at 31st March 2025

	EUR		USD		Other Currencies*		Total	
	£	₹	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited		Unaudited	
Asset								
Trade Receivables	2,322,982	257,159,915	688,763	76,247,790	94,177	10,425,582	3,105,922	343,833,287
Contract Assets-Unbilled Revenue	1,206,471	133,559,356	674,775	74,699,279	175,472	19,425,197	2,056,718	227,683,832
Cash and cash equivalents	3,002,198	332,350,792	1,061,482	117,508,740	895,119	99,091,933	4,958,799	548,951,465
Other assets	–	–	–	–	731	80,951	731	80,951
Liabilities								
Trade payables and accrued expenses	60,380	6,684,217	21,440	2,373,462	12,798	1,416,791	94,618	10,474,470
Unearned Sales	–	–	22,461	2,486,543	–	–	22,461	2,486,543
Other liabilities	3,454	382,390	–	–	29,341	3,248,077	32,795	3,630,467
Net assets/liabilities	6,467,817	716,003,456	2,381,119	263,595,804	1,123,360	124,358,795	9,972,296	1,103,958,055

As at 31st March 2024

	EUR		USD		Other Currencies*		Total	
	£	₹	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited		Unaudited	
Asset								
Trade Receivables	3,238,479	340,145,494	1,148,547	120,634,759	138,287	14,524,658	4,525,313	475,304,911
Contract Assets-Unbilled Revenue	1,139,014	119,633,535	501,929	52,718,826	68,422	7,186,554	1,709,365	179,538,915
Cash and cash equivalents	280,780	29,491,057	289,459	30,402,589	301,260	31,642,044	871,499	91,535,690
Liabilities								
Trade payables and accrued expenses	256,358	26,925,922	71,204	7,478,749	13,287	1,395,561	340,849	35,800,232
Unearned Sales	–	–	8,877	932,337	–	–	8,877	932,337
Other liabilities	–	–	–	–	26,632	2,797,275	26,632	2,797,275
Net assets/liabilities	4,401,915	462,344,164	1,859,854	195,345,088	468,050	49,160,420	6,729,819	706,849,672

* Others include currencies such as Singapore- \$ (SGD), Czech Republic- Koruna (CZK), Switzerland- Franc (CHF), Turkey-Lira (TRY), Hungary- Forint (HUF)

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the functional currencies of the Company.

For the years ended March 31, 2025 and 2024 respectively, every 1% appreciation/depreciation of the respective foreign currencies compared to functional currency of the Company would increase/ decrease operating margins by £99,723 and £67,298, respectively.

12. Income tax expense

Income tax expense in the statement of income consists of:

	Year ended March 31,			
	2025 £	2025 ₹	2024 £	2024 ₹
	Unaudited		Unaudited	
Current taxes				
UK Corporation tax on profits of the year	196,603	21,764,389	276,662	29,058,535
Adjustment in respect of previous years	49,530	5,483,140	(45,966)	(4,827,924)
Total	246,133	27,247,529	230,696	24,230,611
Deferred taxes				
Origination and reversal of timing differences	12,633	1,398,505	(48,402)	(5,083,783)
Total	12,633	1,398,505	(48,402)	(5,083,783)
Grand Total	258,766	28,646,034	182,294	19,146,828

Notes to the financial statements (Contd.)

The reconciliation between the provision of corporation tax of the Company and amounts computed by applying the standard rate of UK corporation tax to profit before taxes is as follows:

	Year ended March 31,			
	2025	2025	2024	2024
	£	₹	£	₹
		Unaudited		Unaudited
Profit before income tax	1,584,554	175,414,111	1,674,122	175,837,259
Profit multiplied by rate of tax	396,139	43,853,528	418,530	43,959,308
Expenses not deductible for tax purposes	26,570	2,941,421	15,844	1,664,113
Movement in capital allowances, foreign tax credit etc.	—	—	—	—
Tax credit on group share based payments	(45,114)	(4,994,233)	(157,712)	(16,564,886)
Adjustment in respect of previous years	(131,462)	(14,553,187)	(45,966)	(4,827,924)
Deferred tax	12,633	1,398,505	(48,402)	(5,083,783)
Total tax expense	258,766	28,646,034	182,294	19,146,828

The standard rates of UK corporation tax, for the year ended March 31, 2025 and March 31, 2024 are 25% and 25% respectively

The components of deferred tax asset/(liability) are as follows:

	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
	£	₹	£	₹
		Unaudited		Unaudited
Property, Plant and Equipment	(7,893)	(873,803)	(11,399)	(1,197,266)
Provision	5,141	569,149	21,280	2,235,092
Net deferred tax asset/(liability)	(2,752)	(304,654)	9,881	1,037,826

The deferred tax included in the Balance Sheet is as follows:

	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
	£	₹	£	₹
		Unaudited		Unaudited
Deferred tax asset/(liability)	(2,752)	(304,654)	9,881	1,037,826
Balance brought forward	9,881	1,093,851	(38,521)	(4,045,957)
Profit and loss account movement arising during the year	(12,633)	(1,398,505)	48,402	5,083,783
Total deferred tax asset/(liability)	(2,752)	(304,654)	9,881	1,037,826

For simplicity, the brought forward Rupee amounts as at 1st April have been translated using the exchange rate as at the 31st of March of the respective financial year.

Pillar II Update

In December 2021, the Organization for Economic Co-operation and Development (OECD) released the Model Rules under Pillar Two of the Base Erosion and Profit Shifting (BEPS) 2.0 initiative, introducing a global minimum corporate tax rate of 15% for multinational enterprises (MNEs) with consolidated revenue of €750 million or more.

While the United Kingdom has enacted legislation implementing the Pillar Two rules through the Finance (No.2) Act 2023, the rules apply to accounting periods commencing on or after 31 December 2023. Accordingly, these provisions are applicable to the Company for the first time in the financial year ending 31 March 2025.

In line with the OECD's Pillar Two framework, the Company has assessed the applicability of the Transitional Country-by-Country Reporting (CbCR) Safe Harbour rules for the year ended 31 March 2025. These transitional rules provide temporary relief from top-up tax calculations if a jurisdiction meets any one of three tests: the Threshold Test, the Simplified Effective Tax Rate (ETR) Test, or the Routine Profits Test. It should be noted that the safe harbour election follows a 'once out, always out' principle—jurisdictions that do not qualify in FY25 will be excluded from relying on the safe harbour in future periods.

The Company has undertaken a review of its financial and tax data for FY 2024–25 to evaluate potential exposure under the Pillar Two rules. Based on this analysis, the UK entity is anticipated to satisfy the Simplified ETR Test, with an estimated effective tax rate of around 16%, which is above the 15% threshold applicable for FY25. Additionally, the Czech Republic and Singapore branches are also expected to qualify under the Threshold Test, as their revenue and profit before tax fall below the specified limits. By passing these tests and thresholds, the Company is expected to be eligible for safe harbour exemption.

As a result, the Company does not anticipate any Pillar Two top-up tax liability for the year ending 31 March 2025. The Company will continue to monitor relevant legislative updates and refine its assessment as additional guidance and jurisdiction-specific rules become available.

13. Equity

a) Share capital

The company has only one class of equity shares. The authorized share capital of the Company is 1,629,700 (2024: 1,629,700) equity shares of £1 each. Par value of the equity shares is recorded as share capital and each equity share carries the same voting rights.

The Issued, subscribed and paid-up capital of the Company is 685,815 (2024: 685,815) equity shares of £1 each amounting to £685,815 (2024: £685,815).

All equity shares are held by ITC Infotech India Limited, the Holding Company. The company has only one class of shares referred to as equity shares having a par value of £1, rank pari passu in all respects including entitlement to dividend. No new equity shares have been issued during the year.

The Company declares and pays dividends in GBP/EURO/USD. During the year, an interim dividend of GBP 3/- (2024: NIL) on 685,815 shares of GBP 1 each, aggregating ~ GBP 2.06 million (2024: NIL) was declared by the Board of Directors of the Company on 17th October, 2024.

b) Retained earnings

Retained earnings comprises of the Company's prior years' undistributed earnings after taxes.

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 capital structure is as follows:

	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024	As at 31 March 2024
	£	₹	£	₹
		Unaudited		Unaudited
Total equity attributable to the equity share holders of the company	9,575,270	1,060,006,152	10,304,766	1,082,335,170
As percentage of total capital	100%	100%	100%	100%
Total capital	9,575,270	1,060,006,152	10,304,766	1,082,335,170

The Company is equity financed which is evident from the capital structure table.

Notes to the financial statements (Contd.)

14. Revenue

The Company derives revenue primarily from delivery of IT services. The Company recognises revenue when the significant terms of the arrangement are enforceable, services have been delivered and the collectability is reasonably assured. An analysis of turnover is given below:

Country	Year ended March 31,			
	2025	2025	2024	2024
	£	₹	£	₹
	Unaudited		Unaudited	
United Kingdom	21,337,044	2,362,064,114	25,047,132	26,30,762,839
Rest of the Europe	6,267,021	693,774,892	7,885,072	828,188,825
Singapore	1,110,678	122,954,882	1,097,164	115,237,929
Others	90,035	9,967,100	78,627	8,258,390
Total	28,804,778	3,188,760,988	34,107,995	3,582,447,983

15. Expenses by nature

	Year ended March 31,			
	2025	2025	2024	2024
	£	₹	£	₹
	Unaudited		Unaudited	
Employee benefits	10,685,584	1,182,920,826	11,840,009	1,243,585,747
Sub-contractor charges/Outsourced charges	14,764,344	1,634,449,765	17,934,807	1,883,737,612
Travel and conveyance	866,385	95,910,951	1,129,123	118,594,597
Sales & Marketing expenses	119,991	13,283,277	115,233	12,103,231
Staff welfare	144,518	15,998,544	122,616	12,878,635
Legal, Professional and Consultancy Expenses	201,318	22,286,402	505,093	53,051,120
Communication expenses	17,882	1,979,583	24,211	2,542,926
Lease rentals/charges	9,953	1,101,798	64,656	6,791,001
Recruitment	69,442	7,687,432	239,037	25,106,667
Audit Fees	63,083	6,983,476	63,917	6,713,334
Depreciation charges	219,411	24,289,410	173,801	18,254,796
Provision for doubtful trade receivables	36,752	4,068,534	6,000	630,195
Others	6,746	746,802	474,967	49,886,971
Total cost of sales, selling, general and administrative expenses	27,205,409	3,011,706,800	32,693,470	3,433,876,832

The total cost of sales, selling, general and administrative expenses in the table above includes £22,158,803 (2024: £26,446,139) towards cost of sales and £5,046,606 (2024: £6,247,331) towards selling, general and administrative expenses. Depreciation charges above include depreciation on Property, Plant and Equipment (refer Note 4) and depreciation on ROU assets (refer Note 19).

Cost of Sales

Cost of Sales primarily include employee compensation of personnel engaged in providing services, travel expenses, employee allowances, payroll related taxes, fees to external consultants engaged in providing services, communication costs and other project related expenses.

Selling, general and administrative expenses

Selling costs primarily include employee compensation for sales and marketing personnel, travel costs, advertising, business promotion expenses, allowances for delinquent receivables and market research costs.

General and administrative costs primarily include employee compensation for administrative, supervisory, managerial and practice management personnel, depreciation and amortization of non-production equipment and software, facility expenses for administrative offices, communication costs, fees to external consultants and other general expenses.

All fees paid or payable to the auditors of the company related to the statutory audit of the company for the year ended 31 March 2024. There were no non-audit services received from the auditors during the year.

16. Employee benefits

The average monthly number of staff employed by the company during the financial year amounted to:

By Activity	2025	2024
	No	No
Delivery	71	82
Marketing	12	12
Administration	9	10
	92	104

Employee benefits include:

	Year ended March 31,			
	2025	2025	2024	2024
	£	₹	£	₹
	Unaudited		Unaudited	
Wages and salaries	9,392,507	1,039,773,959	10,691,801	1,122,986,626
Social security costs	1,158,854	128,288,046	1,036,824	108,900,181
Other pension costs	134,223	14,858,821	111,384	11,698,940
Total	10,685,584	1,182,920,826	11,840,009	1,243,585,747

The employee benefit cost is recognised in the following line items in the statement of income:

	Year ended March 31,			
	2025	2025	2024	2024
	£	₹	£	₹
	Unaudited		Unaudited	
Cost of sales	6,730,111	745,040,070	7,067,060	742,270,979
Selling, general and administrative expenses	3,955,473	437,880,756	4,772,949	501,314,768
Total	10,685,584	1,182,920,826	11,840,009	1,243,585,747

Notes to the financial statements (Contd.)

17. Other Operating Income

	Year ended March 31,			
	2025	2025	2024	2024
	£	₹	£	₹
	Unaudited		Unaudited	
Derecognition of Contract Asset and Contract Liability	–	–	299,139	31,419,262
Total	–	–	299,139	31,419,262

The Company terminated a contract on 13 November 2023, the costs to obtain and the related liability of which were originally capitalized for a total amount of \$ 1.5 million (£1.13 million) during the year ended 31 March 2022. As a result of the termination, a net gain of £299,139 has been recognised in the income statement.

18. Finance and other income

	Year ended March 31,			
	2025	2025	2024	2024
	£	₹	£	₹
	Unaudited		Unaudited	
Interest Income	136,469	15,107,422	84,128	8,836,162
Total	136,469	15,107,422	84,128	8,836,162

19. Leases

In relation to leases under IFRS 16, the group has recognised depreciation and interest costs as per the table below.

Right of Use Asset	As at	As at	As at	As at
	31 March 2025	31 March 2025	31 March 2024	31 March 2024
	£	₹	£	₹
	Unaudited		Unaudited	
Cost				
Opening Balance	388,240	42,979,182	373,328	39,211,573
Add: Additions	–	–	388,240	40,777,869
Less: Disposal	–	–	(373,328)	(39,211,584)
Closing Balance	388,240	42,979,182	388,240	40,777,858
Accumulated Depreciation				
Opening Balance	(64,795)	(7,173,002)	(314,382)	(33,020,301)
Add: Depreciation	(193,855)	(21,460,211)	(123,741)	(12,996,878)
Less: Disposal	–	–	373,328	39,211,567
Closing Balance	(258,650)	(28,633,213)	(64,795)	(6,805,612)
Right of Use Asset Net	129,590	14,345,969	323,445	33,972,246
Lease Liability				
Opening Lease Liability	3,28,089	3,63,20,274	65,683	6,898,873
Add: New Lease Liability	–	–	388,241	40,777,901
Add: Interest Cost on the Leases	15,201	1,682,788	8,390	881,223
Less: Lease Payments	(206,000)	(22,804,715)	(134,225)	(14,098,030)
Closing Lease Liability	137,290	15,198,347	328,089	34,459,967

The total cash outflow for leases for the year is £206,000 (including payments in respect short-term leases and lease of low value assets NIL).

20. Related party relationships and transactions

Name of related party

- i) **Ultimate Parent Company:**
ITC Limited, Virginia House, 37 J. L. Nehru Road, Kolkata – 700071, India
- ii) **Immediate Parent Company:**
ITC Infotech India Limited, Virginia House, 37 J. L. Nehru Road, Kolkata – 700071, India
- iii) **Other Related Parties With Whom The Company Had Transactions.**
Subsidiaries of Immediate Parent Company:
ITC Infotech (USA), Inc.
Indivate Inc.

Transactions with the above related parties during the year were:

	Holding Company				Fellow Subsidiaries			
	For the year ended / As at 31 March 2025	For the year ended / As at 31 March 2025	For the year ended / As at 31 March 2024	For the year ended / As at 31 March 2024	For the year ended / As at 31 March 2025	For the year ended / As at 31 March 2025	For the year ended / As at 31 March 2024	For the year ended / As at 31 March 2024
	£	₹	£	₹	£	₹	£	₹
	Unaudited		Unaudited		Unaudited		Unaudited	
Sale of goods/Services	–	–	–	–	–	–	–	–
Reimbursement of Expenses	10,576	1,170,790	163,496	17,172,394	–	–	–	–
Purchase of goods/Services	11,922,203	1,319,817,651	14,911,674	1,566,210,425	–	–	–	–
Balance as on 31st March								
Trade receivables	5,500	608,845	118,515	12,447,880	–	–	–	–
Trade payables	1,711,620	189,480,624	1,082,104	113,656,088	–	–	–	–

The transactions relate to subcontracting for execution and management of customer contracts, with pricing based on arm's length margins, and terms of periodic invoicing and payment within 90 days; the resulting debt is unsecured and settled in cash.

Notes to the financial statements (Contd.)

Key Managerial Personnel:

Non-Executive Directors

S. Puri	Chairman
S. Sivakumar	Vice Chairman
R. Singhi	Director
S. Dutta	Director
S. Singh	Director

Others

A. Roy	President

Transactions with key management personnel are as given below:

Key management personnel comprise directors and president of the Company. Particulars of compensation of the key management personnel during the year ended March 31, 2025, and March 31, 2024 have been detailed below:

	2025 £	Year ended March 31, 2025 ₹	2024 £	2024 ₹
		Unaudited		Unaudited
President:				
Short term benefits	600,732	66,502,526	583,691	61,306,502
Total	<u>600,732</u>	<u>66,502,526</u>	<u>583,691</u>	<u>61,306,502</u>

None of the directors received any emoluments for their services to the company, nor were any amounts recharged by or payable to any other organization or company for the directors' services to the company.

21. Ultimate parent company and immediate parent company

The immediate parent undertaking is ITC Infotech India Limited, with its registered office at 37 J. L. Nehru Road, Kolkata - 700071, India and is a wholly owned subsidiary of ITC Limited. This is the smallest group of undertakings for which consolidated financial statements are being drawn up including this company.

The ultimate parent undertaking and controlling related party is ITC Limited, which is incorporated in India. This is the largest group of undertakings for which consolidated financial statements are being drawn up including this company. Copies of ITC Limited consolidated financial statements can be obtained from the Company Secretary at 37 J. L. Nehru Road, Kolkata - 700071, India.

22. Subsequent Events

The Company evaluated subsequent events through 9th May, 2025 which is the date on which the Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Financial Statements.

MANAGEMENT REPORT

The Administrators of the Company submit the Management Report together with the Audited Financial Statements for the year ended 31st March, 2025. The Company is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India.

Principal Activities

The Company is engaged in the business of providing Information Technology Services and Solutions.

Business Review

During the year under review, the Company continued to deliver Information Technology Services and Solutions to its clients in areas such as Product Lifecycle Management-led Digital Thread Solutions and Digital Manufacturing, strengthening its near-shore presence in the Americas. The Company remains committed to deepening strategic client partnerships and positioning itself as a trusted advisor in enabling their digital transformation and growth agendas.

Financial Results

During the year, your Company's Revenue from Operations grew by 40.28% to BRL 10,641,534 (previous year: BRL 7,586,110), with Profit After Tax for the year at BRL 717,428 (previous year: BRL 601,961), representing a growth of 19.18%.

The Company's financial performance for the year was as under:

(BRL in '000)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	10,724.77	7,602.31
Profit Before Tax	1,050.65	875.70
Profit for the Year	717.43	601.96

Profit / Loss Allocation

The Administrators recommend retention of the profit earned during the year ended 31st March, 2025, in order to meet the Company's annual budget and growth requirements.

Auditors

The Company, as per local laws, is not required to audit its Financial Statements for the financial year ended 31st March, 2025. However, as a measure of good governance, the Company has engaged Messrs. Deloitte Haskins & Sells LLP, India (Registration Number 117366W/W-100018), as the Auditors to conduct audit for the year ended 31st March, 2025. Their Report is annexed to the Financial Statements of the Company.

On behalf of ITC Infotech Do Brasil LTDA.

Date: 6th May, 2025

Mauricio Dias Junior
Administrator

INDEPENDENT AUDITOR'S REPORT

To The Management Committee of
ITC Infotech DO Brasil LTDA.

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of ITC Infotech DO Brasil LTDA (the "Company"), which comprise the Special Purpose Balance Sheet as at 31st March, 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Special Purpose Financial Statements"). The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company ("ITC Limited") under the requirements of section 129(3) of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements are prepared, in all material respects, in accordance with the basis of preparation set out in Note 1(a) to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (the "SAs") issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the requirements of 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 Special Purpose Financial Statements.

Emphasis of Matter

Basis of preparation and restriction on use

We draw attention to Note 1(a) to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any another

purpose. Our report is intended solely for the information and use of the Management Committee and management of the Company and its group companies and is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Managing Committee for the Special Purpose Financial Statements

The Company's Management Committee are responsible for the preparation of these Special Purpose 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 basis described in Note 1(a) to the Special Purpose Financial Statements.

This responsibility also includes maintenance of adequate accounting records 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, the management and the Management Committee 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 Management Committee either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management Committee is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose 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 Special Purpose 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 but not for the purpose of expressing an opinion on the 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 Special Purpose 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose 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 Special Purpose 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.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm Registration No: 117366W/W-100018

Girish Bagri

Partner

Membership No. 066572

UDIN: 24066572BKFWMW4349

Place: Bengaluru

Date: 6th May, 2025

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

	Note No.	As at 31st March 2025 (BRL)	As at 31st March 2025 (INR) (Unaudited)	As 31st March 2024 (BRL)	As 31st March 2024 (INR) (Unaudited)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	216,037	3,215,905	39,941	667,190
(b) Deferred Tax Assets (Net)	6	359,510	5,351,630	202,642	3,385,013
(c) Other Non-Current Assets	7(a)	36,883	549,037	–	–
Sub-Total		<u>612,430</u>	<u>9,116,572</u>	<u>2,42,583</u>	<u>40,52,203</u>
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	3	1,114,428	16,589,264	1,835,729	30,664,752
(ii) Cash and Cash Equivalents	4	2,804,851	41,752,732	1,006,685	16,816,069
(iii) Others	5	1,032,572	15,370,764	858,844	14,346,474
(b) Other Current Assets	7(b)	70,017	1,042,266	448,408	7,490,387
Sub-Total		<u>5,021,868</u>	<u>74,755,026</u>	<u>4,149,666</u>	<u>69,317,682</u>
TOTAL		<u>5,634,298</u>	<u>83,871,598</u>	<u>4,392,249</u>	<u>73,369,885</u>
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	8	2,600,000	38,703,340	2,600,000	43,431,440
(b) Other Equity		1,437,070	21,392,080	719,642	12,021,188
Sub-Total		<u>4,037,070</u>	<u>60,095,420</u>	<u>3,319,642</u>	<u>55,452,628</u>
2 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables and Accrued expenses	9	274,318	4,083,470	148,272	2,476,795
(ii) Others	10	391,569	5,828,858	337,930	5,644,919
(b) Other Current Liabilities	12	271,529	4,041,955	230,658	3,853,003
(c) Provisions	11	659,812	9,821,895	355,747	5,942,540
Sub-Total		<u>1,597,228</u>	<u>23,776,178</u>	<u>1,072,607</u>	<u>17,917,257</u>
TOTAL		<u>5,634,298</u>	<u>83,871,598</u>	<u>4,392,249</u>	<u>73,369,885</u>

The accompanying notes 1 to 27 are an integral part of the Special purpose Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date

For Deloitte Haskins & Sells LLP,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri
Partner
Membership Number: 066572
Place: Bengaluru
Date: 6th May, 2025

On behalf of the Company
Mauricio Dias
Administrator
Soumyarup Roy
Management Committee Member

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note No.	For the year ended 31st March 2025 (BRL)	For the year ended 31st March 2025 (INR) (Unaudited)	For the year ended 31st March 2024 (BRL)	For the year ended 31st March 2024 (INR) (Unaudited)
I Revenue from Operations	13	10,641,534	158,408,811	7,586,110	126,721,416
II Other Income	14	83,235	1,239,028	16,199	270,595
III Total Income (I + II)		<u>10,724,769</u>	<u>159,647,839</u>	<u>7,602,309</u>	<u>126,992,011</u>
IV Expenses					
Employee Benefits Expense	15	6,233,165	92,786,271	4,665,620	77,936,383
Depreciation and Amortization Expense	2	33,123	493,066	3,631	60,654
Other Expenses	16	3,407,833	50,728,661	2,057,360	34,366,964
Total Expenses		<u>9,674,121</u>	<u>144,007,998</u>	<u>6,726,611</u>	<u>112,364,001</u>
V Profit Before Tax (III-IV)		1,050,648	15,639,841	875,698	14,628,010
VI Tax Expenses	17				
Current Tax		490,088	7,295,401	344,619	5,756,654
Deferred Tax (Credit)		(156,868)	(2,335,121)	(70,882)	(1,184,041)
		<u>333,220</u>	<u>4,960,280</u>	<u>273,737</u>	<u>4,572,613</u>
VII Profit for the Year / Period (V-VI)		<u>717,428</u>	<u>10,679,561</u>	<u>601,961</u>	<u>10,055,397</u>
VII Earnings Per Share (Face value BRL 1 each) (Basic and diluted)	18	0.28	4.11	0.23	3.87

There were no items of other comprehensive income in the periods, and accordingly, no statement of comprehensive Income is presented.

The accompanying notes 1 to 27 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date

For Deloitte Haskins & Sells LLP,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On behalf of the Company

Mauricio Dias

Administrator

Soumyarup Roy

Management Committee Member

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

A. Equity Share Capital

FY 2023-24					FY 2024-25		
Balance at 31st March, 2023 (BRL)	Balance at 31st March, 2023 (INR)	Changes in Equity Share Capital during the year (BRL)	Balance at 31st March, 2024 (BRL)	Balance at 31st March, 2024 (INR) (Unaudited)	Changes in Equity Share Capital during the year	Balance at 31st March, 2025 (BRL)	Balance at 31st March, 2025 (INR) (Unaudited)
2,600,000	41,935,920	-	2,600,000	43,431,440	-	2,600,000	38,703,340

B. Other Equity

	Retained Earning (BRL)	Total (BRL)	Total (INR) (Unaudited)
Balance as at 1st April, 2024	719,642	719,642	10,712,519
Profit for the Period	717,428	717,428	10,679,561
Total Comprehensive Income	717,428	717,428	10,679,561
Balance as at 31st March, 2025	1,437,070	1,437,070	21,392,080
Balance as at 1st April, 2023	117,681	117,681	1,898,100
Profit for the Period	601,961	601,961	10,055,397
Total Comprehensive Income	601,961	601,961	10,055,397
Balance as at 31st March, 2024	719,642	719,642	12,021,188

Retained Earnings: This represents the cumulative profits of the Company.

The accompanying notes 1 to 27 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For Deloitte Haskins & Sells LLP,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On behalf of the Company

Mauricio Dias

Administrator

Soumyarup Roy

Management Committee Member

SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

		For the year ended 31st March'25		For the year ended 31st March'25		For the year ended 31st March'24		For the year ended 31st March'24	
		(BRL)		(INR) (Unaudited)		(BRL)		(INR) (Unaudited)	
A	CASH FLOW FROM OPERATING ACTIVITIES :								
	PROFIT BEFORE TAX		1,050,648		15,639,841		875,698		14,628,010
	ADJUSTMENTS FOR :								
	Depreciation and Amortization Expense	33,123		493,066		3,631		60,654	
	Interest Received on Term Deposits	(62,262)		(926,826)		(9,412)		(157,222)	
			(29,139)		(433,760)		(5,781)		(96,568)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		1,021,509		15,206,081		869,917		14,531,442
	ADJUSTMENTS FOR :								
	Trade, Receivables, Advances and Other Income	599,788		8,928,384		(1,199,178)		(20,031,549)	
	Trade Payables, Other Liabilities and Provisions	477,218	1,077,006	7,103,823	16,032,207	530,316	(668,862)	8,858,612	(11,172,937)
	CASH FROM OPERATIONS		2,098,515		31,238,288		201,055		3,358,505
	Income Tax Paid		(153,392)		(2,283,381)		(817,205)		(13,650,922)
	NET CASH USED IN OPERATING ACTIVITIES		1,945,123		28,954,907		(616,150)		(10,292,417)
B	CASH FLOW FROM INVESTING ACTIVITIES :								
	Purchase of Property, Plant and Equipment	(209,219)		(3,114,414)		(43,572)		(727,844)	
	Interest Received on Term Deposits	62,262		926,826		9,412		157,222	
	NET CASH USED IN INVESTING ACTIVITIES		(146,957)		(2,187,588)		(34,160)		(570,622)
C	CASH FLOW FROM FINANCING ACTIVITIES :								
	NET CASH FROM FINANCING ACTIVITIES		-		-		-		-
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		1,798,166		26,767,319		(650,310)		(10,863,039)
	OPENING CASH AND CASH EQUIVALENTS		1,006,685		14,985,413		1,656,995		27,679,108
	CLOSING CASH AND CASH EQUIVALENTS		2,804,851		41,752,732		1,006,685		16,816,069
	CASH AND CASH EQUIVALENTS COMPRISE :								
	Cash and Cash Equivalents	2,804,851		41,752,732		1,006,685		16,816,069	
	Cash and Cash Equivalents		2,804,851		41,752,732		1,006,685		16,816,069

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows".

The accompanying notes 1 to 27 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Cash Flows referred to in our Report of even date

For Deloitte Haskins & Sells LLP,
Firm Registration Number: 117366 W/W-100018
Chartered Accountants

Girish Bagri
Partner
Membership Number: 066572
Place: Bengaluru
Date: 6th May, 2025

On behalf of the Company
Mauricio Dias
Administrator
Soumyarup Roy
Management Committee Member

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

NATURE OF OPERATIONS

ITC Infotech DO Brasil LTDA (the "Company"), a company incorporated in Brazil, is engaged in providing information technology services. The Company is a wholly owned subsidiary of ITC Infotech India Limited., an Indian company. There are 2,600,000 common shares authorized and issued to ITC Infotech India Limited.

The Company is incorporated and domiciled in Brazil and has its registered office at Avenida Cauaxi, 293, Room 2202, Alphaville Centro Industrial E Empresarial/ Alphav, Barueri, SP 06454020. The Company was incorporated on 10th October 2022.

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation and statement of compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the financial year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, ITC Infotech India Limited, incorporated under the Companies Act, 2013, and having its registered office at 37 J. L. Nehru Road, Kolkata 700071, India.

These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow Brazil GAAP.

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss.

Accounting policies have been applied consistently throughout the periods presented in these Special Purpose Financial Statements. Disclosures have been given which are relevant to and materially affect the company's financial position, and the financial performance of the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

(b) Convenience Translation (unaudited)

These Special Purpose financial statements are presented in Brazilian Real. However, as required by the parent company ITC Infotech India Limited., the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate of BRL= INR 14.8859 for year ended 31st March, 2025 (BRL= INR 16.7044 for year ended 31st March, 2024) as provided by ITC Infotech India Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS. No representation is made that the Brazilian Real amounts have been, could have been or could be converted into Indian Rupee at such a rate or any other rate.

(c) Use of Estimates and Judgment

The preparation of the Special Purpose financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing 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 judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in Income taxes note.

(d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(e) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, non-refundable duties and taxes and incidental expenses related to acquisition. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of Property, Plant and Equipment are as follows:

Computers	5 Years

Property, Plant and Equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognized in prior years are reversed when there is an indication that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in previous years.

(f) Foreign Currency Transactions

The presentation currency of the Company is the Brazilian Real.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognized in the Statement of Profit and Loss.

(g) Financial Instruments, Financial assets and Financial liabilities

Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value, except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Trade receivables, Unbilled receivables, deposits, advances and cash and cash equivalents. Such assets are initially recognized either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortized cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealized gains and losses arising from changes in the fair value including interest income and dividend income, if any, are recognized in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortized cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets: Interest income is recognized in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption / settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the

contract is legally enforceable. Revenue is recognized upon transfer of control of promised services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and other such taxes.

Revenue is recognized from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognized on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognized from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with Ind AS 115 - Revenue from contracts with customers. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

(j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognized for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Company maintains a Supplemental Pension Plan for employees. Employees may contribute an amount not exceeding 5.42% of their base salary. The Company makes a matching contribution equal to 100% of the employee's contribution. The Pension expense for the years ended March 31, 2025 was BRL 77,904 (INR 1,159,666) (March 31, 2024 was BRL 63,398 (INR 1,059,027)).

(k) Taxes on Income

Taxes on income comprise current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(l) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing the performance of the operating segments, has been

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

identified as the Management Committee (MC). The Company is currently operating in a single segment i.e., Information Technology.

(m) Provisions

Provisions are recognized when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

(n) Statement of Cash Flow

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 from operating, investing and financing activities of the Company are segregated.

2. FIXED ASSETS

DESCRIPTION	Gross Block (BRL)				Depreciation and Amortization (BRL)				Net Block (BRL)	
	As at 31st March, 2024	Additions	Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2024	Charge For the Year	On Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
Computers etc.	43,572	209,219	-	252,791	3,631	33,123	-	36,754	216,037	39,941
TOTAL	43,572	209,219	-	252,791	3,631	33,123	-	36,754	216,037	39,941

DESCRIPTION	Gross Block (INR) (Unaudited)				Depreciation and Amortization (INR) (Unaudited)				Net Block (INR) (Unaudited)	
	As at 31st March, 2024	Additions	Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2024	Charge For the Year	On Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
Computers etc.	648,608	3,114,414	-	3,763,022	54,051	493,066	-	547,117	3,215,905	594,557
TOTAL	648,608	3,114,414	-	3,763,022	54,051	493,066	-	547,117	3,215,905	594,557

DESCRIPTION	Gross Block (BRL)				Depreciation and Amortization (BRL)				Net Block (BRL)	
	As at 31st March, 2023	Additions	Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2023	Charge For the Year	On Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Computers etc.	-	43,572	-	43,572	-	3,631	-	3,631	39,941	-
TOTAL	-	43,572	-	43,572	-	3,631	-	3,631	39,941	-

DESCRIPTION	Gross Block (INR) (Unaudited)				Depreciation and Amortization (INR) (Unaudited)				Net Block (INR) (Unaudited)	
	As at 31st March, 2023	Additions	Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2023	Charge For the Year	On Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Computers etc.	-	727,844	-	727,844	-	60,654	-	60,654	667,190	-
TOTAL	-	727,844	-	727,844	-	60,654	-	60,654	667,190	-

3. TRADE RECEIVABLES

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Unsecured, Considered Good	1,114,428	16,589,264	1,835,729	30,664,752
TOTAL	1,114,428	16,589,264	1,835,729	30,664,752

Trade Receivables as at 31st March, 2025	Outstanding for the following periods					
	Not Due (BRL)	Less than 6 months (BRL)	6 months - 1 year (BRL)	1-2 years (in BRL)	Total (BRL)	Total (INR) (Unaudited)
Undisputed Trade Receivables - considered good	931,996	153,378	14,233	14,821	1,114,428	16,589,264
Gross	931,996	153,378	14,233	14,821	1,114,428	16,589,264
Less : Expected Credit Loss Allowance	-	-	-	-	-	-
NET	931,996	153,378	14,233	14,821	1,114,428	16,589,264

Note: The amounts appearing under 6 months – 1 year and 1 – 2 years are with-holding taxes for which with-holding certificates are pending to be received from customers

Trade Receivables as at 31st March, 2024	Outstanding for the following periods					
	Not Due (BRL)	Less than 6 months (BRL)	6 months - 1 year (BRL)	1-2 years (in BRL)	Total (BRL)	Total (INR) (Unaudited)
Undisputed Trade Receivables - considered good	90,091	1,745,638	-	-	1,835,729	30,664,752
Gross	90,091	1,745,638	-	-	1,835,729	30,664,752
Less : Expected Credit Loss Allowance	-	-	-	-	-	-
NET	90,091	1,745,638	-	-	1,835,729	30,664,752

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

4. CURRENT ASSETS : FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Balance with Banks :				
Current Accounts	1,104,851	16,446,702	1,006,685	16,816,069
Deposit Accounts	1,700,000	25,306,030	-	-
TOTAL	2,804,851	41,752,732	1,006,685	16,816,069

The Company does not have any significant cash and cash equivalents that are not available for use.

5. CURRENT ASSETS : FINANCIAL ASSETS - OTHERS

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Unsecured Considered Good, Unless Otherwise Stated				
Unbilled Revenue*	923,048	13,740,401	753,358	12,584,394
Advances (includes advances to employees) - Considered Good	109,524	1,630,363	105,486	1,762,080
TOTAL	1,032,572	15,370,764	858,844	14,346,474

* Right to consideration is unconditional, upon passage of time.

6. DEFERRED TAX ASSETS

	Opening Balance (BRL)	Recognized in Statement of profit or loss (BRL)	Closing Balance (BRL)	Closing Balance (INR) (Unaudited)
FY 2024-25				
Deferred Tax Assets				
On provision for employees' bonus, separation and retirement, etc.	202,642	109,959	312,601	4,653,350
On provisions for expense other than w.r.t employees	-	46,909	46,909	698,280
Total Deferred Tax Assets	202,642	156,868	359,510	5,351,630
Deferred Tax Liabilities :				
Total Deferred Tax Liabilities	-	-	-	-
Deferred Tax Assets (Net)	202,642	156,868	359,510	5,351,630

	Opening Balance (BRL)	Recognized in Statement of profit or loss (BRL)	Closing Balance (BRL)	Closing Balance (INR) (Unaudited)
FY 2023-24				
Deferred Tax Assets				
On provision for employees' separation and retirement, etc.	131,760	70,882	202,642	3,385,013
Total Deferred Tax Assets	131,760	70,882	202,642	3,385,013
Deferred Tax Liabilities :				
Total Deferred Tax Liabilities	-	-	-	-
Deferred Tax Assets (Net)	131,760	70,882	202,642	3,385,013

7.(A) OTHER NON-CURRENT ASSETS

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Prepaid expenses	36,883	549,037	-	-
TOTAL	36,883	549,037	-	-

7.(B) OTHER CURRENT ASSETS

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Advances with Statutory Authorities	-	-	289,293	4,832,466
Prepaid expenses	70,017	1,042,266	159,115	2,657,921
TOTAL	70,017	1,042,266	448,408	7,490,387

8. EQUITY SHARE CAPITAL

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
EQUITY SHARE CAPITAL				
Authorised				
2,600,000 Equity Shares of BRL 1 each	2,600,000	38,703,340	2,600,000	43,431,440
Issued and Subscribed :				
2,600,000 Equity Shares of BRL 1 each, fully paid (All equity shares are held by ITC Infotech India Limited., the Parent Company. The equity shares of the company, having par value of BRL 1 each per share, rank pari passu in all respects including entitlement to Dividend)	2,600,000	38,703,340	2,600,000	43,431,440
TOTAL	2,600,000	38,703,340	2,600,000	43,431,440

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

SHARES HELD BY PROMOTERS:

Particulars	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of BRL 1 each, fully paid	ITC Infotech India Limited.	2,600,000	100%	-	2,600,000	100%	-

9. FINANCIAL LIABILITIES – TRADE PAYABLES

Trade Payable as at 31st March, 2025	Outstanding for following periods							Total (INR) (Unaudited)
	Not Due	Accrued	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total (BRL)	
Others	136,350	137,968	-	-	-	-	274,318	4,083,470
Total	136,350	137,968	-	-	-	-	274,318	4,083,470

Trade Payable as at 31st March, 2024	Outstanding for following periods							Total (INR) (Unaudited)
	Not Due	Accrued	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total	
Others	-	148,272	-	-	-	-	148,272	2,476,795
Total	-	148,272	-	-	-	-	148,272	2,476,795

10. CURRENT FINANCIAL LIABILITIES – OTHERS

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Employee Payable	391,569	5,828,858	337,930	5,644,919
Total	391,569	5,828,858	337,930	5,644,919

11. PROVISIONS

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Provisions for Income Tax (Net)	47,403	705,636	-	-
Provisions for Employee Benefits Compensated Absences	612,409	9,116,259	355,747	5,942,540
Total	659,812	9,821,895	355,747	5,942,540

12. OTHER CURRENT LIABILITIES

	As at 31st March, 2025 (BRL)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (BRL)	As at 31st March, 2024 (INR) (Unaudited)
Statutory Dues	271,529	4,041,955	230,658	3,853,003
Total	271,529	4,041,955	230,658	3,853,003

13. REVENUE FROM OPERATIONS

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Sale of Services	10,641,534	158,408,811	7,586,110	126,721,416
Total	10,641,534	158,408,811	7,586,110	126,721,416

The percentage of revenue from Fixed Price contracts for the year ended 31st March, 2025 is approximately 5% (31st March 2024 – 5%).

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

14. OTHER INCOME

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Bank Interest	83,235	1,239,028	16,199	270,595
Total	83,235	1,239,028	16,199	270,595

15. EMPLOYEE BENEFITS

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Salaries and Bonus	4,505,160	67,063,361	3,540,298	59,138,554
Contribution to Provident and Other Funds	1,650,191	24,564,578	1,064,610	17,783,671
Staff Welfare Expenses	77,814	1,158,332	60,712	1,014,158
Total	6,233,165	92,786,271	4,665,620	77,936,383

16. OTHER EXPENSES

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Rent	1,592	23,698	-	-
Rates and Taxes	386,440	5,752,507	143,635	2,399,336
Insurance	1,982,780	29,515,465	1,067,527	17,832,398
Travelling and Conveyance	143,586	2,137,407	130,508	2,180,058
Recruitment Expenses	130	1,935	-	-
Communication	28,884	429,964	21,075	352,045
Outsourcing Charges	486,506	7,242,080	350,124	5,848,611
Software and Related Expenses	280	4,168	-	-
Business Development Expenses	257	3,826	-	-
Legal, Professional and Consultancy Expenses	332,822	4,954,355	246,559	4,118,620
Auditors' Remuneration and Expenses	39,031	581,012	31,970	534,040
Bank Charges	2,023	30,114	1,103	18,425
Printing and stationery	25	372	-	-
Loss on Exchange (Net)	-	-	42,095	703,172
Miscellaneous Expenses	3,477	51,758	22,764	380,259
Total	3,407,833	50,728,661	2,057,360	34,366,964

17. A. TAX EXPENSES

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Current Tax	490,088	7,295,401	344,619	5,756,654
	490,088	7,295,401	344,619	5,756,654
Deferred Tax (Credit)	(156,868)	(2,335,121)	(70,882)	(1,184,041)
Total	333,220	4,960,280	273,737	4,572,613

B. THE RECONCILIATION BETWEEN THE INCOME TAX EXPENSES AND AMOUNTS COMPUTED BY APPLYING THE STANDARD RATE OF INCOME TAX TO PROFIT BEFORE TAXES IS AS FOLLOWS:

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Profit before tax	1,050,648	15,639,841	875,698	14,628,010
Income tax expense calculated at 15%	157,597	2,345,974	131,355	2,194,208
Social Contribution on Net Profit (CSLL) at 9%	94,558	1,407,582	78,812	1,316,509
Surtax of Income tax at 10% on income above BRL 240,000	81,065	1,206,724	63,570	1,061,896
Income Tax expenses recognized in Statement of Profit and Loss	333,220	4,960,280	273,737	4,572,613

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

18. EARNING PER SHARE

		For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Profit after Tax		717,428	10,679,561	601,961	10,055,397
Weighted average number of Equity Shares	No.	2,600,000	2,600,000	2,600,000	2,600,000
Earnings Per Share (Face value of BRL 1 per share) (Basic and Diluted)		0.28	4.11	0.23	3.87

19. CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims to maintain a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity. The Company does not have any long-term debt obligation.

The Company is not exposed to any externally imposed capital requirements.

20. CATEGORIES OF FINANCIAL INSTRUMENTS

DESCRIPTION	As at 31st March, 2025 (BRL)		As at 31st March, 2025 (INR) (Unaudited)		As at 31st March, 2024 (BRL)		As at 31st March, 2024 (INR) (Unaudited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash equivalents	2,804,851	2,804,851	41,752,732	41,752,732	1,006,685	1,006,685	16,816,069	16,816,069
Trade Receivables	1,114,428	1,114,428	16,589,264	16,589,264	1,835,729	1,835,729	30,664,752	30,664,752
Other Financial Assets	1,032,572	1,032,572	15,370,764	15,370,764	858,844	858,844	14,346,474	14,346,474
TOTAL	4,951,851	4,951,851	73,712,760	73,712,760	3,701,258	3,701,258	61,827,295	61,827,295
Financial Liabilities								
Measured at amortised cost								
Trade Payable	274,318	274,318	4,083,470	4,083,470	148,272	148,272	2,476,795	2,476,795
Other Financial Liabilities - current	391,569	391,569	5,828,858	5,828,858	337,930	337,930	5,644,919	5,644,919
TOTAL	665,887	665,887	9,912,328	9,912,328	486,202	486,202	8,121,714	8,121,714

21. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations.

Market Risk

The Company has in place appropriate risk management policies to limit the impact of currency, interest and price risk on its financial performance.

i. Foreign Currency Risk

The Company undertakes transactions denominated in functional currency – Brazilian Real. Hence there is no currency risk..

ii. Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Bank interest is the only cash flow which is generated from the financial assets and liabilities which is based on market interest rate, hence, exposure is insignificant.

iii. Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

iv. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due.

The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

	As at 31st March, 2025 Contractual Cash flows							Total (INR) (Unaudited)
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (BRL)	
Trade Payable	274,318	274,318	–	–	–	–	274,318	4,083,470
Other Financial Liabilities	391,569	391,569	–	–	–	–	391,569	5,828,858
Total	665,887	665,887	–	–	–	–	665,887	9,912,328

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

	As at 31st March, 2024 Contractual Cash flows							Total (INR) (Unaudited)
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (BRL)	
Trade Payable	148,272	148,272	–	–	–	–	148,272	2,476,795
Other Financial Liabilities	337,930	176,662	161,268	–	–	–	337,930	5,644,919
Total	486,202	324,934	161,268	–	–	–	486,202	8,121,714

v. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Financial instruments that are subject to the concentration of credit risk principally consist of cash and trade receivables. Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. The risk of incidence of bad debts is negligible. The Company recognizes provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and consider all aspects with respect to debts.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Outstanding trade receivables and unbilled revenues of BRL 321,652 (INR 4,788,081) (2024: BRL 239,964, INR 4,008,458) are from 1 external customer / customer groups which individually account for more than 10% of outstanding trade receivables and unbilled revenues as at March 31, 2025.

22. SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Management Committee evaluates the Company's performance and allocates resources. Geographical Information is given below:

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Segment Revenue				
India	10,114,054	150,556,797	7,231,235	120,793,442
Brazil	527,480	7,852,014	354,875	5,927,974
Total	10,641,534	158,408,811	7,586,110	126,721,416

No single external customer / group individually accounted for more than 10% of the revenues in the year ended 31st March, 2025 and in the year ended 31st March, 2024.

23. RELATED PARTY DISCLOSURES

- (i) Ultimate Holding Company:
ITC Limited
- (ii) Holding Company:
ITC Infotech India Limited
- (iii) Key Management Personnel
Administrators
Mr. Mauricio Dias
Mr. Caio Matter

Disclosure of transactions between the Company and Related Parties:

- (iv) Holding Company - ITC Infotech India Limited.

Description	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Sale of Services	10,114,054	150,556,796	7,231,235	120,793,442

Sale of Services rendered to group companies are recognized based on cost plus mark-up in accordance with the terms of the respective agreements.

- (v) Disclosure of Outstanding Balances

	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Financial Assets - Trade Receivables	837,401	12,465,468	1,638,265	27,366,234
Financial Assets - Others (Unbilled)	878,423	13,076,117	710,858	11,874,456

- (vi) Information regarding significant transactions

(Generally in excess of 10% of the total transaction value of the same type)

Related Party Transactions	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Sale of Goods / Services				
ITC Infotech India Limited (Holding Company)	10,114,054	150,556,796	7,231,235	120,793,442

Related Party Transactions	For the year ended 31st March, 2025 (BRL)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the year ended 31st March, 2024 (BRL)	For the year ended 31st March, 2024 (INR) (Unaudited)
Remuneration to Key Management Personnel (KMP)				
Mr. Mauricio Dias	755,958	11,253,108	799,602	13,356,867
Mr. Caio Matter	–	–	–	–

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS**24. Recent Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Group w.e.f. April 1, 2024. These amendments do not have a material impact on the financial statements of the Group.

25. SUBSEQUENT EVENTS

The Company evaluated subsequent events through 6th May, 2025 which is the date on which the Special Purpose Financial Statements were approved by the Management Committee. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

26. APPROVAL OF THE FINANCIAL STATEMENTS

The Special Purpose Financial Statements were approved for issue by the Management Committee on 6th May, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

27. COMPARATIVES

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

MANAGEMENT REPORT

The Managing Director submits the Management Report for the financial year ended 31st March, 2025. The Company is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India.

Principal Activities

The Company is engaged in the business of providing Information Technology Services and Solutions.

Business Review

During the year under review, the Company continued to deliver Information Technology Services and Solutions to its clients in the Manufacturing and Automotive industries. The Company leveraged its capabilities in Product Lifecycle Management-led Digital Thread Solutions and Digital Manufacturing amongst others, strengthening its near-shore presence in Europe. The Company remains committed to deepening strategic client partnerships and positioning itself as a trusted advisor in enabling their digital transformation and growth agendas.

Financial Results

The Company's Revenue from Operations grew by 3.23% to EUR 14,710,646 (previous year: EUR 14,251,005), with Profit After Tax for the year at EUR 840,609 (previous year: EUR 2,803,693), representing a de-growth of around 70%; last year profit included a one-off deferred tax credit of approx. EUR 2.3 million.

The Company's financial performance for the year was as under:

(EUR in '000)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	14,765	14,270
Profit Before Tax	1,238	886
Profit for the Year	841	2,804

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF ITC INFOTECH GMBH

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of ITC Infotech GmbH (the "Company"), which comprise the Special Purpose Balance Sheet as at 31st March, 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Special Purpose Financial Statements"). The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company ("ITC Limited") under the requirements of section 129(3) of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements are prepared, in all material respects, in accordance with the basis of preparation set out in Note I(a) to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (the "SAs") issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the requirements of 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 Special Purpose Financial Statements.

Emphasis of Matter

Basis of preparation and restriction on use

We draw attention to Note I(a) to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any another purpose. Our report is intended solely for the information and use of the Board of Directors and management of the Company and its group companies and

Directors

The Directors of the Company in office during the financial year ended 31st March, 2025, and during the period from the end of the financial year to the date of this Report, are as follows:

- Mr. Vishal Kumar - Chairman
- Mr. Karan Shukla - Director
- Mr. Sharad Jain - Director (up to 14th April, 2025)
- Mr. Thomas P. Joshua - Director (w.e.f. 15th April, 2025)
- Mr. Anindya Roy is the sole Managing Director of the Company.

Auditors

The Company has engaged Messrs. Deloitte GmbH Wirtschaftsprüfungsgesellschaft as its Statutory Auditors for audit of the Financial Statements for the financial year 2024-25.

The Company has also engaged Messrs. Deloitte Haskins & Sells LLP, India (Registration Number: 117366W/ W-100018) for conduct of audit of the Special Purpose Ind AS Financial Statements of the Company for the said financial year. Their Report is annexed to the Financial Statements of the Company.

On behalf of ITC Infotech GmbH

Anindya Roy
Managing Director

Date: 6th May, 2025

is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Directors for the Special Purpose Financial Statements

The Company's Board of Directors are responsible for the preparation of these Special Purpose 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 basis described in Note I(a) to the Special Purpose Financial Statements.

This responsibility also includes maintenance of adequate accounting records 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, the management and the 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose

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 Special Purpose 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 but not for the purpose of expressing an opinion on the 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 Special Purpose 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose 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 Special Purpose 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.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm Registration No: 117366W/W-100018

Girish Bagri

Partner

Membership No. 066572

UDIN: 25066572BMNSDE6999

Place: Bengaluru

Date: 6th May, 2025

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

	Note No.	Audited As at 31st March, 2025 (Amount in €)	Unaudited As at 31st March, 2025 (Amount in ₹)	Audited As at 31st March, 2024 (Amount in €)	Unaudited As at 31st March, 2024 (Amount in ₹)
I. ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	57,927	5,334,498	107,825	9,691,054
(b) Financial Assets					
(i) Security Deposit	3 (a)	242	22,286	484	43,501
(ii) Others	3 (a)	5,665	5,21,690	–	–
(c) Deferred Tax Assets (Net)	6	2,138,180	196,905,028	2,277,615	204,706,348
(d) Other Non-Current Assets	7(a)	2,985	2,74,912	–	–
Sub-Total		<u>2,204,999</u>	<u>203,058,414</u>	<u>2,385,924</u>	<u>214,440,903</u>
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	1,264,275	116,427,099	2,352,106	211,401,446
(ii) Cash and Cash Equivalents	5	3,292,439	303,200,752	4,523,099	406,524,797
(iii) Others	3 (b)	4,666,219	429,712,121	2,840,925	255,335,215
(b) Other Current Assets	7(b)	179,995	16,575,771	49,002	4,404,147
Sub-Total		<u>9,402,928</u>	<u>865,915,743</u>	<u>9,765,132</u>	<u>877,665,605</u>
TOTAL		<u>11,607,927</u>	<u>1,068,974,157</u>	<u>12,151,056</u>	<u>1,092,106,508</u>
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	8	2,850,000	262,456,500	2,850,000	256,150,875
(b) Other Equity		3,593,325	330,909,257	2,804,135	252,028,615
Sub-Total		<u>6,443,325</u>	<u>593,365,757</u>	<u>5,654,135</u>	<u>508,179,490</u>
2 Non-current Liabilities					
(a) Provisions	10(a)	1,125,469	103,644,398	1,148,008	103,180,118
(b) Other Non Current Liabilities	11(a)	4,507	415,050	–	–
Sub-Total		<u>1,129,976</u>	<u>104,059,448</u>	<u>1,148,008</u>	<u>103,180,118</u>
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables & Accrued Expenses					
- Total outstanding dues other than micro and small enterprises	9	2,105,624	193,906,903	3,423,114	307,660,923
(b) Other Current Liabilities	11(b)	774,491	71,322,876	911,387	81,913,168
(c) Provisions	10 (b)	573,637	52,826,486	654,337	58,810,168
(d) Current Tax Liabilities (Net)	12	580,874	53,492,687	360,075	32,362,641
Sub-Total		<u>4,034,626</u>	<u>371,548,952</u>	<u>5,348,913</u>	<u>480,746,900</u>
TOTAL		<u>11,607,927</u>	<u>1,068,974,157</u>	<u>12,151,056</u>	<u>1,092,106,508</u>

The accompanying notes 1 to 30 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For **Deloitte Haskins & Sells LLP**,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On Behalf of the Board

Anindya Roy

Managing Director

Karan Shukla

Director

Place : Belfast

Date: 6th May, 2025

Place : Buckingham

Date: 6th May, 2025

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

	Note No.	Year ended		Year ended	
		Audited 31st March, 2025 (Amount in €)	Unaudited 31st March, 2025 (Amount in ₹)	Audited 31st March, 2024 (Amount in €)	Unaudited 31st March, 2024 (Amount in ₹)
I Revenue from Operations	13	14,710,646	13,54,703,412	14,251,005	12,80,844,700
II Other Income	14	53,561	4,932,400	18,733	1,683,672
Total Income		<u>14,764,207</u>	<u>1,359,635,812</u>	<u>14,269,738</u>	<u>1,282,528,372</u>
III Expenses					
Employee Benefits Expense	15	10,193,877	938,754,133	7,468,530	671,252,791
Depreciation and Amortisation Expense	2	68,016	6,263,594	58,489	5,256,854
Other Expenses	16	3,264,885	300,663,260	5,856,774	526,392,246
Total Expenses		<u>13,526,778</u>	<u>1,245,680,987</u>	<u>13,383,793</u>	<u>1,202,901,891</u>
IV Profit Before Tax (I+II-III)		1,237,429	113,954,825	885,945	79,626,481
V Tax Expenses	17				
Current Tax		233,243	21,479,348	359,867	32,343,946
Deferred Tax charge/(credit)		163,577	15,063,806	(2,277,615)	(204,706,342)
		<u>396,820</u>	<u>36,543,154</u>	<u>(1,917,748)</u>	<u>(172,362,396)</u>
VI Profit for the year (IV-V)		<u>840,609</u>	<u>77,411,671</u>	<u>2,803,693</u>	<u>251,988,877</u>
VII Other Comprehensive Income					
(a) Items that will not be Reclassified Subsequently to Profit or Loss					
- Remeasurement of Net Defined Benefit Liability		(75,561)	(6,958,412)	-	-
Tax relating to Items that will not be reclassified subsequently to Profit or Loss		24,142	2,223,237	-	-
Total Other Comprehensive Income		<u>(51,419)</u>	<u>(4,735,175)</u>	<u>-</u>	<u>-</u>
VIII Total Comprehensive Income for the Year (VI+VII)		<u>789,190</u>	<u>72,676,496</u>	<u>2,803,693</u>	<u>251,988,877</u>
IX Earnings Per Share (in €) (Face value € 1 each) (Basic and Diluted)	19	0.147	13.581	0.492	44.209

The accompanying notes 1 to 30 are an integral part of the Special Purpose Financial Statements.

This is the Statement of Profit and Loss referred to in our Report of even date.

For Deloitte Haskins & Sells LLP,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On Behalf of the Board

Anindya Roy
Managing Director

Karan Shukla
Director

Place : Belfast
Date: 6th May, 2025

Place : Buckingham
Date: 6th May, 2025

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

A. EQUITY SHARE CAPITAL

Balance at 1st April, 2024 (Amount in €)	Changes in Equity Share Capital during the year (Amount in €)	Balance at 31st March, 2025 (Amount in €)	Balance at 1st April, 2024 (Amount in ₹) Unaudited	Changes in Equity Share Capital during the year (Amount in ₹) Unaudited	Balance at 31st March, 2025 (Amount in ₹) Unaudited
2,850,000	–	2,850,000	262,456,500	–	262,456,500

Balance at 1st April, 2023 (Amount in €)	Changes in Equity Share Capital during the year (Amount in €)	Balance at 31st March, 2024 (Amount in €)	Balance at 1st April, 2023 (Amount in ₹) Unaudited	Changes in Equity Share Capital during the year (Amount in ₹) Unaudited	Balance at 31st March, 2024 (Amount in ₹) Unaudited
2,850,000	–	2,850,000	256,150,875	–	256,150,875

B. OTHER EQUITY

	Retained Earnings (Amount in €)	Total (Amount in €)	Total (Amount in ₹) Unaudited
Balance as at 1st April, 2024	2,804,135	2,804,135	258,232,750
- Profit for the year	840,609	840,609	77,411,683
- Remeasurement of Net Defined Benefit Liability (Net of Tax)	(51,419)	(51,419)	(4,735,176)
Total Comprehensive Income	3,593,325	3,593,325	330,909,257
Balance as at 31st March, 2025	3,593,325	3,593,325	330,909,257

	Retained Earning (Amount in €)	Total (Amount in €)	Total (Amount in ₹) Unaudited
Balance as at 1st April, 2023	442	442	39,726
- Profit for the year	2,803,693	2,803,693	251,988,876
Total Comprehensive Income	2,804,135	2,804,135	252,028,602
Balance as at 31st March, 2024	2,804,135	2,804,135	252,028,602

Retained Earnings - This represents the cumulative profits of the company and effects of re-measurement of defined benefit obligations.

The accompanying notes 1 to 30 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For Deloitte Haskins & Sells LLP,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On Behalf of the Board

Anindya Roy

Managing Director

Karan Shukla

Director

Place : Belfast

Date: 6th May, 2025

Place : Buckingham

Date: 6th May, 2025

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	Audited For the year ended 31st March, 2025 (Amount in €)		Unaudited For the year ended 31st March, 2025 (Amount in ₹)		Audited For the year ended 31st March, 2024 (Amount in €)		Unaudited For the year ended 31st March, 2024 (Amount in ₹)	
A CASH FLOW FROM OPERATING ACTIVITIES :								
PROFIT BEFORE TAX		1,237,429		113,954,837		885,945		79,626,481
ADJUSTMENT ITEMS:								
Depreciation and Amortisation Expense	68,016		6,263,593		58,489		5,256,854	
Unrealised Loss/(Gain) on Exchange [net]	36		3,315		(10)		(899)	
Loss on disposal of Property, Plant and Equipment	1,208		111,245		5,181		465,653	
Interest Income	(49,590)		(4,566,743)		(18,723)		(1,682,773)	
		19,670		1,811,410		44,937		4,038,835
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES ADJUSTMENTS FOR :		1,257,099		115,766,247		930,882		83,665,316
Trade Receivables, Loans and Advances and Other Assets	(876,900)		(80,753,721)		(5,235,366)		(470,541,674)	
Trade Payables, Other Liabilities and Provisions	(1,628,680)	(2,505,580)	(149,985,097)	(230,738,818)	(6,131,146)	895,780	551,052,075	80,510,401
CASH FROM OPERATIONS		(1,248,481)		(114,972,571)		1,826,662		164,175,717
Income Tax Paid (Net)		(12,444)		(1,145,968)		–		–
NET CASH FROM/(USED IN) OPERATING ACTIVITIES		(1,260,925)		(116,118,539)		1,826,662		164,175,717
B CASH FLOW FROM INVESTING ACTIVITIES :								
Purchase of Property, Plant and Equipment	(19,325)		(1,779,639)		(171,496)		(15,413,591)	
Interest Received on maturity of Bank Deposits	49,590		4,566,743		18,733		1,683,671	
NET CASH FROM / (USED IN) INVESTING ACTIVITIES		30,265		2,787,104		(152,763)		(13,729,920)
C CASH FLOW FROM FINANCING ACTIVITIES :								
NET CASH IN FROM FINANCING ACTIVITIES		–		–		–		–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(1,230,660)		(113,331,435)		1,673,899		150,445,797
OPENING CASH AND CASH EQUIVALENTS		4,523,099		416,532,187		2,849,200		256,079,000
CLOSING CASH AND CASH EQUIVALENTS		3,292,439		303,200,752		4,523,099		406,524,797
CASH AND CASH EQUIVALENTS COMPRISE :								
Cash and Cash Equivalents as above	3,292,439		303,200,752		4,523,099		406,524,797	
Cash and Cash Equivalents		3,292,439		303,200,752		4,523,099		406,524,797

Note: There were no non-cash financing or investing transactions

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows".

The accompanying notes 1 to 30 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Cash Flows referred to in our Report of even date.

For Deloitte Haskins & Sells LLP,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On Behalf of the Board

Anindya Roy

Managing Director

Karan Shukla

Director

Place : Belfast

Date: 6th May, 2025

Place : Buckingham

Date: 6th May, 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

NATURE OF OPERATIONS

ITC Infotech GmbH (the "Company") is a wholly owned subsidiary of ITC Infotech India Limited ("the Parent") providing information technology services to enterprise clients. The Company is incorporated and domiciled in Germany and has its registered office at Friedrich-Ebert-Anlage 36, 60325 Frankfurt am Main.

ITC Infotech GmbH was incorporated on 10th March 2023. In the previous financial year, the Company commenced operations following the transfer of certain assets, liabilities, and employees from the Parent Company. For further details on the transferred items, refer to the Related Party Note 25.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of preparation and statement of compliance

This Special Purpose Financial Statement is prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013. The financial performance and position of the Company are included in the consolidated financial statements of ITC Limited, incorporated under the Companies Act, 2013*, and having its registered office at Virginia House, 37, Jawaharlal Nehru Road, Kolkata 700 071, India.

These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 and the relevant presentation requirements of the Companies Act, 2013 to the extent applicable to the Company. Accordingly, these financial statements do not purport to follow German GAAP.

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortised cost or fair value as required by the relevant Ind AS and explained in the accounting policies:

- i) defined benefit liability/(asset) is recognized as the present value of defined benefit obligation less fair value of plan assets.

Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

*Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statements are presented in Euro. However, as required by the parent company ITC Infotech India Limited., the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate of EUR (€) = INR 92.0900 for the year ended 31st March, 2025 (2024: INR 89.8775) as provided by ITC Infotech India Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS. No representation is made that the Euro amounts have been, could have been or could be converted into Indian rupee at such a rate or any other rate.

c) Use of Estimates and Judgment

The preparation of the Special Purpose Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Special Purpose Financial Statements are included in the following notes:

- i) Revenue Recognition
- ii) Income taxes

d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Special Purpose Financial Statements based on the nature of services rendered and their realisation in cash and

cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. 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 asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss, as Miscellaneous Income, under Other income, in case of net gain or as part of Property, Plant and Equipment Discarded, net under Other Expenses, in case of net loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis.

The estimated useful lives of Property, Plant and Equipment are as follows:

Office Equipment	3 Years
Computers, Servers and Networks	3 - 6 Years

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is Euro.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognized in the Statement of Profit and Loss.

h) Financial Instruments, Financial assets and Financial liabilities

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value, except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

Financial Assets

Recognition: Financial assets include Trade receivables, Unbilled receivables, deposits, advances and cash and cash equivalents. Such assets are initially recognized either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortized cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets: Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They

are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as value added tax and other such taxes.

Revenue is recognized from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognized on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognized from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

The billing schedules agreed with customers include periodic performance-based billing and/or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with Ind AS 115 - Revenue from contracts with customers. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

j) Employee Benefits

The Company makes contributions to both defined contribution schemes and defined benefit schemes such as Co-create pension which are mainly administered through duly constituted and approved Trusts.

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the Projected Unit Credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately in Other

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

Comprehensive Income in the period in which they occur. The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under the Projected Unit Credit method. This benefit is unfunded.

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight-line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude approx. Euro 5,600 or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases

are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

The Board of Directors examines the Company's performance and has identified single reportable segment, namely Information Technology.

Segment revenue is reported on the same basis as revenue in the Special Purpose Financial Statements.

n) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

o) Statement of cash flows

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 from operating, investing and financing activities of the Company are segregated.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

2. PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION (Amount in €)	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	As at 31st March, 2025	As at 1st April, 2024	Charge for the Year	Withdrawals / Adjustments	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
TANGIBLE ASSETS										
Office Equipment	19,179	3,159	9,052	13,286	4,946	10,473	9,052	6,367	14,233	6,919
Computers, Servers and Networks	146,431	16,166	1,359	161,238	52,838	57,543	151	110,230	93,593	51,008
GRAND TOTAL	165,610	19,325	10,411	174,524	57,784	68,016	9,203	116,597	107,826	57,927

DESCRIPTION (Amount in ₹) Unaudited	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	As at 31st March, 2025	As at 1st April, 2024	Charge for the Year	Withdrawals / Adjustments	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
TANGIBLE ASSETS										
Office Equipment	1,766,194	290,912	833,599	1,223,507	455,477	964,459	833,599	586,337	1,310,717	637,170
Computers, Servers and Networks	13,484,831	1,488,727	125,150	14,848,408	4,865,851	5,299,135	13,906	10,151,080	8,618,980	4,697,328
GRAND TOTAL	15,251,025	1,779,639	958,749	16,071,915	5,321,328	6,263,594	847,505	1,07,37,417	9,929,697	5,334,498

3. OTHER FINANCIAL ASSETS

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
3(a) Non-Current				
Unsecured Considered Good, Unless Otherwise Stated				
Security Deposit	242	22,286	484	43,501
Advances (includes advance to employees)				
- Considered Good	5,665	521,690	-	-
Total	5,907	543,976	484	43,501

3. OTHER FINANCIAL ASSETS

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
3(b) Current				
Unsecured Considered Good, Unless Otherwise Stated				
Unbilled Revenue - time and material basis and Fixed Price Support*	4,452,576	410,037,750	2,836,758	254,960,761
Interest Accrued on Deposits	-	-	484	43,466
Advances (includes advance to employees)				
- Considered Good	213,643	19,674,371	3,683	330,988
Total	4,666,219	429,712,121	2,840,925	255,335,215

* Right to consideration is unconditional, upon passage of time.

4. TRADE RECEIVABLE

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
Unsecured Considered Good				
i) Related Parties	-	-	-	-
ii) Other	1,264,275	116,427,099	2,352,106	211,401,446
	1,264,275	116,427,099	2,352,106	211,401,446
Less : Expected Credit Loss Allowance	-	-	-	-
Total	1,264,275	116,427,099	2,352,106	211,401,446

Trade Receivables as at 31st March, 2025	Outstanding for following periods						
	Not Due	Less than 6 months	6 months -1 period	1-2 periods	2-3 periods	Total (Amount in €)	Total (Amount in ₹) Unaudited
Undisputed Trade Receivables - considered good	908,031	356,244	-	-	-	1,264,275	116,427,099
Total in ₹	83,620,573	32,806,526	-	-	-	116,427,099	-

Trade Receivables as at 31st March, 2024	Outstanding for following periods						
	Not Due	Less than 6 months	6 months -1 period	1-2 periods	2-3 periods	Total (Amount in €)	Total (Amount in ₹) Unaudited
Undisputed Trade Receivables - considered good	1,977,930	374,176	-	-	-	2,352,106	211,401,403
Total in ₹	177,771,414	33,629,988	-	-	-	211,401,403	-

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

5. CASH AND CASH EQUIVALENTS

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
Balance with Bank :				
Current Account	792,439	72,975,752	3,523,099	316,647,297
In Deposit Accounts*	2,500,000	230,225,000	1,000,000	89,877,500
Total	3,292,439	303,200,752	4,523,099	406,524,797

The Company does not have any significant cash and cash equivalents that are not available for use.

* Represents deposits with original maturity of less than 3 months from the Balance Sheet date.

6. DEFERRED TAX ASSETS (NET)

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
Deferred Tax Assets	2,138,180	196,905,028	2,277,615	204,706,348
Less: Deferred Tax Liabilities	-	-	-	-
Deferred Tax Assets (Net)	2,138,180	196,905,028	2,277,615	204,706,348

Movement in Deferred Tax

(Amount €)

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	2,078,378	(170,851)	24,142	1,931,669
Other timing differences (includes provision for expenses)	233,660	(8,656)	-	225,004
Total Deferred Tax Assets	2,312,038	(179,507)	24,142	2,156,673
Deferred Tax Liabilities :				
On fiscal allowances on property, plant and equipment	34,423	15,930	-	18,493
Total Deferred Tax Liabilities	34,423	15,930	-	18,493
Deferred Tax Assets (Net)	2,277,615	(195,437)	24,142	2,138,180

Movement in Deferred Tax

(Amount €)

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
FY 2023-24				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	-	2,078,378	-	2,078,378
Other timing differences (includes provision for expenses)	-	233,660	-	233,660
Total Deferred Tax Assets	-	2,312,038	-	2,312,038
Deferred Tax Liabilities :				
On fiscal allowances on property, plant and equipment	-	34,423	-	34,423
Total Deferred Tax Liabilities	-	34,423	-	34,423
Deferred Tax Assets (Net)	-	2,277,615	-	2,277,615

7. OTHER ASSETS

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
(a) Non Current				
Contract Assets	2,985	274,912	-	-
Total	2,985	274,912	-	-
(b) Current				
Other Advances (includes Unexpired Expenses)	102,773	9,464,397	32,077	2,882,973
Unbilled Revenue - percentage of completion *	77,222	7,111,374	16,925	1,521,174
Total	179,995	16,575,771	49,002	4,404,147

*Contractual right to consideration is dependent on completion of contractual milestones. During the year ended 31st March, 2025 and 31st March, 2024, € 16,925 (₹ 1,558,623) and € NIL (₹ NIL), respectively, of Unbilled Revenue - percentage of completion pertaining to fixed price development contracts have been reclassified to Trade Receivables on completion of milestones.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

8. EQUITY SHARE CAPITAL

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) (Unaudited)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) (Unaudited)
Authorised 5,700,000 Equity Shares of € 1 each	5,700,000	524,913,000	5,700,000	512,301,750
Issued and Subscribed : 5,700,000 Equity Shares of € 0.5 each, partially paid-up (All equity shares are held by ITC Infotech India Limited, the Holding Company. The Equity Shares of the Company, having par value of € 1 each per share, rank pari passu in all respects including entitlement to dividend.)	2,850,000	262,456,500	2,850,000	256,150,875
TOTAL	2,850,000	262,456,500	2,850,000	256,150,875

8(a) SHARES HELD BY PROMOTERS

Particulars	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the period	% of Total Shares	% change during the period	No. of shares as at end of the period	% of Total Shares	% change during the period
Equity Shares of € 1 each, partially paid-up (€ 0.5)	ITC Infotech India Limited	5,700,000	100%	0%	5,700,000	100%	0%

The immediate holding company during the financial year is ITC Infotech India Limited, a company incorporated in India. The ultimate holding company is ITC Limited, a company incorporated in India

9. FINANCIAL LIABILITIES

Trade Payable & Accrued Expenses as at 31st March, 2025	Outstanding for following periods							
	Accrued	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (Amount in €)
Inter-company payable (Refer Note 25)	-	1,464,529	-	2,800	-	-	-	1,467,329
Others	638,295	-	-	-	-	-	-	638,295
Total	638,295	1,464,529	-	2,800	-	-	-	2,105,624

Trade Payable & Accrued Expenses as at 31st March, 2024	Outstanding for following periods							
	Accrued	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (Amount in €)
Inter-company payable (Refer Note 25)	636,657	389,902	1,847,540	-	-	-	-	2,874,099
Others	549,015	-	-	-	-	-	-	549,015
Total	1,185,672	389,902	1,847,540	-	-	-	-	3,423,114

10. PROVISIONS

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
10(a) Non Current				
Provisions for Employee Benefits				
Retirement Benefits	1,019,124	93,851,129	884,679	79,512,743
Compensated Absences	106,345	9,793,269	263,329	23,667,375
Total	1,125,469	103,644,398	1,148,008	103,180,118

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
10(b) Current				
Provisions for Employee Benefits				
Compensated Absences	15,150	1,395,164	77,245	6,942,588
Employee Provisions	558,487	51,431,322	577,092	51,867,580
Total	573,637	52,826,486	654,337	58,810,168

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

11. OTHER CURRENT LIABILITIES

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
11 (a) Non Current				
Contract Liability	4,507	415,050	–	–
Total	4,507	415,050	–	–
	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
11 (b) Current				
Statutory Dues	518,009	47,703,449	891,442	80,120,605
Contract Liability [Out of last year's amount of € 19,945 (FY 2024 - NIL), revenue recognised in current year is € 19,440 (FY 2024 - NIL)]	256,482	23,619,427	19,945	1,792,563
Total	774,491	71,322,876	911,387	81,913,168

12. CURRENT TAX LIABILITIES

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Provisions for Income Tax	580,874	53,492,687	360,075	32,362,641
Total	580,874	53,492,687	360,075	32,362,641

13. REVENUE FROM OPERATIONS

	For the year ended		For the year ended	
	31st March, 2025 (Amount in €)	31st March, 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Sale of Services*	14,710,646	1,354,703,412	14,251,005	1,280,844,700
Total Revenue#	14,710,646	1,354,703,412	14,251,005	1,280,844,700

* For disaggregated revenues from contracts with customers by geography, please refer Note 24 on Segment Reporting

The percentage of revenue from fixed-price contracts for the year ended 31st March, 2025 and 31st March, 2024 is approximately 5% and 16%, respectively.

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. The Company has applied the practical expedients as given in Ind AS 115 - Revenue from Contracts with Customers, and not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis and unit of work based contracts, and contracts with contract term or original expected duration of one year or less. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustment for revenue that has not materialised and adjustments for currency fluctuations.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31st March, 2025, other than those meeting the exclusion criteria mentioned above, is € 428,455 (₹ 39,456,421). Out of this, the company expects to recognize revenue of around 32.4% within the next one year and the remaining thereafter.

14. OTHER INCOME

	For the year ended		For the year ended	
	31st March, 2025 (Amount in €)	31st March, 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Interest Income	49,590	4,566,711	18,723	1,682,773
Other Gains	3,971	365,689	10	899
Total	53,561	4,932,400	18,733	1,683,672

15. EMPLOYEE BENEFITS EXPENSES

	For the year ended		For the year ended	
	31st March, 2025 (Amount in €)	31st March, 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Salaries and Bonus	8,655,890	797,120,910	6,462,666	580,848,226
Contribution to Pension and other Funds	1,437,334	132,364,088	966,368	86,854,756
Staff Welfare Expenses	100,653	9,269,135	39,496	3,549,809
Total	10,193,877	938,754,133	7,468,530	671,252,791

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

16. OTHER EXPENSES

	For the year ended		For the year ended	
	31st March, 2025 (Amount in €)	31st March, 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Rent	255,203	23,501,644	46,023	4,136,419
Insurance	231,324	21,302,627	88,048	7,913,551
Travelling and Conveyance	300,886	27,708,592	166,381	14,953,898
Recruitment Expenses	4,051	373,057	30,090	2,704,414
Communication	53,952	4,968,440	34,243	3,077,646
Outsourcing Charges	2,118,435	195,086,679	5,199,384	467,307,599
Software and Related Expenses	553	50,926	2,277	204,684
Business Development Expenses	1,777	163,644	2,536	227,973
Legal, Professional and Consultancy Expenses	215,368	19,833,239	157,358	14,142,937
Property, Plant and Equipment Discarded, net	1,208	111,245	4,597	413,206
Auditors' Remuneration and Expenses	40,900	3,766,481	5,900	530,277
Training and Development	-	-	89,334	8,029,081
Bank Charges	12,415	1,143,297	21,982	1,975,726
Secondment Charges	-	-	2,500	224,694
Miscellaneous Expenses	28,813	2,653,389	6,121	550,140
Total	3,264,885	300,663,260	5,856,774	526,392,246

17. TAX EXPENSES

	For the year ended		For the year ended	
	31st March, 2025 (Amount in €)	31st March, 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
17(a) Tax Expenses Recognised in Statement of Profit and Loss				
Current Tax	233,243	21,479,348	359,867	32,343,946
Deferred Tax Charge/(Credit)	163,577	15,063,806	(2,277,615)	(204,706,342)
Total	396,820	36,543,154	(1,917,748)	(172,362,396)

17(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

Profit before tax	1,237,429	113,954,837	885,945	79,626,480
Income tax expense calculated at 31.925%	395,049	36,380,063	282,838	25,420,754
Effects of :				
- Deferred Tax recognised on estimated / deemed value of employees transferred	-	-	(2,078,378)	(186,799,380)
- Other items	1,771	163,091	(122,208)	(10,983,769)
Income Tax expenses recognised in Statement of Profit and Loss	396,820	36,543,154	(1,917,748)	(172,362,396)

18. EMPLOYEE BENEFITS

Description of Plans

(a) Defined Contribution Plan

Amounts towards Defined Contribution Plans have been recognised under "Contribution to Pension and Other Funds" in Note 15.

(b) Defined Benefit Plan

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through Other Comprehensive Income in the period in which they occur. Pension Benefits and Leave Encashment Benefits are unfunded in nature.

Risk Management:

The defined benefit plans expose the Company to actuarial deficit arising out of investment risk, interest rate risk, salary cost inflation risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

The following table sets out the Defined Benefit Plans / Long-Term Compensated Absences as per Actuarial Valuation as on 31st March, 2025 and recognised in the financial statements in respect of Employee Benefit Schemes :

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

18. EMPLOYEE BENEFITS (CONTINUED)

SI No	I] Components of Employer Expense	2024-25		2023-24	
		Co create pension		Co create pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Current Service Cost	25,153	2,316,340	22,660	2,036,624
2	Net Interest Cost				
	Interest expense on DBO	33,731	3,106,288	-	-
3	Total expense recognised in the Statement of Profit and Loss	58,884	5,422,628	22,660	2,036,624
	Re-measurements recognised in Other Comprehensive Income				
4	(Return) on plan assets (excluding amounts included in Net interest cost)	-	-	-	-
5	Effect of changes in demographic assumptions	-	-	-	-
6	Effect of changes in financial assumptions	(47,729)	(4,395,364)	-	-
7	Effect of experience adjustments	123,290	11,353,776	-	-
8	Total re-measurements included in OCI	75,561	6,958,412	-	-
9	Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (3+8)	134,445	12,381,040	22,660	2,036,624

The current service cost and net interest expense for the year pertaining to Pension and Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Compensated absences in "Salaries and Bonus". The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

	Particulars	2024-25		2023-24	
		Co create pension		Co create pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
II]	Actual Returns	-	-	-	-
III]	Net (Asset)/Liability recognised in Balance Sheet	1,019,124	93,851,129	884,679	79,512,737
1	Present Value of Defined Benefit Obligation	1,019,124	93,851,129	884,679	79,512,737
2	Obligation w.r.t Overseas branches	-	-	-	-
3	Fair Value of Plan Assets	-	-	-	-
4	Status [Deficit]	1,019,124	93,851,129	884,679	79,512,737
5	Net Liability recognised in Balance Sheet				
	Current	-	-	-	-
	Non-current	1,019,124	93,851,129	884,679	79,512,737
	Total	1,019,124	93,851,129	884,679	79,512,737

	Particulars	2024-25		2023-24	
		Co create pension		Co create pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
IV]	Change in Defined Benefit Obligation (DBO)				
1	Present Value of DBO at the end of previous year	884,679	81,470,089	862,019	77,476,113
2	Current Service Cost	25,153	2,316,340	22,660	2,036,624
3	Interest Cost	33,731	3,106,288	-	-
4	Remeasurement (gains)/losses				
	Effect of changes in demographic assumptions	-	-	-	-
	Effect of changes in financial assumptions	(47,729)	(4,395,364)	-	-
	Changes in asset ceiling (excluding interest income)	-	-	-	-
	Effect of experience adjustments	123,290	11,353,776	-	-
5	Transfer of Obligation	-	-	-	-
6	Exchange difference on foreign plans	-	-	-	-
7	Benefits Paid	-	-	-	-
8	Present Value of DBO at the end of the year	1,019,124	93,851,129	884,679	79,512,737

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

V] Actuarial Assumptions

	Particulars	2024-25	2023-24
		Co create pension	Co create pension
1	Discount Rate (%)	4.09%	3.81%
2	Pensions-in-payment increase rate	2.00%	2.00%
3	Long term rate of compensation increase	3.00%	3.00%

VI] Net (Asset)/Liability recognised in Balance Sheet (including experience adjustment impact)

	Particulars	2024-25		2023-24	
		Co create pension		Co create pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Present Value of Defined Benefit Obligation	1,019,124	93,851,129	884,679	79,512,737
2	Fair Value of Plan Assets	-	-	-	-
3	Status [Deficit]	1,019,124	93,851,129	884,679	79,512,737
4	Experience Adjustment of Plan Assets Loss / (Gain)	-	-	-	-
5	Experience Adjustment of obligation Loss / (Gain)	-	-	-	-

VII] Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of sensitivity analysis from previous year.

	Particulars	2024-25		2023-24	
		Co create pension		Co create pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Discount Rate + 100 basis points	872,284	80,328,634	736,227	66,170,242
2	Discount Rate - 100 basis points	1,205,804	111,042,490	1,042,627	93,708,708
3	Long term Compensation Increase Rate + 1%	1,034,556	95,272,262	906,047	81,433,239
4	Long term Compensation Increase Rate – 1%	1,003,926	92,451,545	863,515	77,610,569

VIII] Maturity Analysis of the Benefit Payment

	Particulars	2024-25		2023-24	
		Co create pension		Co create pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Year 1	1,412	130,031	1,308	117,560
2	Year 2	2,364	217,701	2,168	194,854
3	Year 3	43,981	4,050,210	3,010	270,531
4	Year 4	44,995	4,143,590	38,595	3,468,822
5	Year 5	45,992	4,235,403	39,497	3,549,892
6	Next 5 Years	324,322	29,866,813	271,149	24,370,194

19 Earnings per share

			31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
(a)	Profit after Tax	€	840,609	77,411,671	2,803,693	251,988,876
(b)	Weighted average number of Equity Shares	No.	5,700,000	5,700,000	5,700,000	5,700,000
(c)	Earnings Per Share (Face value of € 1 each, per share) (Basic and Diluted)	€	0.147	13.581	0.492	44.209

20 Auditor's Remuneration and Expenses

		31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
	Audit Fees	30,000	27,62,700	-	-
	Fees for Other Services	10,900	10,03,781	5,900	530,277
	Total	40,900	37,66,481	5,900	530,277

21 CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims to maintain a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity. The Company does not have any long-term debt obligation.

The Company is not exposed to any externally imposed capital requirements.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

22 Categories of Financial Instruments

	As at 31st March, 2025 (Amount in €)		As at 31st March, 2025 (Amount in ₹) Unaudited		As at 31st March, 2024 (Amount in €)		As at 31st March, 2024 (Amount in ₹) Unaudited	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	3,292,439	3,292,439	303,200,752	303,200,752	4,523,099	4,523,099	406,524,797	406,524,797
Trade Receivables	1,264,275	1,264,275	116,427,099	116,427,099	2,352,106	2,352,106	211,691,934	211,691,934
Other Financial Assets	4,666,461	4,666,461	429,734,407	429,734,407	2,841,409	2,841,409	255,729,630	255,729,630
Total	9,223,175	9,223,175	849,362,258	849,362,258	9,716,614	9,716,614	873,946,360	873,946,360
	As at 31st March, 2025 (Amount in €)		As at 31st March, 2025 (Amount in ₹) Unaudited		As at 31st March, 2024 (Amount in €)		As at 31st March, 2024 (Amount in ₹) Unaudited	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities								
Measured at amortised cost								
Trade Payables	2,105,624	2,105,624	193,906,903	193,906,903	3,423,114	3,423,114	307,660,923	307,660,923
Total	2,105,624	2,105,624	193,906,903	193,906,903	3,423,114	3,423,114	307,660,923	307,660,923

23 Financial Risk Management Objectives

The Company has a system - based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations.

a) Market Risk

The Company has in place appropriate risk management policies to limit the impact of currency, interest and other price risk on its financial performance.

i) Foreign Currency Risk

The Company undertakes transactions denominated in functional currency - Euro. The Company has unbilled revenue for which the billing is done in USD and CHF.

As on 31st March 2025	USD	In EUR
Financial Assets	56,103	51,875

As on 31st March 2024	CHF	In Euros
Financial Assets	2,101	2,152

Foreign Currency Sensitivity

The sensitivity analysis arises on account of outstanding foreign currency denominated assets and liabilities, including derivative contracts.

The Company considers a sensitivity of 1% in applicable foreign currency rates, holding all other variables constant. In the event the exchange rate fluctuates by +1%, the profit before tax for the year ended 31st March, 2025 and pre-tax total equity as at 31st March, 2025 will be higher by €519 (FY 2024 € 22). If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on profit before tax and pre-tax total equity.

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities, if any, are fixed interest rate bearing. Hence, interest rates are insignificant.

iii) Other Price Risk

Since all the funds are kept in the bank account and term deposits, there is no price risk on such surplus fund.

iv) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

	As at 31st March, 2025 Contractual Cash flows							Total (Amount in ₹) Unaudited
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (Amount in €)	
Trade Payables	2,105,624	2,105,624	-	-	-	-	2,105,624	193,906,914
Total	2,105,624	2,105,624	-	-	-	-	2,105,624	193,906,914

	As at 31st March, 2024 Contractual Cash flows							Total (Amount in ₹) Unaudited
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (Amount in €)	
Trade Payables	3,423,114	3,423,114	-	-	-	-	3,423,114	307,660,923
Total	3,423,114	3,423,114	-	-	-	-	3,423,114	307,660,923

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

v) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Apart from its operating activities, wherein the Company deals with a large number of customers, the Company is also exposed to credit risk from its investing activities. Financial instruments that are subject to the concentration of credit risk principally consist of trade receivables. Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. The concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Outstanding trade receivables and unbilled revenues of € 4,624,033 (₹425,827,155) [2024: € 5,102,230 (₹ 458,575,677)] are from 3 [2024: 5] external customers / customer groups which individually account for more than 10% of outstanding trade receivables and unbilled revenues as at March 31, 2025.

24 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources.

	31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Segment Revenue				
Europe	13,664,249	1,258,340,689	14,251,005	1,280,844,700
India	1,046,397	96,362,702	-	-
Total	14,710,646	1,354,703,391	14,251,005	1,280,844,700

	31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Non-Current Assets*				
Europe	2,204,999	203,058,414	2,385,924	214,440,897
Total	2,204,999	203,058,414	2,385,924	214,440,897

* Non- Current Assets have been considered on the basis of physical location.

Revenues of €11,300,132 (₹1,040,629,164) [FY 2024: €11,040,172 (₹992,263,059)] are derived from 3 external customer groups which individually account for 10% or more of the total revenue for the year ended March 31, 2025.

25 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited

(ii) HOLDING COMPANY:

ITC Infotech India Limited

(iii) KEY MANAGEMENT PERSONNEL

Mr. Anindya Roy - Managing Director

Mr. Vishal Kumar – Director

Mr. Karan Shukla – Director

Mr. Sharad Jain - Director (upto 14th April, 2025)

Mr. Thomas Joshua - Director (appointed w.e.f. 15th April, 2025)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Sl. No	Description	Holding Company			
		2025 (Amount in €)	2025 (Amount in ₹) Unaudited	2024 (Amount in €)	2024 (Amount in ₹) Unaudited
1	Sale of Services	1,046,397	96,362,702	-	-
2	Purchase of Services	1,461,529	134,592,210	4,618,972	415,141,656
3	Purchase of Fixed Assets	-	-	1,32,361	11,896,276
4	Employee Provisions and Liabilities Transferred	-	-	3,081,195	276,930,122
5	Secondment Advance	-	-	5,500	494,326

(vi) DISCLOSURE OF OUTSTANDING BALANCES

Description	Holding Company			
	2025 (Amount in €)	2025 (Amount in ₹) Unaudited	2024 (Amount in €)	2024 (Amount in ₹) Unaudited
Balances as at 31st March,				
i) Other Financial Assets (Unbilled)	422,494	38,907,504	-	-
ii) Trade Payables	1,467,329	135,126,328	2,874,099	258,316,828

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (CONTINUED)

25 RELATED PARTY DISCLOSURES [Continued]

(vii) INFORMATION REGARDING SIGNIFICANT TRANSACTIONS

(Generally in excess of 10% of the total transaction value of the same type)

Related Party Transactions	2025 (Amount in €)	2025 (Amount in ₹) Unaudited	2024 (Amount in €)	2024 (Amount in ₹) Unaudited	Related Party Transactions	2025 (Amount in €)	2025 (Amount in ₹) Unaudited
ITC Infotech India Limited			-	-	Remuneration to Key Management Personnel (KMP)		
Sale of Services					Mr. Anindya Roy - Managing Director	-	-
ITC Infotech India Limited	-	-	-	-	Mr. Vishal Kumar	-	-
Purchase of Services	1,461,529	134,592,210	4,618,972	415,141,633	Mr. Karan Shukla	-	-
Purchase of Fixed Assets	-	-	132,361	11,838,699	Mr. Sharad Jain	-	-
Employee Provisions and Liabilities Transferred	-	-	3,081,195	275,589,803	Mr. Thomas Joshua	-	-

26 LEASES

Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude approx. Euro 5000 or less) are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease. The expenses pertaining to short term leases have been disclosed as 'Rent' in Note 16.

27 SUBSEQUENT EVENTS

The Company evaluated subsequent events through 6th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

28 APPROVAL OF SPECIAL PURPOSE FINANCIAL STATEMENTS

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 6th May, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

29 COMPARATIVES

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

30 NEW ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

MANAGEMENT REPORT

The President submits the Management Report for the financial year ended 31st March, 2025. The Company is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India.

Principal Activities

The Company is engaged in the business of providing Information Technology Services and Solutions.

Business Review

During the year under review, the Company continued to deliver Information Technology Services and Solutions to its clients in Hospitality, Aerospace and Manufacturing industries. The Company leveraged its capabilities in Infrastructure services, application development & maintenance, Enterprise Resource Planning, Product Lifecycle Management-led Digital Thread Solutions and Digital Manufacturing amongst others, strengthening its near-shore presence in Europe. The Company remains committed to deepening strategic client partnerships and positioning itself as a trusted advisor in enabling their digital transformation and growth agendas.

Financial Results

During the year, the Company's Revenue from Operations grew by 45.85% to EUR 8,823,571 (previous year: EUR 6,049,948), with Profit After Tax for the year at EUR 663,900 (previous year: EUR 434,344), representing a growth of 52.85%.

The Company's financial performance for the year was as under:

(EUR in '000)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	8,916	6,079
Profit Before Tax	894	579
Profit for the Year	664	434

INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF ITC INFOTECH FRANCE SAS

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of ITC Infotech France SAS (the "Company"), which comprise the Special Purpose Balance Sheet as at 31st March, 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Special Purpose Financial Statements"). The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company ("ITC Limited") under the requirements of section 129(3) of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements are prepared, in all material respects, in accordance with the basis of preparation set out in Note I(a) to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (the "SAs") issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the requirements of 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 Special Purpose Financial Statements.

Emphasis of Matter

Basis of preparation and restriction on use

We draw attention to Note I(a) to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any another purpose.

Directors / Officer(s)

The Directors / Officer(s) of the Company in office during the financial year ended 31st March, 2025, and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Anindya Roy	- Chairman & President
Mr. Vishal Kumar	- Director
Mr. Karan Shukla	- Director
Mr. Sharad Jain	- Director (up to 14th April, 2025)
Mr. Thomas P. Joshua	- Director (w.e.f. 15th April, 2025)

Auditors

The Company, as per local laws, is not required to audit its Financial Statements for the financial year ended 31st March, 2025. However, as a measure of good governance, the Company has engaged Messrs. Deloitte Haskins & Sells LLP, India (Registration Number 117366W/W-100018), as the Auditors to conduct audit for the financial year ended 31st March, 2025. Their Report is annexed to the Financial Statements of the Company.

On behalf of ITC Infotech France SAS

Anindya Roy
President

Date: 6th May, 2025

Our report is intended solely for the information and use of the Board of Directors and management of the Company and its group companies and is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Directors for the Special Purpose Financial Statements

The Company's Board of Directors are responsible for the preparation of these Special Purpose 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 basis described in Note I(a) to the Special Purpose Financial Statements.

This responsibility also includes maintenance of adequate accounting records 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, the management and the 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 intends 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 Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose 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 Special Purpose 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 but not for the purpose of expressing an opinion on the 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 Special Purpose 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose 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 Special Purpose 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.

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm Registration No: 117366W/W-100018)

Girish Bagri

Partner

Place: Bengaluru

Date: 6th May, 2025

(Membership No. 066572)

UDIN: 25066572BMNSDC5727

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

	Note	As at 31st March, 2025		As at 31st March, 2024	
		(Amount in €)	Unaudited (Amount in ₹)	(Amount in €)	Unaudited (Amount in ₹)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	30,089	2,770,898	67,832	6,096,564
(b) Right-of-Use Assets	2	357,038	32,879,630	1,04,299	9,374,177
(c) Financial Assets	3 (a)	53,048	4,885,190	–	–
(d) Deferred Tax Assets (Net)	6	105,012	9,670,554	110,323	9,915,532
Sub-Total		545,187	50,206,272	282,454	25,386,273
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	1,064,858	98,062,773	4,355,901	391,497,423
(ii) Cash and Cash Equivalents	5	4,619,493	425,409,110	1,885,038	169,422,543
(iii) Others	3 (b)	1,309,382	120,580,989	1,607,996	144,522,627
(b) Other Current Assets	7	172,089	15,847,676	19,770	1,776,894
Sub-Total		7,165,822	659,900,548	7,868,705	707,219,487
TOTAL		7,711,009	710,106,820	8,151,159	732,605,760
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	8	3,000,000	276,270,000	3,000,000	269,632,500
(b) Other Equity		1,165,525	107,333,180	392,264	35,255,708
Sub-Total		4,165,525	383,603,180	3,392,264	304,888,208
2 Non-current Liabilities					
(a) Provisions	10 (a)	1,514,344	139,455,939	1,453,555	130,641,846
(b) Financial Liabilities					
- Lease Liabilities	13	258,900	23,842,101	80,505	7,235,588
Sub-Total		1,773,244	163,298,040	1,534,060	137,877,434
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables & Accrued Expenses					
- Total outstanding dues other than micro and small enterprises	9	152,262	14,021,807	169,793	15,260,625
(ii) Lease Liabilities	13	108,493	9,991,120	25,572	2,298,362
(b) Other Current Liabilities	11	399,117	36,754,685	457,979	41,162,022
(c) Provisions	10 (b)	1,058,267	97,455,827	2,330,633	209,471,438
(d) Current Tax Liabilities (Net)	12	54,101	4,982,161	240,858	21,647,671
Sub-Total		1,772,240	163,205,600	3,224,835	289,840,119
TOTAL		7,711,009	710,106,820	8,151,159	732,605,760

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For Deloitte Haskins & Sells LLP,
Firm Registration Number: 117366 W/W-100018
Chartered Accountants

Girish Bagri
Partner
Membership Number: 066572
Place: Bengaluru
Date: 6th May, 2025

On behalf of the Board

Anindya Roy
President

Place: Belfast
Date: 6th May, 2025

Karan Shukla
Director

Place: Buckingham
Date: 6th May, 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		Audited (Amount in €)	Unaudited (Amount in ₹)	Audited (Amount in €)	Unaudited (Amount in ₹)
I Revenue from Operations	14	8,823,571	812,562,653	6,049,948	543,754,160
Other Income	15	92,247	8,495,026	29,116	2,616,898
II Total Income		8,915,818	821,057,679	6,079,064	546,371,058
III Expenses					
Employee Benefits Expense	16	7,238,567	666,599,635	5,305,913	476,882,196
Finance Costs	13	10,360	954,052	402	36,107
Depreciation and Amortisation Expense	2	127,985	11,786,138	25,937	2,331,153
Other Expenses	17	645,325	59,428,013	167,821	15,083,355
Total Expenses		8,022,237	738,767,838	5,500,073	494,332,811
IV Profit Before Tax (II-III)		893,581	82,289,841	578,991	52,038,247
V Tax Expenses	18				
Current Tax		260,824	24,019,282	240,759	21,638,817
Deferred Tax Credit		(31,143)	(2,867,959)	(96,112)	(8,638,305)
		229,681	21,151,323	144,647	13,000,512
VI Profit for the year (IV-V)		663,900	61,138,518	434,344	39,037,735
VII Other Comprehensive Income					
(a) Items that will not be Reclassified subsequently to Profit or Loss					
- Remeasurement of Net Defined Benefit Obligation		145,815	13,428,103	(42,632)	(3,831,680)
Tax relating to Items that will not be reclassified subsequently to Profit or Loss		(36,454)	(33,57,049)	14,211	12,77,249
Total Other Comprehensive Income		109,361	10,071,054	391,712	35,206,055
VIII Total Comprehensive Income for the year (VI+VII)		773,261	71,209,572	391,712	35,206,055
IX Earnings Per Share (in €) (Face value € 1 each)					
(Basic and Diluted)	20	0.221	20,380	0.145	13.013

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For Deloitte Haskins & Sells LLP,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On behalf of the Board

Anindya Roy

President

Place: Belfast

Date: 6th May, 2025

Karan Shukla

Director

Place: Buckingham

Date: 6th May, 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

A. Equity Share Capital

Balance at 1st April, 2024 (Amount in €)	Changes in Equity Share Capital during the year (Amount in €)	Balance at 31st March, 2025 (Amount in €)	Balance at 1st April, 2024 (Amount in ₹) Unaudited	Changes in Equity Share Capital during the year (Amount in ₹) Unaudited	Balance at 31st March, 2025 (Amount in ₹) Unaudited
3,000,000	-	3,000,000	276,270,000	-	276,270,000

Balance at 1st April, 2023 (Amount in €)	Changes in Equity Share Capital during the year (Amount in €)	Balance at 31st March, 2024 (Amount in €)	Balance at 1st April, 2023 (Amount in ₹) Unaudited	Changes in Equity Share Capital during the year (Amount in ₹) Unaudited	Balance at 31st March, 2024 (Amount in ₹) Unaudited
3,000,000	-	3,000,000	269,632,500	-	269,632,500

B. Other Equity

	Retained Earnings (Amount in €)	Total (Amount in €)	Total (Amount in ₹) Unaudited
Balance as at 1st April, 2024	392,264	392,264	36,123,551
- Profit for the year	663,900	663,900	61,138,551
- Remeasurement of Net Defined Benefit Liability (Net of Tax)	109,361	109,361	10,071,078
Total Comprehensive Income	1,165,525	1,165,525	107,333,180
Balance as at 31st March, 2025	1,165,525	1,165,525	107,333,180

	Retained Earnings (Amount in €)	Total (Amount in €)	Total (Amount in ₹) Unaudited
Balance as at 1st April, 2023	552	552	49,612
- Profit for the year	434,344	434,344	39,037,736
- Remeasurement of Net Defined Benefit Liability (Net of Tax)	(42,632)	(42,632)	(3,831,640)
Total Comprehensive Income	392,264	392,264	35,255,708
Balance as at 31st March, 2024	392,264	392,264	35,255,708

Retained Earnings - This represents the cumulative profits of the company and effects of re-measurement of defined benefit obligations.

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For **Deloitte Haskins & Sells LLP**,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On behalf of the Board

Anindya Roy

President

Place: Belfast

Date: 6th May, 2025

Karan Shukla

Director

Place: Buckingham

Date: 6th May, 2025

SPECIAL PURPOSE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	Audited (Amount in €)	Unaudited (Amount in ₹)	Audited (Amount in €)	Unaudited (Amount in ₹)
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	893,581	82,289,874	578,991	52,038,247
ADJUSTMENT ITEMS:				
Depreciation and Amortisation Expense	127,985	11,786,139	25,937	2,331,133
Unrealised Loss / (Gain) on Exchange [net]	461	42,453	(83)	(7,431)
Interest Income	(92,247)	(8,495,026)	(29,034)	(2,609,529)
Finance Costs on Lease Liabilities	10,360	954,052	402	36,107
Share based Payments to Employees	5,914	544,620	-	-
	52,473	4,832,238	(2,778)	(249,720)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	946,054	87,122,112	576,213	51,788,527
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	3,383,184	311,557,415	(6,084,877)	(546,893,500)
Trade Payables, Other Liabilities and Provisions	(1,148,069)	(105,725,630)	(1,482,901)	(133,279,340)
CASH FROM OPERATIONS	3,181,169	292,953,897	(906,688)	(81,490,813)
Income Tax Paid (Net)	(447,581)	(41,217,734)	(144,647)	(13,000,511)
NET CASH (USED) IN OPERATING ACTIVITIES	2,733,588	251,736,163	(1,051,335)	(94,491,324)
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant and Equipment	(5,451)	(501,983)	(90,782)	(8,159,216)
Interest Received on maturity of Bank Deposits	92,892	8,554,381	27,155	2,440,580
NET CASH (USED) IN INVESTING ACTIVITIES	87,441	8,052,398	(63,627)	(5,718,637)
C CASH FLOW FROM FINANCING ACTIVITIES :				
Repayment of Lease Liability (Refer Note 13)	(86,574)	(7,972,600)	-	-
NET CASH FROM FINANCING ACTIVITIES	(86,574)	(7,972,600)	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	2,734,455	251,815,961	(1,114,962)	(100,209,961)
OPENING CASH AND CASH EQUIVALENTS	1,885,038	173,593,149	3,000,000	269,632,504
CLOSING CASH AND CASH EQUIVALENTS	4,619,493	425,409,110	1,885,038	169,422,543
CASH AND CASH EQUIVALENTS COMPRISE :				
Cash and Cash Equivalents	4,619,493	425,409,110	1,885,038	169,422,543
Cash and Cash Equivalents	4,619,493	425,409,110	1,885,038	169,422,543

Note: Non-cash finance lease activities are disclosed in Note 13 on leases.

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows".

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For **Deloitte Haskins & Sells LLP**,

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On behalf of the Board

Anindya Roy

President

Place: Belfast

Date: 6th May, 2025

Karan Shukla

Director

Place: Buckingham

Date: 6th May, 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

NATURE OF OPERATIONS

ITC Infotech France SAS ("the Company") is a wholly owned subsidiary of ITC Infotech India Limited ("the Parent") providing information technology services to enterprise clients. The Company is incorporated and domiciled in France and has its registered office at 17, Rue Jeanne Braconnier 92360 Meudon, France.

ITC Infotech France SAS was incorporated on 8th February 2023. In the previous financial year, the Company commenced its operations on 1st September 2023 following the transfer of certain assets, liabilities, and employees from the Parent Company. Details of the transferred assets and liabilities are provided in the Related Parties Note No 27.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of preparation and statement of compliance

This Special Purpose Financial Statement is prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013. The financial performance and position of the Company are included in the consolidated financial statements of ITC Limited, incorporated under the Companies Act, 2013*, and having its registered office at Virginia House, 37, Jawaharlal Nehru Road, Kolkata 700 071, India.

These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 and the relevant presentation requirements of the Companies Act, 2013 to the extent applicable to the Company. Accordingly, these financial statements do not purport to follow general acceptable accounting principles in France.

These financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortised cost or fair value as required by the relevant Ind AS and explained in the accounting policies:

- i. defined benefit liability/(asset) is recognized as the present value of defined benefit obligation less fair value of plan assets.

Accounting policies have been applied consistently to all periods presented in these financial statements, except for the new accounting standards adopted by the Company.

*Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in Euro. However, as required by the parent company ITC Infotech India Ltd., the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate of EUR (€) = INR 92.0900 for the year ended 31st March, 2025 (2024: INR 89.8775) as provided by ITC Infotech India Ltd, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS. No representation is made that the Euro amounts have been, could have been or could be converted into Indian rupee at such a rate or any other rate.

c) Use of Estimates and Judgment

The preparation of the Special Purpose Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Special Purpose Financial Statements are included in the following notes:

- i. Revenue Recognition
- ii. Income taxes

d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Special Purpose Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. 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 asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss, as Miscellaneous Income, under Other income, in case of net gain or as part of Property Plant and Equipment Discarded, net under Other Expenses, in case of net loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis.

The estimated useful lives of Property, Plant and Equipment are as follows:

Office Equipment	3 Years
Computers, Servers and Networks	3 - 6 Years

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is Euro.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognized in the Statement of Profit and Loss.

h) Financial instruments, Financial assets and Financial liabilities

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value, except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Trade receivables, Unbilled receivables, deposits, advances and cash and cash equivalents. Such assets are initially recognized either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortized cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for

those services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as value added tax and other such taxes.

Revenue is recognized from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognized on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognized from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with Ind AS 115 - Revenue from contracts with customers. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

j) Employee Benefits

The Company makes contributions to both defined contribution schemes and defined benefit schemes such as French Indemnity pension which are mainly administered through duly constituted and approved Trusts.

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the Project Unit Credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately in Other Comprehensive Income in the period in which they occur. The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under Project Unit Credit method. This benefit is unfunded.

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

k) Employee Share Based Compensation

Stock option Plan of the Company

The Board of Directors of the parent company have approved an Equity Based Long Term Incentive Plan for certain eligible employees of the Company / Group under the ITC Infotech India Limited Employee Stock Option Plan 2024. The eligible employees for this purpose are the permanent employees of the company (including transferred employees as a consequence of strategic transactions, mergers/ acquisition).

This is a one-time grant which is linked to the listing of the parent company but allows for cash settlement with approval of the Nomination and Remuneration Committee (NRC) of the parent company in case there is no listing.

These Options have been recognised as cash-settled options and accordingly, a liability is initially measured at fair value at the grant date and is subsequently remeasured at each reporting period, until settled. The fair value of the units granted is recognised in the Statement of Profit and Loss over the period in which the performance and / or service conditions are fulfilled for employees of the Company.

l) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred, and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight-line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude approx. Euro 5,600 or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

m) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable

in respect of previous years. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

n) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

The Board of Directors examines the Company's performance and has identified single reportable segment, namely Information Technology.

Segment revenue is reported on the same basis as revenue in the Special Purpose Financial Statement.

o) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

p) Statement of cash flows

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 from operating, investing and financing activities of the Company are segregated.

2. PROPERTY, PLANT AND EQUIPMENT, OTHER INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS - FY 2024-25

DESCRIPTION (Amount in €)	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
(i) Tangible Assets										
Office Equipment	8,841	1,400	5,346	4,895	2,791	5,048	5,346	2,493	6,050	2,402
Computers, Servers and Networks	81,941	4,051	-	85,992	20,159	38,146	-	58,305	61,782	27,687
TOTAL	90,782	5,451	5,346	90,887	22,950	43,194	5,346	60,798	67,832	30,089

DESCRIPTION (Amount in €)	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
(ii) Right-of-Use Assets										
Right-of-Use Assets - Vehicles	107,286	337,530	-	444,816	2,987	84,791	-	87,778	104,299	357,038
TOTAL	107,286	337,530	-	444,816	2,987	84,791	-	87,778	104,299	357,038

DESCRIPTION (Amount in ₹) Unaudited	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
(i) Tangible Assets										
Office Equipment	814,168	128,926	492,313	450,781	257,023	464,870	492,313	229,580	557,145	221,201
Computers, Servers and Networks	7,545,947	373,057	-	7,919,004	1,856,442	3,512,865	-	5,369,307	5,689,505	2,549,697
TOTAL	8,360,115	501,983	4,92,313	8,369,785	2,113,465	3,977,735	492,313	5,598,887	6,246,650	2,770,898

DESCRIPTION (Amount in ₹) Unaudited	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
(ii) Right-of-Use Assets										
Right-of-Use Assets - Vehicles	9,879,968	31,083,138	-	40,963,106	275,073	7,808,403	-	8,083,476	9,604,895	32,879,630
TOTAL	9,879,968	31,083,138	-	40,963,106	275,073	7,808,403	-	8,083,476	9,604,895	32,879,630

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

2. PROPERTY, PLANT AND EQUIPMENT, OTHER INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS - FY 2023-24

DESCRIPTION (Amount in €)	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
(i) Tangible Assets										
Office Equipment	-	8,841	-	8,841	-	2,791	-	2,791	-	6,050
Computers, Servers and Networks	-	81,941	-	81,941	-	20,159	-	20,159	-	61,782
TOTAL	-	90,782	-	90,782	-	22,950	-	22,950	-	67,832

DESCRIPTION (Amount in €)	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
(ii) Right-of-Use Assets										
Right-of-Use Assets - Vehicles	-	107,286	-	107,286	-	2,987	-	2,987	-	104,299
TOTAL	-	107,286	-	107,286	-	2,987	-	2,987	-	104,299

DESCRIPTION (Amount in ₹) Unaudited	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
(i) Tangible Assets										
Office Equipment	-	794,607	-	794,607	-	250,868	-	250,868	-	543,739
Computers, Servers and Networks	-	7,364,652	-	7,364,652	-	1,811,850	-	1,811,850	-	5,552,825
TOTAL	-	8,159,259	-	8,159,259	-	2,062,718	-	2,062,718	-	6,096,564

DESCRIPTION (Amount in ₹) Unaudited	Gross Block				Depreciation				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	Change For the year	Withdrawals/ Adjustments	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
(ii) Right-of-Use Assets										
Right-of-Use Assets - Vehicles	-	9,642,621	-	9,642,621	-	268,435	-	268,436	-	9,374,177
TOTAL	-	9,642,621	-	9,642,621	-	268,435	-	268,436	-	9,374,177

3. OTHER FINANCIAL ASSETS

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
3(a) Non-Current				
Security Deposit	-	-	-	-
Advances (includes advance to employees) - Considered Good	53,048	4,885,190	-	-
Total	53,048	4,885,190	-	-

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
3(b) Current				
Unsecured Considered Good, Unless Otherwise Stated				
Unbilled Revenue - time and material basis & fixed price support contracts *	1,260,553	116,084,326	1,604,818	144,236,996
Security Deposits	6,510	599,506	-	-
Interest Accrued on Deposits	1,317	121,283	1,962	176,340
Advances (includes advance to employees) - Considered Good	41,002	3,775,874	1,216	109,291
Total	1,309,382	120,580,989	1,607,996	144,522,627

* Right to consideration is unconditional, upon passage of time.

4. TRADE RECEIVABLE

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
Unsecured Considered Good				
i) Related Parties (Refer to Note 27)	736,844	67,855,964	4,146,547	372,681,278
ii) Other	328,014	30,206,809	209,354	18,816,145
	1,064,858	98,062,773	4,355,901	391,497,423
Less : Expected Credit Loss Allowance	-	-	-	-
Total	1,064,858	98,062,773	4,355,901	391,497,423

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

Trade Receivables as at 31st March, 2025	Outstanding for following periods						Total (Amount in €)	Total (Amount in ₹) Unaudited
	Not Due	Less than 6 months	6 months -1 period	1-2 periods	2-3 periods			
Undisputed Trade Receivables - considered good	1,056,034	8,824	-	-	-		1,064,858	98,062,773
Total in €	1,056,034	8,824					1,064,858	98,062,773
Total in ₹ (Unaudited)	97,250,171	812,602					98,062,773	

Trade Receivables as at 31st March, 2024	Outstanding for following periods						Total (Amount in €)	Total (Amount in ₹) Unaudited
	Not Due	Less than 6 months	6 months -1 period	1-2 periods	2-3 periods			
Undisputed Trade Receivables - considered good	4,146,547	209,354	-	-	-		4,355,901	391,497,423
Total in €	4,146,547	209,354					4,355,901	391,497,423
Total in ₹ (Unaudited)	372,681,278	18,816,188					391,497,423	

5. CASH AND CASH EQUIVALENTS

	As at 31st March, 2025		As at 31st March, 2024	
	(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
Balance with Bank:				
Current Account	619,493	57,049,110	385,038	34,606,293
In Deposit Accounts*	4,000,000	368,360,000	1,500,000	134,816,250
Total	4,619,000	425,409,110	1,885,038	169,422,543

The Company does not have any significant cash and cash equivalents that are not available for use.

* Represents deposits with original maturity of less than 3 months from the Balance Sheet date

6. DEFERRED TAX ASSETS (NET)

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
Deferred Tax Assets	105,012	9,670,554	110,323	9,915,532
Less: Deferred Tax Liabilities	-	-	-	-
Deferred Tax Assets (Net)	105,012	9,670,554	110,323	9,915,532

Movement in Deferred Tax

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	110,323	31,143	(36,454)	105,012
Other timing differences	-	-	-	-
Total Deferred Tax Assets	110,323	31,143	(36,454)	105,012
Deferred Tax Liabilities :				
Other timing differences	-	-	-	-
Total Deferred Tax Liabilities	-	-	-	-
Deferred Tax Assets (Net)	110,323	31,143	(36,454)	105,012

Movement in Deferred Tax

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
FY 2023-24				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	-	96,112	14,211	110,323
Other timing differences	-	-	-	-
Total Deferred Tax Assets	-	96,112	14,211	110,323
Deferred Tax Liabilities :				
Other timing differences	-	-	-	-
Total Deferred Tax Liabilities	-	-	-	-
Deferred Tax Assets (Net)	-	96,112	14,211	1,10,323

7. OTHER ASSETS

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) Unaudited	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) Unaudited
(1) Current				
Other Advances (includes Unexpired Expenses)	3,942	363,019	4,686	421,148
Unbilled Revenue - percentage of completion *	168,147	15,484,657	15,084	1,355,746
Total	172,089	15,847,676	19,770	1,776,894

*Contractual right to consideration is dependent on completion of contractual milestones. During the year ended 31st March, 2025 and 31st March, 2024, € 8,324 (₹ 766,557) and € NIL (₹ NIL), respectively, of Unbilled Revenue - percentage of completion pertaining to fixed price development contracts have been reclassified to Trade Receivables on completion of milestones.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

8. EQUITY SHARE CAPITAL

	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹) (Unaudited)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹) (Unaudited)
Authorised 3,000,000 Equity Shares of € 1 each	3,000,000	276,270,000	3,000,000	269,632,500
Issued and Subscribed : (All equity shares are held by ITC Infotech India Limited, the Holding Company. The Equity Shares of the Company, having par value of € 1 each per share, rank pari passu in all respects including entitlement to dividend.)	3,000,000	276,270,000	3,000,000	269,632,500
TOTAL	3,000,000	276,270,000	3,000,000	269,632,500

8(a) SHARES HELD BY PROMOTERS

Particulars	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the period	% of Total Shares	% change during the period	No. of shares as at end of the period	% of Total Shares	% change during the period
Equity Shares of € 1 each, fully paid up	ITC Infotech India Limited	3,000,000	100%	0%	3,000,000	100%	0%

9. FINANCIAL LIABILITIES

Trade Payable & Accrued Expenses as at 31st March, 2025	Outstanding for following periods								Total (Amount in ₹) Unaudited
	Accrued	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (Amount in €)	
Intercompany Payable (Refer Note 27)	-	5,914	-	-	-	-	-	5,914	544,620
Others	146,348	-	-	-	-	-	-	146,348	13,477,187
Total	146,348	5,914	-	-	-	-	-	152,262	14,021,807

Trade Payable & Accrued Expenses as at 31st March, 2024	Outstanding for following periods								Total (Amount in ₹) Unaudited
	Accrued	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (Amount in €)	
Intercompany Payable (Refer Note 27)	-	-	64,531	-	-	-	-	64,531	5,799,885
Others	104,612	-	650	-	-	-	-	105,262	9,460,740
Total	104,612	-	65,181	-	-	-	-	169,793	15,260,625

10. PROVISIONS

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Provisions for Employee Benefits 10(a) Non Current				
Compensated Absences	146,684	13,508,130	64,651	5,810,671
Retirement Benefits	1,367,660	125,947,809	1,388,904	124,831,175
Total Non-current	1,514,344	139,455,939	1,453,555	130,641,846

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Provisions for Employee Benefits 10(b) Current				
Compensated Absences	18,822	1,733,336	23,471	2,109,517
Employee Provisions	1,039,445	95,722,491	2,307,162	207,361,921
Total current	1,058,267	97,455,827	2,330,633	209,471,438

11. OTHER CURRENT LIABILITIES

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Statutory Dues	371,618	34,222,302	455,790	40,965,274
Contract Liability [Out of last year's amount of € 2,189 (FY 2024 - € NIL), revenue recognised in current year is € 2,189 (FY 2024 - € NIL)]	27,499	2,532,383	2,189	196,748
Total	399,117	36,754,685	457,979	41,162,022

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

12. CURRENT TAX LIABILITIES

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Provisions for Income Tax (net)	54,101	4,982,161	240,858	21,647,671
Total	54,101	4,982,161	240,858	21,647,671

13. LEASE LIABILITIES & FINANCE COST

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Lease Liabilities				
- Non Current	2,58,900	2,38,42,101	80,505	72,35,588
- Current	1,08,493	99,91,120	25,572	22,98,363
Total	3,67,393	3,38,33,221	1,06,077	95,33,951

The amount of ROU Asset and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 2 and on the face of the Balance Sheet respectively. The total cash outflow for leases for the year is € 86,574. All Leases entered into by the company have a lease term of less than five years.

Movement of Lease Liabilities during the year

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Opening Lease Liabilities	106,077	9,768,631	-	-
New Lease recognised	337,530	31,083,138	107,286	9,642,615
Interest expense on Lease Liability	10,360	954,052	402	36,107
Payments of Lease Liability made	(86,574)	(7,972,600)	(1,611)	(144,772)
Closing balance of Lease Liability	367,393	33,833,221	106,077	9,533,950

14. REVENUE FROM OPERATIONS

	For the year ended		For the period ended	
	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Sale of Services*	8,823,571	812,562,653	6,049,948	543,754,160
Total Revenue#	8,823,571	812,562,653	6,049,948	543,754,160

* For disaggregated revenues from contracts with customers by geography, please refer Note 26 on Segment Reporting

The percentage of revenue from fixed-price contracts for the year ended 31st March, 2025 and 31st March, 2024 is approximately 7% and NIL %, respectively.

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as of the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. The Company has applied the practical expedients as given in Ind AS 115 - Revenue from Contracts with Customers, and not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material basis and unit of work based contracts, and contracts with contract term or original expected duration of one year or less. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revaluations, adjustment for revenue that has not materialised and adjustments for currency fluctuations.

The aggregate value of performance obligations that are completely or partially unsatisfied as at 31st March, 2025, other than those meeting the exclusion criteria mentioned above, is € NIL [2024: € NIL]

15. OTHER INCOME

	For the year ended		For the period ended	
	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Interest Income	92,247	84,95,026	29,034	26,09,528
Other Gains	-	-	82	7,370
Total	92,247	84,95,026	29,116	26,16,898

15. EMPLOYEE BENEFITS EXPENSES

	For the year ended		For the period ended	
	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Salaries and Bonus	4,745,959	437,055,364	3,660,117	328,962,166
Contribution to Pension and other Funds	2,468,718	227,344,241	1,618,032	145,424,671
Share based Payments to Employees (Refer Note 22)	5,914	544,620	-	-
Staff Welfare Expenses	17,976	1,655,410	27,764	2,495,359
Total	7,238,567	666,599,635	5,305,913	476,882,196

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

16. OTHER EXPENSES

	For the year ended		For the period ended	
	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
Rent	45,059	4,149,483	1,050	94,371
Rates & Taxes	15,868	1,461,284	10,000	898,775
Insurance	10,347	952,855	4,686	421,166
Travelling and Conveyance	114,219	10,518,428	46,139	4,146,858
Communication	17,548	1,615,995	2,459	221,008
Software and Related Expenses	600	55,254	1,323	118,908
Business Development Expenses	348	32,047	217	19,503
Legal, Professional and Consultancy Expenses	405,761	37,366,530	82,932	7,453,721
Auditors' Remuneration and Expenses (Refer No 21)	9,150	842,624	5,900	530,277
Bank Charges	14,894	1,371,623	6,319	567,959
Miscellaneous Expenses	11,531	1,061,890	6,796	610,808
Total	645,325	59,428,013	167,821	15,083,355

18. TAX EXPENSES

	For the year ended		For the period ended	
	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹) Unaudited	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹) Unaudited
18(a) Tax Expenses Recognised in Statement of Profit and Loss				
Current Tax	260,824	24,019,282	240,759	21,638,817
Deferred Tax Credit	(31,143)	(2,867,959)	(96,112)	(8,638,305)
Total	229,681	21,151,323	144,647	13,000,512

18(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

Profit before tax	893,581	82,289,841	578,991	52,038,247
Income tax expense calculated at 25%	223,395	20,572,446	144,748	13,009,562
Effects of :				
- Other items	6,286	578,877	(101)	(9,050)
Income Tax expenses recognised in Statement of Profit and Loss	229,681	21,151,323	144,647	13,000,512

19. EMPLOYEE BENEFITS

Description of Plans

(a) Defined Contribution Plan

Amounts towards Defined Contribution Plans have been recognised under "Contribution to Pension and Other Funds in Note 16.

(b) Defined Benefit Plan

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through Other Comprehensive Income in the period in which they occur. Pension Benefits and Leave Encashment Benefits are unfunded in nature.

Risk Management

The defined benefit plans expose the Company to actuarial deficit arising out of interest rate risk, salary cost inflation risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

The current service cost and net interest expense for the year pertaining to Pension expenses have been recognised in "Contribution to Provident and other funds" and Compensated absences in "Salaries and Bonus". The remeasurements of the net defined benefit liability are included in Other Comprehensive Income. The following table sets out the Defined Benefit Plans / Long-Term Compensated Absences as per Actuarial Valuation as on 31st March, 2025 and recognised in the financial statements in respect of Employee Benefit Schemes :

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

SI No	I] Components of Employer Expense	2024-25		2023-24	
		France Retirement Indemnity Pension		France Retirement Indemnity Pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Current Service Cost	79,433	7,314,985	54,606	4,907,851
2	Net Interest Cost	45,139	4,156,851	32,163	2,890,730
3	Past Service Cost - Plan Amendments	-	-	295,900	26,594,752
4	Past Service Cost - Curtailments	-	-	-	-
5	Total expense recognised in the Statement of Profit and Loss	124,572	11,471,836	382,669	34,393,333
	Re-measurements recognised in Other Comprehensive Income				
6	(Return) on plan assets (excluding amounts included in Net interest cost)	-	-	-	-
7	Effect of changes in demographic assumptions	-	-	-	-
8	Effect of changes in financial assumptions	(57,339)	(5,280,349)	31,588	2,839,050
9	Effect of experience adjustments	(88,476)	(8,147,755)	25,255	2,269,856
10	Total re-measurements included in OCI	(145,815)	(13,428,104)	56,843	5,108,906
11	Total defined benefit cost / (credit) recognised in Profit and Loss and Other Comprehensive Income (5+10)	(21,243)	(1,956,268)	439,512	39,502,239

The current service cost and net interest expense for the year pertaining to Pension and Gratuity expenses have been recognised in "Contribution to Pension and other funds" and Compensated absences in "Salaries and Bonus". The remeasurements of the net defined benefit liability are included in Other Comprehensive Income. Past Service Cost - Plan amendments is on account of change in the definition of "pensionable salary" which now includes variable pay in addition to base salary used in determination of DBO.

	Particulars	2024-25		2023-24	
		France Retirement Indemnity Pension		France Retirement Indemnity Pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
II]	Actual Returns	-	-	-	-
III]	Net Liability recognised in Balance Sheet	1,367,660	125,947,809	1,388,903	124,831,129
1	Present Value of Defined Benefit Obligation	1,367,660	125,947,809	1,388,903	124,831,129
2	Obligation w.r.t Overseas branches	-	-	-	-
3	Fair Value of Plan Assets	-	-	-	-
4	Status [(Surplus) / Deficit]	1,367,660	125,947,809	1,388,903	124,831,129
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
5	Net Liability recognised in Balance Sheet				
	Current	-	-	-	-
	Non-current	1,367,660	125,947,809	1,388,903	124,831,129
	Total	1,367,660	125,947,809	1,388,903	124,831,129

	Particulars	2024-25		2023-24	
		France Retirement Indemnity Pension		France Retirement Indemnity Pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
IV]	Change in Defined Benefit Obligation (DBO)				
1	Present Value of DBO at the beginning of period / at the time of transfer	1,388,903	127,904,077	949,391	85,328,890
2	Current Service Cost	79,433	7,314,985	54,606	4,907,851
3	Interest Cost	45,139	4,156,851	32,163	2,890,730
4	Remeasurement (Gains) / Losses:	-	-	-	-
	Effect of changes in demographic assumptions	-	-	-	-
	Effect of changes in financial assumptions	(57,339)	(5,280,349)	31,588	2,839,050
	Changes in asset ceiling (excluding interest income)	-	-	-	-
	Effect of experience adjustments	(88,476)	(8,147,755)	25,255	2,269,856
5	Transfer of Obligation	-	-	-	-
6	Exchange difference on foreign plans	-	-	-	-
7	Benefits Paid	-	-	-	-
8	Past Service Cost - Plan Amendments	-	-	295,900	26,594,752
9	Past Service Cost - Curtailments	-	-	-	-
10	Acquisition / Divestiture	-	-	-	-
11	Present Value of DBO at the end of the year	1,367,660	125,947,809	1,388,903	124,831,129

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

V] Actuarial Assumptions

	Particulars	2024-25	2023-24
		France Retirement Indemnity Pension	France Retirement Indemnity Pension
1	Discount Rate (%)	3.75%	3.25%
2	Pensions-in-payment increase rate	2.25%	2.25%
3	Long term rate of compensation increase	3.00%	3.00%

VI] Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)

	Particulars	2024-25		2023-24	
		France Retirement Indemnity Pension		France Retirement Indemnity Pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Present Value of Defined Benefit Obligation	1,367,660	125,947,809	1,388,903	124,831,129
2	Fair Value of Plan Assets	-	-	-	-
3	Status [Deficit]	1,367,660	125,947,809	1,388,903	124,831,129
4	Experience Adjustment of Plan Assets [Loss / (Gain)]	-	-	-	-
5	Experience Adjustment of obligation [Loss / (Gain)]	(88,476)	(8,147,755)	25,255	2,269,856

VII] Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of sensitivity analysis from previous year.

	Particulars	2024-25		2023-24	
		France Retirement Indemnity Pension		France Retirement Indemnity Pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Discount Rate + 100 basis points	1,264,386	116,437,307	1,269,202	114,072,703
2	Discount Rate - 100 basis points	1,486,635	136,904,217	1,527,847	137,319,069
3	Long term Compensation Increase Rate + 1%	1,262,734	116,285,174	1,526,760	137,221,372
4	Long term Compensation Increase Rate – 1%	1,486,325	136,875,669	1,267,846	113,950,829

VIII] Maturity Analysis of the Benefit Payment

	Particulars	2024-25		2023-24	
		France Retirement Indemnity Pension		France Retirement Indemnity Pension	
		(Amount in €)	(Amount in ₹) Unaudited	(Amount in €)	(Amount in ₹) Unaudited
1	Year 1	-	-	-	-
2	Year 2	-	-	-	-
3	Year 3	498,094	45,869,476	-	-
4	Year 4	108,484	9,990,292	508,277	45,682,666
5	Year 5	-	-	107,387	9,651,675
6	Next 5 Years	547,555	50,424,340	563,708	50,664,666

20 Earnings per share

			31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
(a)	Profit after Tax	€	663,900	61,138,518	434,344	39,037,736
(b)	Weighted average number of Equity Shares	No.	3,000,000	3,000,000	3,000,000	3,000,000
(c)	Earnings Per Share (Face value of € 1 each, per share) (Basic and Diluted)	€	0.221	20.380	0.145	13.013

21 Auditor's Remuneration and Expenses

		31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
	Audit Fees	9,150	842,624	5,900	530,277
	Total	9,150	842,624	5,900	530,277

22 SHARE BASED PAYMENTS

Stock Option Plan of the parent company:

The eligible employees of the Company have been granted stock options under the ITC Infotech India Limited Employee Stock Option Plan 2024 (I3L ESOP 2024) in accordance with the terms and conditions of such schemes, key details of which are as under:

- Time-Based Options:** Vesting of Options would be subject to continued employment of the individual.
- Performance-Based Options:** The Nomination and Remuneration Committee of the parent company has specified certain performance criteria for vesting of the options.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

The Options granted shall vest in accordance with the following Vesting Schedule:

Date of Vesting	Annual Vesting Percentage
2nd anniversary from date of Grant	35% of Options granted
4th anniversary from the date of Grant	65% of Options granted

In the event the parent company gets listed before vesting, the exercise period shall be up to 5 years from the respective date of vesting. In the event of no listing, there will be mandatory cash settlement within three months from the date of vesting.

The cost of stock options granted under I3L ESOP 2024 have been recognised as cash settled share-based payments in accordance with Ind AS 102 – Share Based Payment. In terms of the aforesaid arrangement, the Company accounts for the cost of the fair value of units granted to the eligible employees as employee benefits expense with a corresponding increase in other financial liabilities.

The fair value of each option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:

Risk-free interest rate: 6.4%

Expected life: 3.67 years

Expected Volatility: 32.2%

The value of the underlying shares at the time of option grant: INR 1,400 per share

The parent company has granted 4,778 stock options and 2,414 Performance based stock options during the year. These options are outstanding as at 31st March, 2025 and none of these options are exercisable as at that date. In accordance with Ind AS 102 - Shared Based Payments, the Company has recognised an amount of € 5,914 (₹ 544,620) (2024 - NA) under employee benefits expense (Refer Note 16).

23. CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims to maintain a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity. The Company does not have any long-term debt obligation.

The Company is not exposed to any externally imposed capital requirements.

24. CATEGORIES OF FINANCIAL INSTRUMENTS

	As at 31st March, 2025				As at 31st March, 2024			
	(Amount in €)		(Amount in ₹)		(Amount in €)		(Amount in ₹)	
				Unaudited				Unaudited
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	4,619,493	4,619,493	425,409,110	425,409,110	1,885,038	1,885,038	169,422,543	169,422,543
Trade Receivables	1,064,858	1,064,858	98,062,773	98,062,773	4,355,901	4,355,901	391,497,466	391,497,466
Other Financial Assets	1,309,382	1,309,382	120,580,989	120,580,989	1,607,996	1,607,996	144,522,627	144,522,627
Total	6,993,733	6,993,733	644,052,872	644,052,872	7,848,935	7,848,935	705,442,636	705,442,636

	As at 31st March, 2025				As at 31st March, 2024			
	(Amount in €)		(Amount in ₹)		(Amount in €)		(Amount in ₹)	
				Unaudited				Unaudited
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities								
Measured at amortised cost								
Trade Payables	152,262	152,262	14,021,807	14,021,807	169,794	169,794	15,260,616	15,260,616
Lease Liability	367,393	367,393	33,833,221	33,833,221	106,077	106,077	9,533,969	9,533,969
Total	5,19,655	5,19,655	4,78,55,028	4,78,55,028	275,871	275,871	24,794,585	24,794,585

25. Financial Risk Management Objectives

The Company has a system - based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations.

a) Market Risk

The Company has in place appropriate risk management policies to limit the impact of currency, interest and other price risk on its financial performance.

i) Foreign Currency Risk

The Company undertakes transactions denominated in functional currency - Euro. The Company has unbilled revenue and Interco payable for which the billing is done in USD.

As on 31st March 2025	USD	Equivalent Amount in Euros
Financial Assets	821,400	759,501

As on 31st March 2024	USD	Equivalent Amount in Euros
Financial Assets	61,829	57,376
Financial Liabilities	69,764	64,531

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Foreign Currency Sensitivity

The sensitivity analysis arises on account of outstanding foreign currency denominated assets and liabilities, including derivative contracts.

The Company considers a sensitivity of 1% in applicable foreign currency rates, holding all other variables constant. In the event the exchange rate fluctuates by +1%, the profit before tax for the year ended 31st March, 2025 and pre-tax total equity as at 31st March, 2025 will be lower by €7,595 (FY 2024 €71). If the change in rates decline by a similar percentage, there will be opposite impact of similar amount on profit before tax and pre-tax total equity.

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities, if any, are fixed interest rate bearing. Hence, interest rates are insignificant.

iii) Other Price Risk

Since all the funds are kept in the bank account and term deposits, there is no price risk on such surplus funds.

iv) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

	As at 31st March, 2025							
	Contractual Cash flows							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 period up to 3 year	Beyond 3 years	Total (Amount in €)	Total (Amount in ₹) Unaudited
Trade Payables	152,262	152,262	–	–	–	–	152,262	14,021,808
Lease Liability	367,393	29,764	29,764	59,528	2,36,501	32,482	388,038	35,734,446
Total	519,655	182,026	29,764	59,528	2,36,501	32,482	540,300	49,756,254
	As at 31st March, 2024							
	Contractual Cash flows							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 period up to 3 year	Beyond 3 years	Total (Amount in €)	Total (Amount in ₹) Unaudited
Trade Payables	169,794	169,794	–	–	–	–	169,794	15,186,756
Lease Liability	106,077	7,524	6,359	12,898	57,430	26,322	110,533	9,886,348
Total	275,871	177,318	6,359	12,898	57,430	26,322	280,327	25,073,104

v) Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Apart from its operating activities, the Company mainly deals with its Parent Company, the Company is also exposed to credit risk from its investing activities. Financial instruments that are subject to concentration of credit risk principally consist of trade receivables. Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed.

The incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Outstanding trade receivables and unbilled revenues of €1,469,440 (₹135,320,727) [2024: € Nil (₹ Nil)] are from 3 external customers/customer groups which individually account for more than 10% of outstanding trade receivables and unbilled revenues as at March 31, 2025.

26 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Geographical Information is given below:

	31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Segment Revenue#				
Europe	2,533,406	233,301,364	455,354	40,926,038
United States	690,291	63,568,890	–	–
India	5,599,874	515,692,399	5,594,594	502,828,122
Total	8,823,571	812,562,653	6,049,948	543,754,160
	31st March 2025 (Amount in €)	31st March 2025 (Amount in ₹) Unaudited	31st March, 2024 (Amount in €)	31st March, 2024 (Amount in ₹) Unaudited
Non-Current Assets*				
Europe	545,187	50,206,272	282,454	25,386,274
Total	545,187	50,206,272	282,454	25,386,274

*Non-Current Assets have been considered on the basis of physical location.

Revenues of €1,329,605 (₹122,443,309) [FY 2024 € Nil (₹ Nil)] are derived from a single external customer / group in the year ended March 31, 2025.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

27 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited

(ii) HOLDING COMPANY:

ITC Infotech India Limited

(iii) KEY MANAGEMENT PERSONNEL

Mr. Anindya Roy - President

Mr. Vishal Kumar – Director

Mr. Karan Shukla – Director

Mr. Sharad Jain - Director (upto 14th April, 2025)

Mr. Thomas Joshua - Director (appointed w.e.f. 15th April, 2025)

(iv) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Sl. No	Description	Holding Company			
		2025 (Amount in €)	2025 (Amount in ₹) Unaudited	2024 (Amount in €)	2024 (Amount in ₹) Unaudited
1	Sale of Services	5,599,874	515,692,397	5,601,744	503,470,746
2	Purchase of Fixed Assets	-	-	97,288	8,744,002
3	Employee Provisions and Liabilities Transferred	-	-	2,543,837	228,633,729
	- Indemnity Pension	-	-	949,391	85,328,890
	- Compensated Absence	-	-	127,033	11,417,408
	- Other Liabilities	-	-	1,467,413	131,887,431
4	ESOP Expenses	5,914	544,635	-	-

(v) DISCLOSURE OF OUTSTANDING BALANCES

Description	Holding Company			
	2025 (Amount in €)	2025 (Amount in ₹) Unaudited	2024 (Amount in €)	2024 (Amount in ₹) Unaudited
Balances as at 31st March,				
i) Other Financial Assets (Unbilled)	125,447	11,552,380	1,455,197	130,789,468
ii) Trade Payables	5,914	5,44,635	64,531	5,799,846
iii) Trade Receivables	736,844	67,856,007	4,146,547	372,681,278

(vi) INFORMATION REGARDING SIGNIFICANT TRANSACTIONS

(Generally in excess of 10% of the total transaction value of the same type)

Related Party Transactions	2025 (Amount in €)	2025 (Amount in ₹) Unaudited	2024 (Amount in €)	2024 (Amount in ₹) Unaudited	Related Party Transactions	2025 (Amount in €)	2025 (Amount in ₹) Unaudited
ITC Infotech India Limited					Remuneration to Key Management Personnel (KMP)		
Sale of Services	5,599,874	515,692,397	5,601,744	503,470,746	Mr. Anindya Roy - President	-	-
Purchase of Services	-	-	64,531	5,771,776	Mr. Vishal Kumar	-	-
Employee Provisions and Liabilities Transferred	-	-	2,543,837	228,633,729	Mr. Karan Shukla	-	-
Purchase of Fixed Assets	-	-	97,288	8,744,002	Mr. Sharad Jain	-	-
					Mr. Thomas Joshua	-	-

28 COMMITMENTS AND CONTINGENCIES

Claims against the Company not acknowledged as debts amounting to €3,585,548 (₹330,193,115) [2024 – € NIL (₹ NIL)] comprise claims received from two former employees of the company in the current year seeking compensation for alleged unfair dismissal and other claims relating to performance of their employment contract.

Based on legal advice, the Company believes that its position will likely be upheld on ultimate resolution and hence no provision has been made in the financial statements.

29 SUBSEQUENT EVENTS

The Company evaluated subsequent events through 6th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

30 APPROVAL OF SPECIAL PURPOSE FINANCIAL STATEMENTS

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 6th May, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

31 COMPARATIVES

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

32 NEW ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

REPORT OF THE DIRECTORS

Your Directors present their Report together with the Audited Financial Statements for the year ended March 31, 2025.

The Corporation is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India.

Principal Activities

The Corporation is engaged in providing Information Technology services to customers, majority of which are commercial entities in the United States of America.

Financial Results (*)

The Corporation's financial performance for the year was as under:

(US\$ in millions)

Financial Year ended	March 31, 2025	March 31, 2024
Total Revenue	160.71	158.58
Operating Income	8.14	8.59
Net Income	6.53	6.69

(*) Including Indivate Inc., a wholly owned subsidiary of the Corporation. For the year under review, Indivate Inc. paid a dividend of US\$ 5 million (2024: Nil).

For the year under review, the Corporation declared and paid dividends aggregating US\$ 41.50 per Share (2024: US\$ 14.00 per share) on 182,000 Common Shares - without par value, aggregating US\$ 7.55 million (2024: US\$ 2.55 million).

Business Review

Corporation

For the year ended March 31, 2025, the Corporation posted Total Revenue of US\$ 148.26 million (2024: US\$ 145.04 million), while the Net Income was US\$ 8.45 million (2024: US\$ 3.06 million)(**). During the year, the revenue was driven by the Corporation's expanded global presence and strategic deal wins in existing key clients in areas such as Enterprise Resource Planning, Data & Analytics, PLM-led Digital Thread Solutions, Digital Manufacturing, and Application Development & Maintenance and Cyber Security.

The Corporation continued to build its capabilities towards long-term growth and differentiation. During the year, the Corporation invested in enhancing its AI capabilities and created GenAI powered platforms and accelerators, offering unique propositions to the clients. Furthermore, the Corporation strengthened its Cloud capabilities through Blazeclan Technologies, leveraging their partnerships with industry leading hyperscalers and enabling us to simplify the cloud transformation journey for clients, delivering trust, value and velocity.

Vendor consolidation and Cost optimization strategies continued to drive technology spending. The Corporation also continued to enable clients to leverage these trends, and witnessed a strong performance across verticals, particularly in Consumer & Packaged Goods, Manufacturing, Hospitality.

The Corporation's strategic pillars of customer centricity, employee centricity and operational excellence and its vision of providing business-friendly solutions to clients enables it to stay relevant to the evolving business priorities of the clients. The Corporation will continue to invest in mining and growing key client relationships towards becoming their trusted partners in driving their growth and transformation agendas.

The Corporation will also sharpen its alliance ecosystem with future-ready Software Vendors in identified capability areas in Digital, Data & Analytics, Cloud and Infrastructure Services, amongst others. The Corporation will also sustain its investments in hiring and training the right talent with a focus on strengthening its employee-centric and high-performance culture, driven by continuous learning.

The economic outlook is expected to continue impacting client's IT spending. This is resulting in a sustained focus on cost-optimization and vendor consolidation. Clients are increasingly looking for trusted partners who are jointly invested in helping them grow and transform. The demand for attracting, training, and retaining high-quality talent, particularly in niche and future-focused technologies, continues to remain a top priority to succeed in the global technology landscape. The Corporation's investments in increasing its near-shore capabilities through its expanded global presence and local hiring, its investment in strengthening its Sales teams (hiring & sales enablement training) and its continued investments in building capabilities and strengthening learning & development for its employees will mitigate these risks. The Corporation is also focused on increasing its client relevance through differentiated offerings across its portfolio of services.

(**) Standalone Results

Wholly owned subsidiary - Indivate Inc.

Indivate Inc. ('Indivate') provides business consulting, consumer & market research and other advisory services, and is also engaged in trading activities. Indivate recorded a Revenue of US\$ 12.45 million during the year (2024: US\$ 13.54 million) and Net Income of US\$ 3.08 million (2024: US\$ 3.64 million).

Directors

All the Directors of the Corporation, viz., Messrs. S. Puri, S. Sivakumar, S. Dutta, (Ms.) B. Parameswar, S. Singh and R. K. Singhi will retire at the next Annual Meeting, and being eligible, offer themselves for re-appointment.

President

Mr. Bharath Krishnaswamy stepped down as the President of the Corporation with effect from November 9, 2024. Mr. Rajesh Srivastava, a business leader with over twenty-eight years of experience in the global IT services industry, has been appointed as the President of the Corporation with effect from March 17, 2025.

Auditors

Messrs. Deloitte Haskins & Sells LLP, Chartered Accountants, India, Registration Number 117366W/W-100018 (DHS), Auditors, complete their term of appointment at the conclusion of the next Annual Meeting of the Corporation, and have indicated their willingness to continue for the financial year 2025-26.

The Board has recommended for the approval of the Shareholder, the appointment of DHS for conduct of audit of the Financial Statements of the Corporation for the year ending March 31, 2026.

Appropriate resolution seeking your approval in respect of the aforesaid appointment is included in the Notice convening the Annual Meeting of the Corporation for the year ended March 31, 2025.

On behalf of the Board

S. Sivakumar
Vice Chairman

S. Singh
Director

Date: May 9, 2025

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
ITC Infotech (USA), Inc.

Opinion

We have audited the accompanying Special Purpose Financial Statements of ITC Infotech (USA), Inc. (the "Company"), which comprise the special purpose balance sheets as of 31st March, 2025 and 2024, and the related special purpose statements of operations and retained earnings and cash flows for the years then ended, and the related notes to the special purpose financial statements (collectively referred to as the "Special Purpose Financial Statements").

In our opinion, the accompanying Special Purpose Financial Statements present fairly, in all material respects, the financial position of the Company as of 31st March, 2025 and 2024, and the results of its operations and its cash flows for the years then ended in accordance with the basis of preparation set out in Note B[1] to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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.

Emphasis of Matter**Basis of preparation and presentation and restriction to use**

We draw attention to Note B[1] to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any another purpose. Our report is intended solely for the information and use of the Board of Directors and management of ITC Infotech USA Inc. and its group companies and is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Special Purpose Financial Statements

Management is responsible for the preparation and fair presentation of the Special Purpose Financial Statements in accordance with the basis described in Note B[1] to the Special Purpose Financial Statements, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of Special Purpose Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose 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 for one year after the date that the Special Purpose Financial Statements are issued.

Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 GAAS 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 Special Purpose Financial Statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Special Purpose 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 Special Purpose 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 Special Purpose 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 audit.

Other Information included in the Report of the Directors

Management is responsible for the other information included in the Report of the Directors. The other information comprises the information included in the Report of the Directors but does not include the Special Purpose Financial Statements and our auditor's report thereon. Our opinion on the Special Purpose Financial Statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the Special Purpose Financial Statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the Special Purpose Financial Statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte Haskins & Sells LLP
Bengaluru, India
Date: 9th May, 2025

SPECIAL PURPOSE BALANCE SHEETS AS OF MARCH 31, 2025

	2025	2025	2024	2024
	(US \$)	(₹)	(US \$)	(₹)
Assets				
Current assets				
Cash and cash equivalents	5,198,464	444,338,710	2,598,839	216,756,167
Accounts receivable, net of allowance for doubtful accounts of US \$ 965,222 (INR 82,502,351) as of March 2025 and US \$ 534,968 (INR 44,619,006) as of March 2024	40,658,126	3,475,253,320	42,958,607	3,582,962,617
Advances to employees	22,410	1,915,495	40,518	3,379,404
Other current assets	412,638	35,270,233	213,758	17,828,486
Total current assets	46,291,638	3,956,777,758	45,811,722	3,820,926,674
Property and equipment	612,597	52,361,729	654,280	54,570,223
Less: Accumulated depreciation and amortization	473,249	40,450,959	412,641	34,416,323
	139,348	11,910,770	241,639	20,153,900
Investment in ITC Infotech De Mexico, S.A. DE C.V. (Refer note below)	0	5	0	5
Investment in subsidiary (Indivate Inc.)	100,000	8,547,500	100,000	8,340,500
Deferred income taxes	662,449	56,622,828	941,030	78,486,607
Other assets, principally advance tax	1,012,440	86,538,309	901,544	75,193,277
	48,205,875	4,120,397,170	47,995,935	4,003,100,963
Liabilities and Stockholder's Equity				
Current liabilities				
Accounts payable	63,388	5,418,089	93,047	7,760,585
Accrued expenses and other current liabilities	6,702,202	572,870,716	9,509,948	793,177,213
Contract Liability	1,470,769	125,713,980	753,531	62,848,253
Accrued payroll and payroll taxes	1,281,729	109,555,792	1,217,923	101,580,871
Due to ITC Infotech India Ltd., net	7,065,343	603,910,193	5,956,164	496,773,858
Total current liabilities	16,583,431	1,417,468,770	17,530,613	1,462,140,780
Non-current liabilities				
Accrued expenses and other Liabilities	99,227	8,481,428	129,934	10,837,145
Contract Liability	287,566	24,579,704	–	–
Stockholder's equity				
Paid up Share Capital	18,200,000	1,555,645,000	18,200,000	1,517,971,000
Retained earnings	13,035,651	1,114,222,268	12,135,388	1,012,152,038
Total stockholder's equity	31,235,651	2,669,867,268	30,335,388	2,530,123,038
	48,205,875	4,120,397,170	47,995,935	4,003,100,963

Note: The amount under "Investment in ITC Infotech De Mexico, S.A. DE. CV" represents US \$ 0.06 invested in 1 share of the investee company.

On behalf of the Board

Date: May 9, 2025	Soumyarup Roy	R Srivastava	S Singh	S Sivakumar
	Financial Controller	President	Director	Vice Chairman

The accompanying notes are an integral part of these financial statements.

SPECIAL PURPOSE STATEMENTS OF OPERATIONS AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2025

	2025	2025	2024	2024
	(US \$)	(₹)	(US \$)	(₹)
Revenues				
Sale of Services	147,990,418	12,649,480,979	144,722,136	12,070,549,753
Resale of Software and Hardware	201,178	17,195,690	256,680	21,408,395
Other Operating Income	70,716	6,044,450	58,770	4,901,712
Total revenues	148,262,312	12,672,721,119	145,037,586	12,096,859,860
Cost of revenues, principally				
employment costs and fees charged by affiliates	132,804,485	11,351,463,372	130,935,493	10,920,674,793
Gross profit	15,457,827	1,321,257,747	14,102,093	1,176,185,067
General and administrative expenses	10,160,925	868,505,048	9,036,929	753,725,063
Operating income	5,296,902	452,752,699	5,065,164	422,460,004
Dividend Received	5,000,000	427,375,000	–	–
Other income	275,042	23,509,215	146,387	12,209,408
Income before income tax expense	10,571,944	903,636,914	5,211,551	434,669,412
Income tax expense / (benefit)				
Current	1,840,100	157,282,548	1,798,498	150,003,725
Deferred	278,581	23,811,711	355,575	29,656,733
Total income tax expense	2,118,681	181,094,259	2,154,073	179,660,458
Net income	8,453,263	722,542,655	3,057,478	255,008,954
Retained earnings at beginning of year	12,135,388	1,037,272,288	11,625,910	969,659,024
Less : Dividend Paid	7,553,000	645,592,675	2,548,000	212,515,940
Retained earnings at end of year	13,035,651	1,114,222,268	12,135,388	1,012,152,038

On behalf of the Board

Date: May 9, 2025	Soumyarup Roy	R Srivastava	S Singh	S Sivakumar
	Financial Controller	President	Director	Vice Chairman

The accompanying notes are an integral part of these financial statements.

SPECIAL PURPOSE STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2025

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Cash flows from operating activities				
Net income	8,453,263	722,542,655	3,057,478	255,008,954
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	139,364	11,912,138	124,866	10,414,449
Deferred income taxes	278,581	23,811,711	355,575	29,656,733
Write off of Fixed Assets / ROU Assets	-	-	500	41,703
Provision for Bad debt expense	459,717	39,294,311	423,468	35,319,349
Receipt of Dividend	(5,000,000)	(427,375,000)	-	-
(Increase) / decrease in assets				
Accounts receivable	1,840,764	157,339,303	(2,602,638)	(217,073,022)
Advances to employees	18,108	1,547,779	48,007	4,004,024
Other current assets	(198,880)	(16,999,268)	(44,488)	(3,710,522)
Other assets, principally advance tax	(110,896)	(9,478,836)	(900,353)	(75,093,942)
Increase / (decrease) in liabilities				
Accounts payable	(29,659)	(2,535,103)	(59,048)	(4,924,898)
Accrued expenses and other liabilities	(2,838,453)	(242,616,769)	(32,551)	(2,714,915)
Contract Liability	1,004,804	85,885,622	150,257	12,532,185
Accrued payroll and payroll taxes	63,806	5,453,818	92,444	7,710,281
Due to ITC Infotech India Ltd., net	1,109,179	94,807,075	492,487	41,075,878
Net cash (used) / provided by operating activities	5,189,698	443,589,436	1,106,004	92,246,257
Cash flows from investing activities				
Capital expenditures	(37,073)	(3,168,815)	(101,870)	(8,496,467)
Receipt of Dividend	5,000,000	427,375,000	-	-
Net cash used in investing activities	4,962,927	424,206,185	(101,870)	(8,496,467)
Payout of Dividend	(7,553,000)	(645,592,675)	(2,548,000)	(212,515,940)
Investment in ITC Infotech De Mexico, S.A. DE C.V. (Refer note)	-	-	(0)	(5)
Net cash used in financing activities	(7,553,000)	(645,592,675)	(2,548,000)	(212,515,945)
Net increase / (decrease) in cash and cash equivalents	2,599,625	222,202,946	(1,543,866)	(128,766,155)
Cash and cash equivalents at beginning of year	2,598,839	222,135,764	4,142,705	345,522,322
Cash and cash equivalents at end of year	5,198,464	444,338,710	2,598,839	216,756,167

Note: The amount under "Investment in ITC Infotech De Mexico, S.A. DE CV" represents US \$ 0.06 invested in 1 share of the investee company.

On behalf of the Board

Date: May 9, 2025

Soumyarup Roy
Financial Controller

R Srivastava
President

S Singh
Director

S Sivakumar
Vice Chairman

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024

NOTE A - BUSINESS BACKGROUND AND PRINCIPAL TRANSACTIONS WITH AFFILIATES

ITC Infotech (USA), Inc. (the "Company"), a New Jersey corporation, is engaged in providing information technology services to customers, majority of which are commercial entities throughout the United States of America. The Company is a wholly-owned subsidiary of ITC Infotech India Ltd., an Indian company. There are 185,000 common shares authorized of which 182,000 have been issued, and are outstanding, to ITC Infotech India Ltd. ITC Infotech Ltd. is also a wholly-owned subsidiary of ITC Infotech India Ltd.

The Company has entered into an agreement with its parent company ITC Infotech India Ltd. on April 1, 2014 wherein the Company has agreed to sub-contract the execution and management of customer contracts to ITC Infotech India Ltd. Under the terms of this agreement, ITC Infotech India Ltd shall assume the overall execution and management responsibilities for such customer contracts.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

[1] Basis of presentation:

As required by its parent company ITC Infotech India Ltd., the financial statements of the Company are not prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP) as the results of operations of its wholly-owned subsidiary Indivate were not included since the date of acquisition. Accordingly, these financial statements do not purport to follow US GAAP. Accounting policies and disclosures have been given which are relevant to and materially affect the Company's financial position, cash flows, or results of operations.

Convenience translation (unaudited)

These financial statements are presented in U.S. dollars. However, as required by the parent company ITC Infotech India Ltd., the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate of US\$1 = INR 85.475 for fiscal year ended March 31, 2025 (2024 US\$1 = INR 83.405) as provided by ITC Infotech India Ltd, have been included solely for informational purposes and is not in conformity with the provisions of FASB ASC 830-30 – Foreign Currency Matters – Translation of Financial Statements and U.S. GAAP.

[2] Use of estimates:

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Although actual results could differ from those estimates, in the opinion of management such estimates would not materially affect the financial statements.

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 judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the notes on 1) Recognition of Revenue 2) Accounts Receivable 3) Property and equipment.

[3] Recognition of revenue:

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost-plus margin. Revenue excludes amounts collected on behalf of third parties, such as sales tax.

Revenue is recognized upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. ("transaction price").

Revenue is recognized from services performed on a "time and

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024 (Contd.)

material" basis, as and when the services are performed. Revenue from Fixed price support services is recognized on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognized from services performed on "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated. The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is upon delivery to customer.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with ASC 606 - Revenue from contracts with customers. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

[4] Cash and cash equivalents:

For purposes of reporting cash flows, the Company considers all deposits in cash accounts which are not subject to withdrawal restrictions or penalties to be cash or cash equivalents.

[5] Accounts receivable:

Credit is extended based on evaluation of a customer's financial condition and, generally, collateral is not required. Accounts receivable are generally due within 30 to 60 days and are stated at amounts due from customers net of an allowance for doubtful accounts. Accounts outstanding longer than the contractual payment terms are considered past due. The Company creates an allowance for accounts receivable based on historical experience, management's evaluation of outstanding accounts receivable and based on risk assessment, which are conducted regularly and considers all aspects with respect to debts such as invoice ageing, credit information from credit reports of its customers. Amounts are written off when they are deemed uncollectible.

[6] Property and equipment:

Equipment, purchased or internally developed software, furniture and fixtures and leasehold improvements are stated at cost. Depreciation and amortization are provided under the straight line method based upon the estimated useful lives of the assets, with such lives ranging from three to ten years.

[7] Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

Right – of – Use (ROU) Assets are recognized at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU Assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU Assets includes the amount of lease liabilities recognized, initial direct cost incurred, and lease payments made at or before the lease commencement date. ROU Assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight-line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases are charged to the Statement of Operations on a straight-line basis over the term of the relevant lease.

The Company recognizes lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognized as expense in the periods in which they are incurred. Interest on lease liability is recognized using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of ROU Assets.

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease,

the asset is capitalized within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of Operations on a straight-line basis over the term of the lease.

There are no ROU Asset and Lease Liabilities recognized in the Balance Sheet as at 31st March 2025 and 31st March 2024. The total cash outflow for leases for the year is US \$ 47,270 (INR 4,040,385) which are payments in respect short-term leases (In FY2023-24, the total cash outflow for leases was US \$ 54,762 (INR 4,567,452) which were payments in respect short-term leases).

[8] Income taxes:

The Company accounts for income taxes pursuant to ASC 740, Income Taxes ("ASC 740"). ASC 740 requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Future tax benefits, such as net operating loss carry forwards, are recognized to the extent that realization of these benefits is considered to be more likely than not. If the future realization of such benefits is uncertain, then a valuation allowance is recorded.

The Company provides for income tax in accordance with the FASB issued ASC 740-10, Income Taxes ("ASC 740-10"). ASC 740-10 provides recognition criteria and a related measurement model for uncertain tax positions taken or expected to be taken in income tax returns. ASC 740-10 requires that a position taken or expected to be taken in a tax return be recognized in the financial statements when it is more likely than not that the position would be sustained upon examination by tax authorities. Tax positions, that meet the more likely than not threshold, are then measured using a probability-weighted approach recognizing the largest amount of tax benefit that is greater than 50% likely of being realized upon ultimate settlement. In accordance with the Federal and State Corporate tax laws in USA, the income tax liability is computed on a combined basis by the Company and a combined tax return is filed including its subsidiary, Indivate Inc. Hence, the income tax expenses, related current and deferred tax assets/liabilities are accounted on a combined basis by the Company in its financial statements.

There were no significant matters determined to be unrecognized tax benefits taken or expected to be taken in a tax return that have been recorded in the Company's consolidated financial statements for the year ended March 31, 2025. The Company's Federal and State tax returns are subject to examination by taxing authorities for the years ended March 31, 2022 and after.

[9] Advertising costs:

Advertising costs are expensed as incurred.

[10] Long-lived assets:

The Company follows ASC 360, Property, Plant and Equipment. Accordingly, whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable, the Company assesses the recoverability of the asset. Based on our evaluation, no impairment charge has been recorded in fiscal years ended March 31, 2025 or 2024.

[11] Fair value measurements:

The Company's financial instruments include cash and cash equivalents, accounts receivable from customers, advances, other assets, accounts payable, and accruals, which are short-term in nature. The Company believes the carrying amounts of these financial instruments reasonably approximate their fair value.

ASC 820 Fair Value Measurements ("ASC 820") defines fair value, establishes a common framework for measuring fair value under the U.S. GAAP, and expands disclosures about fair value measurements for financial and non-financial assets and liabilities.

[12] Capitalized software costs:

Costs incurred for development of computer software for internal use of the Company are capitalized. Any costs incurred in the preliminary stages of development and in the operating stages of the software are expensed immediately. There were no such costs capitalized in fiscal years ended March 31, 2025 or 2024.

[13] Share Based payments

Stock Option Plan of the Company:

The eligible employees of the Company have been granted stock options under the ITC Infotech India Limited Employee Stock Option Plan 2024 (13L ESOP 2024) in accordance with the terms and conditions of the scheme, key details of which are as under:

1. Time-Based Options: Vesting of Options would be subject to continued employment of the individual.
2. Performance-Based Options: The Nomination and Remuneration Committee has specified certain performance criteria for vesting of the options.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024 (Contd.)

The Options granted shall vest in accordance with the following Vesting Schedule:

Date of Vesting	Annual Vesting Percentage
2nd anniversary from date of Grant	35% of Options granted
4th anniversary from the date of Grant	65% of Options granted

In the event the parent company gets listed before vesting, the exercise period shall be up to 5 years from the respective date of vesting. In the event of no listing of the parent company, there will be mandatory cash settlement, no later than three months from the date of vesting.

The cost of stock options granted under I3L ESOP 2024 have been recognized as cash settled share-based payments in accordance with ASC 718 – Compensation – Stock compensation. In terms of the aforesaid arrangement, the Company accounts for the cost of the

fair value of units granted to the eligible employees as general and administrative expense with a corresponding increase in payables to the parent company.

The fair value of the units granted is determined, using the Black Scholes Option Pricing model.

The parent company has granted 47,777 stock options and 24,141 Performance based stock options during the year. These options are outstanding as at 31st March, 2025 and none of these options are exercisable as at that date. In accordance with ASC 718 – Compensation – Stock compensation, the Company has recognized an amount of US \$ 63,718 (INR 5,446,254) (2024 - Nil) as expenses.

[14] Reclassifications:

Certain prior year amounts have been reclassified to conform to the current year presentation.

NOTE C - RELATED PARTY TRANSACTIONS

The Company had transactions with the following parties :

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
<u>Transactions with ITC Infotech India Ltd.</u>				
Costs for project consultations / other expenses, included in cost of revenues / general and administrative expenses	89,174,685	7,622,206,200	88,652,022	7,394,021,895
Payroll related expenditure - ESOS	63,718	5,446,254	-	-
Transfer of receivables to ITC Infotech India Limited	3,857,273	329,700,399	2,121,295	176,926,609
Dividend Paid	7,553,000	645,592,675	2,548,000	212,515,940
<u>Transactions with Indivate</u>				
Dividend Received	5,000,000	427,375,000	-	-
<u>Transactions with ITC Infotech Arabia Ltd.</u>				
Cost incurred on behalf and reimbursed	128,344	10,970,203	-	-
<u>Transactions with Technico Technologies</u>				
Costs for project consultations / other expense reimbursements, included in cost of revenues / general and administrative expenses	-	-	92,481	7,713,378
<u>Transactions with Subsidiaries of Ultimate Parent Company of Tobacco Manufacturers (India) Limited, of which the Ultimate Holding company is an associate</u>				
<u>Sale of Services</u>				
RAI Services Company	4,254,429	363,647,360	1,948,139	162,484,501
Imperial Tobacco Canada Ltd	-	-	32,715	2,728,595

There was no amount receivable/ payable to Technico Technologies (fellow subsidiary of ultimate parent, ITC Limited), ITC Infotech Arabia Ltd. (fellow subsidiary of parent, ITC Infotech India Ltd.), Indivate Inc. (subsidiary) and Imperial Tobacco Canada Ltd. as on 31st March, 2025 and 31st March, 2024 respectively.

There was US \$ 878,584 (INR 75,096,938) receivable from Rai Services Company as on 31st March, 2025, US \$ 1,262,699 (INR 105,315,379) as on 31st March, 2024).

The receivable/ payable amount as on 31st March, 2025 and 31st March, 2024 for the other related parties have been disclosed in the Balance Sheet.

NOTE D - ACCOUNTS RECEIVABLE

Accounts receivable as on March 31, 2025, of US \$ 40,658,126 (INR 3,475,253,320) and March 31, 2024 of US \$ 42,958,607 (INR 3,582,962,617) include both billed and unbilled receivables. Unbilled receivables were US \$ 16,402,454 (INR 1,401,999,756) and US \$ 17,370,095 (INR 1,448,752,774) as of March 31, 2025, and 2024, respectively.

Unbilled Receivable consist of the following:

Particulars	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Time & Material and others	12,559,534	1,073,526,169	13,938,530	1,162,543,095
Fixed Price contracts based on % Completion	3,842,920	328,473,587	3,431,565	286,209,679
Total	16,402,454	1,401,999,756	17,370,095	1,448,752,774

Changes in the allowance for doubtful accounts in 2025 and 2024 are as follows:

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Beginning balance	534,968	45,726,390	213,215	17,783,197
Increase / (Decrease) to allowance	459,717	39,294,311	423,468	35,319,349
Accounts written off	29,463	2,518,350	101,715	8,483,540
Ending balance	965,222	82,502,351	534,968	44,619,006

NOTE E – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	Estimated useful lives (Years)	31-Mar-25 (US \$)	31-Mar-25 (₹)	As of 31-Mar-24 (US \$)	31-Mar-24 (₹)
Leasehold Improvements	4	26,074	2,228,675	26,074	2,174,702
Office Equipment	5	37,496	3,204,971	37,496	3,127,354
Computers etc.	3	516,596	44,156,043	556,636	46,426,225
Furniture and Fixtures	10	32,431	2,772,040	32,431	2,704,908
Capitalised Software	5	-	-	1,643	137,034
		612,597	52,361,729	654,280	54,570,223
		(473,249)	(40,450,959)	(412,641)	(34,416,323)
Property and Equipment, net		139,348	11,910,770	241,639	20,153,900

The depreciation expense recognized in the Statement of Operations is as follows:

	FY 2024-25 (US \$)	FY 2024-25 (₹)	FY 2023-24 (US \$)	FY 2023-24 (₹)
Depreciation expense	139,364	11,912,138	124,866	10,414,449

NOTE F - INCOME TAXES

The income taxes expense consists of the following:

	2025 (US \$)	2025 (₹)	Year ended 2024 (US \$)	Year ended 2024 (₹)
Federal Taxes				
Current	1,518,560	129,798,916	1,472,084	122,779,165
Deferred	227,449	19,441,203	313,787	26,171,405
State and local taxes				
Current	321,540	27,483,632	326,414	27,224,560
Deferred	51,132	4,370,508	41,788	3,485,328
Total current expense	2,118,681	181,094,259	2,154,073	179,660,458

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024 (Contd.)

Deferred tax assets and liabilities consist of the following:

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Provision for Doubtful Debts	234,437	20,038,472	129,501	10,801,031
Depreciation under State Taxes	3,862	330,080	1,966	163,974
Depreciation under Federal Taxes	-30,539	-2,610,290	-51,532	-4,298,026
Accrued vacation	243,429	20,807,079	392,658	32,749,641
Accrued bonus	303,551	25,946,042	470,564	39,247,390
ESOS Expense	18,677	1,596,420	41,623	3,471,566
Prepaid Expenses	-110,968	-9,484,975	-43,750	-3,648,969
	662,449	56,622,828	941,030	78,486,607

NOTE G – OTHER CURRENT ASSETS

	Year Ended			
	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Prepaid Expenses	381,365	32,597,173	180,259	15,034,501
Security Deposit	19,500	1,666,763	19,500	1,626,398
Accrued Interest	11,773	1,006,297	13,999	1,167,587
Ending balance	412,638	35,270,233	213,758	17,828,486

NOTE H – ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	Year Ended			
	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Provisions for Employee benefits	2,116,676	180,922,881	3,389,978	282,741,114
Other Provisions and accrued liabilities	4,585,526	391,947,835	6,119,970	510,436,099
	6,702,202	572,870,716	9,509,948	793,177,213

NOTE I – SALE OF SERVICES

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Time & Material	58,393,816	4,991,211,423	69,656,916	5,809,735,079
Fixed Price	89,596,602	7,658,269,556	75,065,220	6,260,814,674
	147,990,418	12,649,480,979	144,722,136	12,070,549,753

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as of the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. The Company has applied the practical expedients as given in ASC 606-10-50-14 and not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time & material basis and unit of work based contracts, and contracts with contract term or original expected duration of one year or less. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, adjustment for revenue that has not materialized.

The aggregate value of performance obligations that are completely or partially unsatisfied as at March 31, 2025, other than those meeting the exclusion criteria mentioned above, is US \$ 1,947,868 (INR 166,494,014). Out of this, the Company expects to recognize revenue of around 91% within the next one year and the remaining thereafter.

NOTE J – CONTRACT LIABILITY

Contract Liability consists of amounts received or billed in advance of services performed. Contract Liability has been reflected in the Balance Sheet under Current liabilities in the amount of US \$ 1,470,769 (INR 125,713,980) and US \$ 753,531 (INR 62,848,253) as at March 31, 2025 and 2024, respectively and in Non-current liabilities in the amount of US \$ 287,566 (INR 24,579,704) and US \$ Nil (INR Nil) as at March 31, 2025 and 2024, respectively.

Revenue recognized in FY 2024-25 that was included as Unearned Revenue balance at the beginning of the FY 2024-25 was US \$ 753,531 (INR 64,408,062).

NOTE K - CONCENTRATION OF CREDIT RISK AND SIGNIFICANT CUSTOMERS

A significant portion of the Company's sales are to several key customers, some of which are also agencies providing software consulting services to commercial entities and software developers. Three such key customers accounted for approximately 21% (9%, 7% and 5%) and approximately

20% (9%, 6% and 5%) of the Company's revenues for the years ended March 31, 2025, and 2024, respectively.

Accounts receivable from these customers approximated 18 % (4%, 10%, 4%) and 23 % (6%, 3%, 14%) of total accounts receivable as at March 31, 2025 and 2024, respectively. Additionally, two customers, that did not account under revenue concentration, accounted for 7% and 5% respectively of the Accounts Receivables as of March 31, 2025 (one customer, that did not account under revenue concentration, accounted for 5% of the Accounts Receivables as of March 31, 2024).

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to regulatory limits. The Company has not experienced any losses in such accounts.

NOTE L - EMPLOYEE BENEFIT PLANS

The Company maintains a 401(k) Savings Plan for qualified employees. Employees who are eligible, as defined by the plan documents, may contribute an amount not to exceed 100% of participant's compensation, up to the maximum annual elective contribution established by the Internal Revenue Service. The Company makes a Safe Harbor Matching Contribution equal to 100% on the first 3% of eligible earnings that are deferred as Elective Deferral and an additional 50% on the next 2% of eligible earnings. The 401(k) expense for the years ended March 31, 2025 and 2024 was US \$ 783,466 (INR 66,966,744) and US \$659,641 (INR 55,017,328), respectively.

NOTE M - LINE OF CREDIT

On November 8, 2022, the Company entered into a revolving line of credit agreement for a maximum borrowing of US \$10,000,000 (INR 854,750,000). Interest on this line of credit is chargeable at Secured Overnight Financing Rate plus 0.75%. There were no amounts outstanding as at March 31, 2025 and March 31, 2024 on account of this credit facility.

NOTE N – CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debts US \$ 503,889 (INR 43,069,876) (2024 – US \$ 470,500 (INR 39,242,053)), including interest and penalties on claims, estimated to be US \$ 304,874 (INR 26,059,089) (2024 - US \$ 261,000 (INR 21,768,705)) towards income tax demand raised by Canadian Tax authorities.

The Company is subject to legal proceedings and claims, which arise in the ordinary course of business. The Company expects that such ordinary course legal actions, when ultimately concluded, will not have a material and adverse effect on the Company's results of operations or financial condition.

NOTE O – SUMMARY OF RECENT ACCOUNTING PRONOUNCEMENTS

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, Income Taxes ("Accounting Standards Codification ("ASC") Topic 740"), Improvements to Income Tax Disclosures. This ASU expands disclosures relating to the entity's income tax rate reconciliation, income taxes paid and certain other disclosures related to income taxes. The ASU is effective for annual periods beginning after December 15, 2024. The Company is currently evaluating the impact of this ASU on its annual financial statements for the year ending on March 31, 2025.

In November 2024, FASB issued ASU No. 2024-03, Income Statement - Reporting Comprehensive Income ("ASC Topic 220"): Expense Disaggregation Disclosures. This ASU improves disclosures relating to the disaggregation of income statement expenses, requires additional disclosures about the nature of expenses in commonly presented financial statement captions on an annual and interim basis for all public business entities. The ASU will be effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this ASU on its financial statements.

Recently Adopted and Applicable Accounting Pronouncements

In March 2024, FASB issued ASU No. 2024-01, Compensation-Stock Compensation ("ASC Topic 718"). This ASU clarifies how to evaluate whether profits, interest and similar awards given to employees and non-employees are within the scope of share-based payment arrangement under ASC Topic 718. The ASU will be effective for annual periods beginning after December 15, 2024, including interim periods within those years, with early adoption permitted. The Company has early adopted this ASU beginning January 1, 2024. The adoption of this ASU did not have a material impact on the Company's financial statements.

NOTE P - SUBSEQUENT EVENTS

The Company evaluated subsequent events through May 9, 2025, which is the date on which the Financial Statements are issued. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the financial statements.

REPORT OF THE DIRECTORS

Your Directors present their Report together with the Audited Financial Statements for the year ended March 31, 2025. The Corporation is a wholly owned subsidiary of ITC Infotech (USA), Inc., incorporated in the USA.

The Corporation is a wholly owned subsidiary of ITC Infotech (USA), Inc., incorporated in the USA.

Principal Activities

The Corporation is engaged in providing business consulting, consumer and market research, and other advisory services. The Corporation is also engaged in trading activities, including marketing and distribution of goods in the USA and other countries.

Financial Results

The Corporation's financial performance for the year was as under:

(US\$ in million)

Financial Year ended	March 31, 2025	March 31, 2024
Total Revenue	12.45	13.54
Operating Income	2.85	3.52
Net Income	3.08	3.64

The Corporation declared and paid a dividend of US\$ 5 million to its holding Corporation, ITC Infotech (USA), Inc., during the year.

Business Review

The Corporation provides business consulting, market research and other advisory services to ITC Limited, India, the ultimate Holding Company (ITC). These services primarily include trend analysis, competition monitoring, market assessment and consumer research in identified business segments. The Corporation is also engaged in supply, marketing, and distribution of consumer-packaged goods in the USA and international markets. The Revenue

generated from the trading business during the year was US\$ 11.98 million (2024: US\$ 12.91 million).

Directors

In terms of Clause 4(a) of Article III of the By-Laws of the Corporation, Mr. Mayur Dogra was appointed as a Director of the Corporation with effect from November 6, 2024 to hold such office up to the next Annual Meeting of the sole Shareholder of the Corporation. The Board at the Meeting held on May 8, 2025 has recommended the appointment of Mr. Dogra as a Director of the Corporation at the next Annual Meeting of the sole Shareholder.

Mr. N. K. Jasper stepped down as a Director of the Corporation with effect from November 6, 2024. The Directors place on record their appreciation for the contribution made by Mr. Jasper during his tenure with the Corporation.

Ms. B. Parameswar and Mr. S. Roy, Directors of the Corporation, will retire at the next Annual Meeting, and being eligible, offer themselves for re-appointment.

Auditors

Messrs. Deloitte Haskins & Sells LLP, India, Registration Number 117366W/W-100018 (DHS), Auditors, complete their term of appointment at the conclusion of the next Annual Meeting of the Corporation, and have indicated their willingness to continue for the financial year 2025-26.

The Board has recommended for the approval of the sole Shareholder, the appointment of DHS for conduct of audit of the Financial Statements of the Corporation for the year ending March 31, 2026.

Appropriate resolution seeking your approval in respect of the aforesaid appointment is included in the Notice convening the Annual Meeting of the Corporation for the year ended March 31, 2025.

On behalf of the Board

Bhavani Parameswar
President

Date: May 9, 2025

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Indivate Inc.

Opinion

We have audited the accompanying financial statements of Indivate Inc., (a wholly owned subsidiary of ITC Infotech (USA), Inc.) (the "Company") which comprise the balance sheets as of 31st March, 2025 and 2024, and the related statement of operations and retained earnings and cash flows for the years then ended, and the related notes to the financial statements (collectively referred as "Financial Statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Indivate Inc. as of 31st March, 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 (GAAS). 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 for one year after the date that the financial statements are 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 GAAS 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 GAAS, 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 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 audit.

Other Information included in the Report of the Directors

Management is responsible for the other information included in the Report of the Directors. The other information comprises the information included in the Report of the Directors 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 an opinion or any form of assurance thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte Haskins & Sells LLP
Bengaluru, India
Date: 9th May, 2025

BALANCE SHEETS AS OF MARCH 31,

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Assets				
Current assets				
Cash and cash equivalents	4,651,254	397,565,936	6,507,299	542,741,273
Inventory	244,732	20,918,468	103,071	8,596,637
Accounts receivable	–	–	9,321	777,418
Due from ITC Limited, net	204,453	17,475,620	28,743	2,397,310
Other current assets	70,581	6,032,911	76,870	6,411,342
Total current assets	5,171,020	441,992,935	6,725,304	560,923,980
Property and equipment	5,932	507,038	5,932	494,758
Less: Accumulated depreciation and amortization	5,817	497,208	5,691	474,658
	115	9,830	241	20,100
	5,171,135	442,002,765	6,725,545	560,944,080
Liabilities and Stockholder's Equity				
Current liabilities				
Accounts payable	39,505	3,376,690	37,862	3,157,880
Accrued expenses and other current liabilities	2,405,214	205,585,667	2,041,699	170,287,904
Accrued payroll and payroll taxes	79,697	6,812,101	80,423	6,707,680
Total current liabilities	2,524,416	215,774,458	2,159,984	180,153,464
Stockholder's equity				
Paid up Capital	100,000	8,547,500	100,000	8,340,500
Retained earnings	2,546,719	217,680,807	4,465,561	372,450,116
Total Stockholder's equity	2,646,719	226,228,307	4,565,561	380,790,616
	5,171,135	442,002,765	6,725,545	560,944,080

On behalf of the Board

Date: May 9, 2025

Bhavani Parameswar
Director and PresidentSoumyarup Roy
Director

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF OPERATIONS AND RETAINED EARNINGS
FOR THE YEARS ENDED MARCH 31,

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Revenue				
Service income- Related party	474,239	40,535,579	631,167	52,642,484
Total Service income	474,239	40,535,579	631,167	52,642,484
Sale of Traded Goods	11,977,313	1,023,760,829	12,910,901	1,076,833,698
Total Revenue	12,451,552	1,064,296,408	13,542,068	1,129,476,182
Cost of revenues	1,050,737	89,811,745	1,372,249	114,452,428
Purchase of Stock-in-trade	8,623,322	737,078,448	8,563,000	714,197,015
Change in Inventories of Stock-in-trade	(141,661)	(12,108,474)	(21,346)	(1,780,363)
Cost of Sales	8,481,661	724,969,974	8,541,654	712,416,652
Gross profit	2,919,154	249,514,689	3,628,165	302,607,102
General and administrative expenses	72,872	6,228,734	106,099	8,849,187
Operating Income	2,846,282	243,285,955	3,522,066	293,757,915
Other income	234,876	20,076,026	113,493	9,465,884
Income before interest and income tax expense	3,081,158	263,361,981	3,635,559	303,223,799
Less: Income tax	–	–	–	–
Net Income	3,081,158	263,361,981	3,635,559	303,223,799
Retained earnings at beginning of period	4,465,561	381,693,826	830,002	69,226,317
Less : Dividend Paid	5,000,000	427,375,000	–	–
Retained earnings at end of period	2,546,719	217,680,807	4,465,561	372,450,116

On behalf of the Board

Date: May 9, 2025

Bhavani Parameswar
Director and PresidentSoumyarup Roy
Director

The accompanying notes are an integral part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED MARCH 31,**

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Cash flows from operating activities				
Net income	3,081,158	263,361,981	3,635,559	303,223,799
Adjustments to reconcile net income to net cash provided by operating activities				
Depreciation and amortization	126	10,770	930	77,567
(Increase) decrease in assets				
Inventory	(141,661)	(12,108,474)	(21,345)	(1,780,280)
Accounts receivable	9,321	796,712	(1,759)	(146,709)
Due from ITC Limited	(175,710)	(15,018,812)	(28,743)	(2,397,310)
Other current assets	6,289	537,551	2,196	183,157
Increase (decrease) in liabilities				
Accounts payable	1,643	140,435	15,821	1,319,551
Accrued expenses and other liabilities	363,515	31,071,445	632,063	52,717,214
Accrued payroll and payroll taxes	(726)	(62,054)	16,588	1,383,522
Due to ITC Limited, net	—	—	(54,256)	(4,525,222)
Net cash used in operating activities	3,143,955	268,729,554	4,197,054	350,055,289
Cash flows from investing activities				
Net cash used in investing activities	—	—	—	—
Cash flows from financing activities				
Dividend paid	(5,000,000)	(427,375,000)	—	—
Net cash used in financing activities	(5,000,000)	(427,375,000)	—	—
Net decrease in cash and cash equivalents	(1,856,045)	(158,645,446)	4,197,054	350,055,289
Cash and cash equivalents at beginning of period	6,507,299	556,211,382	2,310,245	192,685,984
Cash and cash equivalents at end of period	4,651,254	397,565,936	6,507,299	542,741,273

On behalf of the Board

Date: May 9, 2025

Bhavani Parameswar
Director and PresidentSoumyarup Roy
Director

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024**NOTE A - BUSINESS BACKGROUND AND PRINCIPAL TRANSACTIONS WITH AFFILIATES**

Indivate Inc. (the "Company") was formed as a New Jersey State incorporated company and 100% of the shareholder interest is owned by ITC Infotech (USA), Inc.

It is engaged in providing business consulting services to related party entities that operate in India. The Company is also engaged in trading activities wherein the Company is purchasing goods and distributing/marketing the same in USA and other countries.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**[1] Basis of presentation:**

The financial statements of the Company are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), the country of formation. The amounts are represented in U.S. dollars. Accounting policies and disclosures have been given which are relevant to and materially affect the Company's financial position, cash flows, or results of operations.

Convenience translation (unaudited)

As required by ITC Infotech India Ltd., the sole shareholder of the Parent Company, the Indian Rupee equivalent figures, arrived at by applying the year end interbank exchange rate of US \$1 = INR 85.475 for the fiscal year ended March 31, 2025 (2024: US\$1 = INR 83.405) as provided by the Sole shareholder of the Parent Company, have been included solely for informational purposes and is not in conformance with the provisions of FASB ASC 830-30 – Foreign Currency Matters – Translation of Financial Statements and U.S. GAAP.

[2] Use of estimates:

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of Revenues and expenses during the reporting period. Although actual results could differ from those estimates, in the opinion of the management such estimates would not materially affect the financial statements.

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 judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the notes on 1) Recognition of Revenue 2) Accounts Receivable 3) Property and equipment.

[3] Inventory:

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure

incurred in the normal course of business in bringing such inventories to its present location and condition and includes product cost from the Company's suppliers, as well as applicable inbound freight, import duties, taxes, insurance and logistics and other handling fees. Net realisable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

[4] Recognition of revenue:

Service Revenue is based upon services provided by the Company on customer assignments and is recognized when the work is performed. Substantially, the customers are invoiced on a monthly basis.

Revenue from sale of goods is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods is shown excluding taxes such as State Sales tax which are payable in respect of sale of goods. Revenue from the sale of goods is recognized when the Company performs its obligations to its customers and the amount of Revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.

[5] Cash and cash equivalents:

For the purpose of reporting cash flows, the Company considers all deposits in cash accounts which are not subject to withdrawal restrictions or penalties to be cash or cash equivalents.

[6] Accounts receivable:

Credit is extended based on evaluation of a customer's financial condition and, generally, collateral is not required. Accounts Receivable are generally due within 30 days and are stated at amounts due from customers net of an allowance for doubtful accounts. Accounts outstanding longer than the contractual payment terms are considered past due. The Company creates an allowance for Accounts Receivable based on historical experience, management's evaluation of outstanding Accounts Receivable and based on risk assessment, which are conducted regularly and considers all aspects with respect to debts such as invoice ageing, credit information from credit reports of its customers. Amounts are written off when they are deemed uncollectible.

[7] Property and equipment:

Property and equipment purchased are stated at cost. Depreciation is provided under the straight-line method based upon the estimated useful lives of the assets, with such lives ranging between three to ten years.

[8] Employee benefit plans:

The Company maintains a 401(k) Savings Plan for qualified employees. Employees who are eligible, as defined by the plan documents, may contribute an amount not to exceed 100% of participant's compensation, up to the maximum annual elective contribution established by the Internal Revenue Service. The Company makes a Safe Harbor Matching Contribution equal to 100% on the first 3% of eligible earnings that are deferred as Elective Deferral and an additional 50% on the next 2% of eligible earnings. The 401(k) expense for the years ended March 31, 2025

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024 (Contd.)

and 2024 was US \$ 11,400 (INR 974,432) and US \$ 10,842 (INR 855,686), respectively.

[9] Income taxes:

In accordance with the Federal and State Corporate tax laws in USA, the income tax liability is computed on a combined basis by ITC Infotech (USA), Inc. (the parent company of the Company in USA) and a combined tax

return is filed including its subsidiary, the Company. Hence, the income tax expenses, related current and deferred tax assets/liabilities are accounted on a combined basis by ITC Infotech (USA), Inc. in its financial statements.

[10] Reclassifications:

Certain prior year amounts have been reclassified to conform to the current year presentation

NOTE C – RELATED PARTY TRANSACTIONS

The Company has entered into various transactions with its related parties as follows:

	2025 (US \$)	2025 (₹)	2024 (US \$)	2024 (₹)
Transactions with ITC Limited				
Service / Account Management fees / others recognized as revenue by Indivate	474,239	40,535,579	631,167	52,642,484
Purchase of Goods	364,046	31,116,832	209,177	17,446,416
Re-imbursement of Expenses	195,808	16,736,689	161,469	13,467,322
Trademark License fee	565,386	48,326,368	611,583	51,009,080
Transactions with Parent Company				
Payment of Dividend	5,000,000	427,375,000	–	–

The receivable/ payable amount as on 31st March, 2025 and 31st March, 2024 for related parties have been disclosed in the Balance Sheet.

NOTE D – PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

	Estimated useful lives (Years)	As of			
		31-Mar-25		31-Mar-24	
		(US \$)	(₹)	(US \$)	(₹)
Computers etc.	3	2,572	219,842	2,572	214,518
Office Equipment	5	639	54,619	639	53,296
Furniture and Fixtures	10	2,721	232,577	2,721	226,944
		5,932	507,038	5,932	494,758
Less: Accumulated depreciation		(5,817)	(497,208)	(5,691)	(474,658)
Property and Equipment, net		115	9,830	241	20,100

The depreciation expense recognized in the Statement of Operations is as follows:

	2025		2024	
	(US \$)	(₹)	(US \$)	(₹)
Depreciation expense	126	10,770	930	77,567

NOTE E – OTHER CURRENT ASSETS

	2025		2024	
	(US \$)	(₹)	(US \$)	(₹)
Prepaid Expenses	2,796	238,988	1,376	114,764
Security Deposit	52,500	4,487,438	52,500	4,378,763
Accrued Interest	15,285	1,306,485	22,994	1,917,815
Total	70,581	6,032,911	76,870	6,411,342

NOTE F – ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	2025		2024	
	(US \$)	(₹)	(US \$)	(₹)
Other Provisions and accrued liabilities	1,738,088	148,563,072	1,411,996	117,767,526
Advance from customers	667,126	57,022,595	629,703	52,520,378
Total	2,405,214	205,585,667	2,041,699	170,287,904

Revenue recognized in FY 2024-25 that was included as 'Advance from customers' balance at the beginning of the FY 2024-25 was US \$ 629,703 (INR 52,520,378).

NOTE G - CONCENTRATION OF CREDIT RISK AND SIGNIFICANT CUSTOMERS

A significant portion of the Company's sales are to several key customers. Three such key customers accounted for approximately 75% (42%, 24% and 9%) and approximately 74% (41%, 18% and 15%) of the Company's Revenues for the years ended March 31, 2025, and 2024, respectively. There were no Accounts Receivables from these customers.

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash deposits. Accounts at each financial institution are insured by the Federal Deposit Insurance Corporation up to regulatory limits. The Company has not experienced any losses in such accounts.

NOTE H - SUMMARY OF RECENT ACCOUNTING PRONOUNCEMENTS

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2023-09, Income Taxes ("Accounting Standards Codification ("ASC") Topic 740"), Improvements to Income Tax Disclosures. This ASU expands disclosures relating to the entity's income tax rate reconciliation, income taxes paid and certain other disclosures related to income taxes. The ASU is effective for annual periods beginning after December 15, 2024. The Company is currently evaluating the impact of this ASU on its annual financial statements for the year ending on March 31, 2025.

NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2025 AND 2024 (Contd.)

In November 2024, FASB issued ASU No. 2024-03, Income Statement - Reporting Comprehensive Income ("ASC Topic 220"): Expense Disaggregation Disclosures. This ASU improves disclosures relating to the disaggregation of income statement expenses, requires additional disclosures about the nature of expenses in commonly presented financial statement captions on an annual and interim basis for all public business entities.

The ASU will be effective for annual reporting periods beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this ASU on its financial statements.

Recently Adopted and Applicable Accounting Pronouncements

In March 2024, FASB issued ASU No. 2024-01, Compensation-Stock Compensation ("ASC Topic 718"). This ASU clarifies how to evaluate whether profits, interest and similar awards given to employees and non-employees are within the scope of share-based payment arrangement under ASC Topic 718. The ASU will be effective for annual periods beginning after December 15, 2024, including interim periods within those years, with early adoption permitted. The Company has early adopted this ASU beginning January 1, 2024. The adoption of this ASU did not have a material impact on the Company's financial statements.

NOTE I – SUBSEQUENT EVENTS

The Company evaluated subsequent events through May 9, 2025 which is the date on which the Financial Statements are issued. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the financial statements.

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Company for the financial year ended 31 March 2025.

PRINCIPAL ACTIVITY

The Company is involved in delivering Information Technology services and solutions.

BUSINESS REVIEW

The Company's strategic pillars of customer centricity, employee centricity and operational excellence and its vision of providing business-friendly technology solutions enables it to stay relevant to the evolving business priorities of its clients. The Company will continue to invest in mining and growing key client relationships towards becoming their trusted partners in driving their growth and transformation agendas.

RESULTS OF OPERATIONS

The results of operations of the Company for the financial year are as follows:

	RM
Profit for the year, net of tax	1,335,503

In the opinion of the Directors, the result of operations of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the financial period. The Directors do not recommend any final dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares and debentures during the financial year.

SHARE OPTIONS

No options were granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares were issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were prepared, the Directors took reasonable steps:

- to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that there were no known bad debts to be written off and no allowance for doubtful debts was required; and
- to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- which would require the writing off of bad debts or the setting up of allowance for doubtful debts in the financial statements of the Company; or
- which would render the values attributed to current assets in the financial statements of the Company misleading; or
- which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or
- not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the company misleading.

At the date of this report, there does not exist:

- any charge on the assets of the Company which has arisen since the end of the financial year which secures the liability of any other person; and
- any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the year of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Company for the financial year in which this report is made.

DIRECTORS

The Directors of the Company in office during the financial year, and during the period from the end of the financial year to the date of this report are:

Mr. Vishal Kumar

Ms. Wong Youn Kim

Mr. Amartya Mukherjee (Resigned on 25 February 2025)

Ms. Amita Bothra (Appointed on 25 February 2025)

Mr. Sharad Jain (Resigned on 15 April 2025)

Mr. Thomas P Joshua (Appointed on 15 April 2025)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings maintained by the Company, the Directors in office at the end of the financial year do not have any interest in shares of the Company during the financial year.

The shareholdings in the related corporations of those who was Director at the end of the financial year, as recorded in the Register of Directors' Shareholdings are as follows:

Shares in ultimate holding company, ITC Limited	Number of ordinary shares			
	As at 01.04.2024	Acquired	Disposed	As at 31.03.2025
Direct interest				
Mr. Vishal Kumar	375,110	42,200	3,000	414,310
Ms. Amita Bothra*	32,990	-	-	32,990

*Opening balance of shares is as on the date of appointment as Director ie., 25.2.2025 for Ms. Amita Bothra.

Other than as disclosed above, none of the other Director in office at the end of the financial year have any interest in shares of the Company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors of the Company has received or become entitled to receive any benefit by reason of a contract made by the Company or by a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby Directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company, through the ultimate holding company, maintains Directors' and Officers' liability insurance which provides appropriate insurance cover for the Directors and Officers of the Company.

There was no indemnity given to or insurance effected for the auditors of the Company in accordance with Section 289 of the Companies Act 2016.

HOLDING COMPANY

The Company is a wholly-owned subsidiary company of ITC Infotech India Limited, a company incorporated in India which in turn is a wholly-owned subsidiary company of ITC Limited. The Directors regard ITC Limited, a company incorporated in India and listed on the National Stock Exchange of India Limited ('NSE'), BSE Limited ('BSE'), and The Calcutta Stock Exchange Limited ('CSE'), as the ultimate holding company of the Company.

AUDITORS

Deloitte PLT (Firm Registration Number: LLP0010145-LCA) were appointed as the Auditors of the Company to hold office until the conclusion of the next Annual Meeting for audit of the Financial Statements of the Company for the year ended 31 March 2025.

AUDITORS' REMUNERATION

The remuneration of the auditors for the financial year ended 31 March 2025 is RM 50,000.

Signed by the Board

in accordance with a resolution of the Board of Directors,

VISHAL KUMAR

THOMAS P JOSHUA

AMITA BOTHRA

WONG YOUN KIM

Place: Kuala Lumpur

Date: 06 May 2025

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF ITC INFOTECH MALAYSIA SDN. BHD.**(Incorporated in Malaysia)****Opinion**

We have audited the Special Purpose Financial Statements of ITC INFOTECH MALAYSIA SDN. BHD., which comprise the Special Purpose Statement of Financial Position as at 31 March 2025, and the Special Purpose Statement of Profit or Loss and Other Comprehensive Income, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year then ended, and notes to the Special Purpose Financial Statements, including material accounting policy information, as set out on pages 11 to 53.

In our opinion, the accompanying Special Purpose Financial Statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and cash flows for the year then ended in accordance with the basis of preparation as set out in Note 2 to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Emphasis of Matter and Restriction in Use

We draw attention to Note 2 to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any another purpose.

Our report is intended solely for the information and use of the management of the Company and its group companies and is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our report is not modified in respect of this matter.

Information Other than the Special Purpose Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report, but does not include the Special Purpose Financial Statements of the Company and our auditors' report thereon.

Our opinion on the Special Purpose Financial Statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Special Purpose Financial Statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the Special Purpose Financial Statements of the Company or our knowledge obtained in the 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 the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Special Purpose Financial Statements

The Directors of the Company are responsible for the preparation of Special Purpose Financial Statements so as to give a true and fair view in accordance with the basis described in Note 2 to the Special Purpose Financial Statements. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of Special

Purpose Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements of the Company, the 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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose Financial Statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards of Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Special Purpose Financial Statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Financial Statements of the Company, 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 the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Special Purpose Financial Statements of the Company 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 auditors' 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 Special Purpose Financial Statements of the Company, including the disclosures, and whether the Special Purpose Financial Statements of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors 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.

DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

SUDHANYA SAHOO
Partner - 03669/06/2026 J
Chartered Accountant

Date: 06 May 2025

**SPECIAL PURPOSE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025
(COMPARATIVE FIGURES FOR FINANCIAL PERIOD FROM 3 FEBRUARY 2023 (DATE OF INCORPORATION) TO 31 MARCH 2024)**

		2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
	Note		
Revenue	5	27,893,956	537,307,327
Other income		22,702	437,297
Employee benefits expenses	6	(8,572,362)	(165,125,123)
Depreciation expenses	10 & 11	(884,438)	(17,036,487)
Other expenses	7	(16,562,326)	(319,031,806)
Finance costs	8	<u>(62,557)</u>	<u>(1,205,004)</u>
Profit before tax		1,834,975	35,346,204
Income tax expense	9	<u>(499,472)</u>	<u>(9,621,079)</u>
Profit for the year, representing total comprehensive income for the year		<u>1,335,503</u>	<u>25,725,125</u>
		2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
	Note		
Revenue	5	7,946,296	140,033,601
Other income		171	3,013
Employee benefits expenses	6	(3,898,968)	(68,709,564)
Depreciation expenses	10 & 11	(549,101)	(9,676,532)
Other expenses	7	(2,918,273)	(51,427,266)
Finance costs	8	<u>(60,104)</u>	<u>(1,059,183)</u>
Profit before tax		520,021	9,164,069
Income tax expense	9	<u>(153,435)</u>	<u>(2,703,908)</u>
Profit for the period, representing total comprehensive income for the period		<u>366,586</u>	<u>6,460,161</u>

The accompanying Notes form an integral part of the Special Purpose Financial Statements.

SPECIAL PURPOSE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2025 RM	2025 ₹ (unaudited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	10	690,211	13,295,208
Right-of-use assets	11	956,403	18,422,713
Other financial assets	12	226,715	4,367,098
Deferred tax assets	13	67,891	1,307,750
Total Non-Current Assets		1,941,220	37,392,769
Current Assets			
Financial assets			
Amount owing by immediate holding company	14	5,085,109	97,951,912
Other financial assets	12	2,964,948	57,112,311
Cash and cash equivalents	15	3,074,277	59,218,261
Prepaid expenses		162,562	3,131,351
Total Current Assets		11,286,896	217,413,835
Total Assets		13,228,116	254,806,604
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	16	8,000,000	154,100,000
Retained earnings	17	1,702,089	32,786,488
Total Equity		9,702,089	186,886,488
Non-Current Liabilities			
Financial liabilities			
Lease liabilities	18	253,921	4,891,153
Provisions	19	159,190	3,066,397
Total Non-Current Liabilities		413,111	7,957,550
Current Liabilities			
Financial liabilities			
Trade payables	20	1,738,221	33,482,504
Other financial liabilities	21	208,636	4,018,851
Amount owing to immediate holding company	14	366,088	7,051,770
Lease liabilities	18	737,998	14,215,686
Provisions	19	22,977	442,595
Tax liabilities		38,996	751,160
Total Current Liabilities		3,112,916	59,962,566
Total Liabilities		3,526,027	67,920,116
Total Equity and Liabilities		13,228,116	254,806,604

SPECIAL PURPOSE STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	Note	2024 RM	2024 ₹ (unaudited)
ASSETS			
Non-Current Assets			
Property, plant and equipment	10	656,858	11,575,480
Right-of-use assets	11	1,673,214	29,486,213
Other financial assets	12	224,915	3,963,565
Deferred tax assets	13	20,486	361,015
Total Non-Current Assets		2,575,473	45,386,273
Current Assets			
Financial assets			
Amount owing by immediate holding company	14	7,946,296	140,033,601
Other financial assets	12	198,212	3,492,991
Cash and cash equivalents	15	801,184	14,118,865
Prepaid expenses		56,188	990,173
Total Current Assets		9,001,880	158,635,630
Total Assets		11,577,353	204,021,903
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	16	8,000,000	140,980,000
Retained earnings	17	366,586	6,460,161
Total Equity		8,366,586	147,440,161
Non-Current Liabilities			
Financial liabilities			
Lease liabilities	18	991,919	17,480,093
Provisions	19	17,092	301,204
Total Non-Current Liabilities		1,009,011	17,781,297
Current Liabilities			
Financial liabilities			
Trade payables	20	878,461	15,480,679
Other financial liabilities	21	137,984	2,431,623
Amount owing to immediate holding company	14	305,384	5,381,630
Lease liabilities	18	703,727	12,401,429
Provisions	19	29,779	524,780
Tax liabilities		146,421	2,580,304
Total Current Liabilities		2,201,756	38,800,445
Total Liabilities		3,210,767	56,581,742
Total Equity and Liabilities		11,577,353	204,021,903

The accompanying Notes form an integral part of the Special Purpose Financial Statements.

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Share capital RM	Retained earnings RM	Total equity RM
At 31 March 2024/1 April 2024	8,000,000	366,586	8,366,586
Profit for the year, representing total comprehensive income for the year	-	1,335,503	1,335,503
At 31 March 2025	<u>8,000,000</u>	<u>1,702,089</u>	<u>9,702,089</u>

	Share capital ₹ (unaudited)	Retained earnings ₹ (unaudited)	Total equity ₹ (unaudited)
At 31 March 2024/1 April 2024	154,100,000	7,061,363	161,161,363
Profit for the year, representing total comprehensive income for the year	-	25,725,125	25,725,125
At 31 March 2025	<u>154,100,000</u>	<u>32,786,488</u>	<u>186,886,488</u>

	Share capital RM	Retained earnings RM	Total equity RM
At 3 February 2023 (date of incorporation)			
Issuance of ordinary shares	8,000,000	-	8,000,000
Profit for the year, representing total comprehensive income for the period	-	366,586	366,586
At 31 March 2024	<u>8,000,000</u>	<u>366,586</u>	<u>8,366,586</u>

	Share capital ₹ (unaudited)	Retained earnings ₹ (unaudited)	Total equity ₹ (unaudited)
At 3 February 2023 (date of incorporation)			
Issuance of ordinary shares	140,980,000	-	140,980,000
Profit for the year, representing total comprehensive income for the period	-	6,460,161	6,460,161
At 31 March 2024	<u>140,980,000</u>	<u>6,460,161</u>	<u>147,440,161</u>

The accompanying Notes form an integral part of the Special Purpose Financial Statements.

SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES		
Profit before tax	1,834,975	35,346,204
Adjustment for:		
Depreciation expenses	884,438	17,036,487
Finance costs	62,557	1,205,004
Unrealised gain on foreign exchange	(12,898)	(248,448)
Operating Profit Before Working Capital Changes	<u>2,769,072</u>	<u>53,339,247</u>
Increase in:		
Other financial assets	(2,768,536)	(53,328,925)
Prepaid expenses	(106,374)	(2,049,029)
Amount owing by immediate holding company	2,877,665	55,431,022
Trade payables	859,760	16,561,130
Other payables	70,652	1,360,934
Provisions	135,296	2,606,139
Amount owing to immediate holding company	<u>57,124</u>	<u>1,100,351</u>
Cash From Operations	<u>3,894,659</u>	<u>75,020,869</u>
Tax paid	<u>(654,302)</u>	<u>(12,603,492)</u>
Net Cash From Operating Activities	<u>3,240,357</u>	<u>62,417,377</u>
CASH FLOWS USED IN INVESTING ACTIVITY		
Acquisition of property, plant and equipment	<u>(200,980)</u>	<u>(3,871,377)</u>
Net Cash Used In Investing Activity	<u>(200,980)</u>	<u>(3,871,377)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Payment of lease liabilities	<u>(766,284)</u>	<u>(14,760,546)</u>
Net Cash Used in Financing Activities	<u>(766,284)</u>	<u>(14,760,546)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>2,273,093</u>	<u>43,785,454</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>801,184</u>	<u>15,432,807</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR (REPRESENTING CASH AT BANK)	<u>3,074,277</u>	<u>59,218,261</u>

	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit before tax	520,021	9,164,069
Adjustment for:		
Depreciation expenses	549,101	9,676,532
Finance costs	60,104	1,059,183
Operating Profit Before Working Capital Changes	1,129,226	19,899,784
Increase in:		
Other financial assets	(423,127)	(7,456,556)
Prepaid expenses	(56,188)	(990,173)
Amount owing by immediate holding company	(7,946,296)	(140,033,601)
Trade payables	878,461	15,480,679
Other payables	137,984	2,431,623
Provisions	46,871	825,984
Amount owing to immediate holding company	305,384	5,381,630
Cash Used In Operations	(5,927,685)	(104,460,630)
Tax paid	(27,500)	(484,619)
Net Cash Used In Operating Activities	(5,955,185)	(104,945,249)
CASH FLOWS USED IN INVESTING ACTIVITY		
Acquisition of property, plant and equipment	(726,775)	(12,807,592)
Net Cash Used In Investing Activity	(726,775)	(12,807,592)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares	8,000,000	140,980,000
Payment of lease liabilities	(510,856)	(9,002,560)
Payment of direct costs relating to right-of-use assets	(6,000)	(105,734)
Net Cash From Financing Activities	7,483,144	131,871,706
NET INCREASE IN CASH AND CASH EQUIVALENTS	801,184	14,118,865
CASH AND CASH EQUIVALENTS DATE OF INCORPORATION	-	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD (REPRESENTING ASH AT BANK)	801,184	14,118,865

NOTES TO THE SPECIAL PURPOSE STATEMENTS OF CASH FLOWS

The Company adopts the indirect method in the preparation of Special Purpose Statement of Cash Flows. Cash and cash equivalents are short-term, highly liquid investments with maturities of three months or less from the date of acquisition. They are readily convertible to cash with insignificant risk of changes in value.

	Note	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
A. CASH OUTFLOWS FOR LEASES AS A LESSEE			
Included in net cash from financing activities:			
Repayment of lease liabilities		703,727	13,555,542
Interest paid in relation to lease liabilities	8	62,557	1,205,004
Total cash outflows for leases		766,284	14,760,546
		2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Included in net cash from financing activities:			
Repayment of lease liabilities		450,752	7,943,377
Interest paid in relation to lease liabilities	8	60,104	1,059,183
Total cash outflows for leases		510,856	9,002,560

B. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details the changes in the Company's liabilities arising from financing activities. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's Special Purpose Statement of Cash Flows as cash flows from financing activities.

		2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
At the beginning of the year		1,695,646	32,662,381
Finance costs	8	62,557	1,205,004
Payment of lease rental		(766,284)	(14,760,546)
At end of the year		<u>991,919</u>	<u>19,106,839</u>

		2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
At date of incorporation		—	—
Non-cash changes		2,146,398	37,824,899
Finance costs	8	60,104	1,059,183
Payment of lease rental		(510,856)	(9,002,560)
At end of the year		<u>1,695,646</u>	<u>29,881,522</u>

The accompanying Notes form an integral part of the Special Purpose Financial Statements.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The Company is involved in delivering Information Technology services and solutions.

The financial statements are presented in Ringgit Malaysia ("RM") which represents the functional currency of the Company.

The registered office of the Company is located at Level 5, Tower 8, Avenue 5, Bangsar South City, 59200 Kuala Lumpur and the principal place of business of the Company is located at 24th Floor, Suite 03-04, The Pinnacle, Persiaran Lagoon, Bandar Sunway, 47500 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The special purpose financial statements of the Company have been approved by the Board of Directors and were authorised for issuance on 6 May 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The Special Purpose Financial Statements of the Company have been prepared in accordance with the accounting policies below.

The Special Purpose Financial Statements are presented in Ringgit Malaysia ("RM") which represents the functional currency of the Company. However, as required by the holding company, ITC Infotech India Limited., the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate of RM 1 = ₹ 19.2625 for financial year ended 31 March 2025 and RM 1 = ₹ 17.6225 for the financial year ended 31 March 2024 have been included solely for informational purposes and is not intended to be prepared in accordance with approved accounting standards in Malaysia.

3. MATERIAL SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The Special Purpose Financial Statements of the Company have been prepared under the historical cost convention unless otherwise indicated in this summary of accounting policies.

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.

The preparation of Special Purpose Financial Statements requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the Special Purpose Financial Statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year; they are recognised in the year of the revision and future years if the revision affects both current and future years.

The material accounting policies are set out below:

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, amount owing by immediate holding company, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the profit and loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and /or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are being recognised in the profit and loss in the year in which they arise.

Amount owing by immediate holding company, advances, security deposits and cash and cash equivalents are classified for measurement at amortised cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as amount owing by immediate holding company, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the MFRS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the profit or loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the profit or loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Financial Liabilities

Trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption or settlement is recognised in the profit or loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Special Purpose Financial Statements. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Revenue Recognition

The Company is engaged in providing information technology services to parent company. The Company derives its revenues primarily from Information Technology ("IT") services.

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied. i.e. when the 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a year of time in exchange for consideration.

Company as a Lessee

Right-of-use ("ROU") assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight-line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude RM 20,000 or less) are charged to the profit and loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the years in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(a) Critical judgements in applying the Company's accounting policies

The management is of the opinion that there are no instances of application of critical judgements in applying the Company's accounting policies which are expected to have a significant effect on the amounts recognised in the Special Purpose Financial Statements.

(b) Key sources of estimation uncertainty

The Directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (Contd.)

	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
5. REVENUE		
Revenue from Contract with Customer		
Sales of services (Note 14)	<u>27,893,956</u>	<u>537,307,327</u>
	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Revenue from Contract with Customer		
Sales of services (Note 14)	<u>7,946,296</u>	<u>140,033,601</u>
	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
6. EMPLOYEE BENEFITS EXPENSES		
Salaries and other emoluments	7,714,754	148,605,449
Contribution to Employees Provident Fund	850,281	16,378,538
Staff welfare expenses	<u>7,327</u>	<u>141,136</u>
	<u>8,572,362</u>	<u>165,125,123</u>
	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Salaries and other emoluments	3,491,773	61,533,770
Contribution to Employees Provident Fund	404,797	7,133,535
Staff welfare expenses	<u>2,398</u>	<u>42,259</u>
	<u>3,898,968</u>	<u>68,709,564</u>
	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
7. OTHER EXPENSES		
Insurance	249,458	4,805,185
Travelling and conveyance	35,892	691,370
Communication	39,577	762,352
Power and fuel	13,787	265,572
Recruitment charges	70,562	1,359,201
Outsourcing charges	15,774,775	303,861,603
Software and related expenses	5,911	113,861
Repair and maintenance		
Machinery	14,917	287,339
Legal, professional and consultancy expenses	300,365	5,785,781
Auditors' remuneration	50,000	963,125
Bank charges	3,713	71,522
Printing and stationery	1,917	36,926
Miscellaneous expenses	<u>1,452</u>	<u>27,969</u>
	<u>16,562,326</u>	<u>319,031,806</u>
	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Rates and taxes	19,649	346,265
Insurance	86,604	1,526,179
Travelling and conveyance	13,309	234,538
Communication	18,385	323,990
Power and fuel	3,515	61,943
Outsourcing charges	2,110,874	37,198,877
Software and related expenses	3,150	55,511
Repair and maintenance		
Buildings	53,820	948,443
Machinery	3,953	69,662
Legal, professional and consultancy expenses	552,414	9,734,916
Auditors' remuneration	50,000	881,125
Bank charges	2,542	44,796
Printing and stationery	<u>58</u>	<u>1,021</u>
	<u>2,918,273</u>	<u>51,427,266</u>

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
8. FINANCE COSTS		
Interest expense on:		
Lease liabilities (Note 18)	62,575	1,205,004
	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Interest expense on:		
Lease liabilities (Note 18)	60,104	1,059,183
	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
9. INCOME TAX EXPENSE		
Income tax expense:		
Current year	537,438	10,352,399
Adjustments related to previous years - net	9,439	181,819
	546,877	10,534,218
Deferred tax (Note 13)		
Current year	(52,098)	(1,003,538)
Adjustments related to previous years - net	4,693	90,399
	(47,405)	(913,139)
Income tax expense	499,472	9,621,079
	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Income tax expense:		
Current period	173,921	3,064,923
Deferred tax (Note 13)		
Current period	(20,486)	(361,015)
Income tax expense	153,435	2,703,908
The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before tax is as follows:		
	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
Profit before tax	1,834,975	35,346,204
Tax at statutory tax rate of 24%	440,394	8,483,089
Tax effects of expenses not deductible for tax purposes	44,946	865,772
Adjustments related to previous years - net:		
Current tax	9,439	181,819
Deferred tax	4,693	90,399
Income tax expenses	499,472	9,621,079
	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Profit before tax	520,021	9,164,069
Tax at statutory tax rate of 24%	124,805	2,199,377
Tax effects of expenses not deductible for tax purposes	28,630	504,531
Income tax expenses	153,435	2,703,908

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

10. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is computed on the straight-line method based on the estimated useful lives of the various classes of depreciable assets at the following annual rates:

Furniture and fittings	10 Years
Office equipment	5 Years
Computers, servers and networks	3 to 6 Years
Electrical installation and equipment	10 Years

At the end of the reporting period, the estimated useful life, residual value and depreciation method of property, plant and equipment are reviewed and the effect of any changes are recognised prospectively.

10. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fittings RM	Office equipment RM	Computers, servers and networks RM	Electrical installation and equipment RM	Total RM
Cost					
1 April 2024	191,901	171,876	230,425	132,573	726,775
Additions	–	–	200,980	–	200,980
At 31 March 2025	191,901	171,876	431,405	132,573	927,755
Accumulated depreciation					
1 April 2024	11,028	15,627	35,645	7,617	69,917
Charge for the year	18,229	25,836	110,967	12,595	167,627
At 31 March 2025	29,257	41,463	146,612	20,212	237,544
Net book value					
At 31 March 2025	162,644	130,413	284,793	112,361	690,211

	Furniture and fittings ₹ (unaudited)	Office equipment ₹ (unaudited)	Computers, servers and networks ₹ (unaudited)	Electrical installation and equipment ₹ (unaudited)	Total ₹ (unaudited)
Cost					
1 April 2024	3,696,493	3,310,761	4,438,562	2,553,707	13,999,523
Additions	–	–	3,871,377	–	3,871,377
At 31 March 2025	3,696,493	3,310,761	8,309,939	2,553,707	17,870,900
Accumulated depreciation					
1 April 2024	212,427	301,015	686,612	146,723	1,346,777
Charge for the year	351,136	497,666	2,137,502	242,611	3,228,915
At 31 March 2025	563,563	798,681	2,824,114	389,334	4,575,692
Net book value					
At 31 March 2025	3,132,930	2,512,080	5,485,825	2,164,373	13,295,208

	Furniture and fittings RM	Office equipment RM	Computers, servers and networks RM	Electrical installation and equipment RM	Total RM
Cost					
At 3 February 2023 (date of incorporation)	–	–	–	–	–
Additions	191,901	171,876	230,425	132,573	726,775
At 31 March 2024	191,901	171,876	230,425	132,573	726,775
Accumulated depreciation					
At 3 February 2023 (date of incorporation)	–	–	–	–	–
Charge for the period	11,028	15,627	35,645	7,617	69,917
At 31 March 2024	11,028	15,627	35,645	7,617	69,917
Net book value					
At 31 March 2024	180,873	156,249	194,780	124,956	656,858

	Furniture and fittings ₹ (unaudited)	Office equipment ₹ (unaudited)	Computers, servers and networks ₹ (unaudited)	Electrical installation and equipment ₹ (unaudited)	Total ₹ (unaudited)
Cost					
At 3 February 2023 (date of incorporation)	–	–	–	–	–
Additions	3,381,774	3,028,885	4,060,665	2,336,268	12,807,592
At 31 March 2024	3,381,774	3,028,885	4,060,665	2,336,268	12,807,592
Accumulated depreciation					
At 3 February 2023 (date of incorporation)	–	–	–	–	–
Charge for the period	194,340	275,387	628,154	134,231	1,232,112
At 31 March 2024	194,340	275,387	628,154	134,231	1,232,112
Net book value					
At 31 March 2024	3,187,434	2,753,498	3,432,511	2,202,037	11,575,480

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (Contd.)

	Buildings RM	Buildings ₹ (unaudited)
11. RIGHT-OF-USE ASSETS		
Cost		
1 April 2024/31 March 2025	2,152,398	41,460,566
Accumulated depreciation		
1 April 2024	479,184	9,330,281
Charge for the year	716,811	13,807,572
At 31 March 2025	1,195,995	23,037,853
Net book value		
At 31 March 2025	956,403	18,422,713
Cost		
At 3 February 2023 (date of incorporation)	—	—
Additions	2,152,398	37,930,633
At 31 March 2024	2,152,398	37,930,633
Accumulated depreciation		
At 3 February 2023 (date of incorporation)	—	—
Charge for the period	479,184	8,444,420
At 31 March 2024	479,184	8,444,420
Net book value		
At 31 March 2024	1,673,214	29,486,213
(a) The average lease term of the buildings is 3 years.		
The total cash outflow for lease amounts to RM 766,284 (2024: RM 510,856) ₹ 14,760,546 (2024: ₹ 9,002,560).		
(b) Amounts recognised in profit and loss are as follows:		
	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
Depreciation of right-of-use assets	716,811	13,807,572
Interest expense on lease liabilities (Note 8)	62,557	1,205,004
	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Depreciation of right-of-use assets	479,184	8,444,420
Interest expense on lease liabilities (Note 8)	60,104	1,059,183
12. OTHER FINANCIAL ASSETS		
	2025 RM	2025 ₹ (unaudited)
Security deposits		
- later than 1 year and not later than 5 years	226,715	4,367,098
Advances		
- no later than 1 year	144,008	2,773,954
Unbilled revenue – time and material basis & fixed price support contracts* (Note 14)		
- no later than 1 year	2,820,940	54,338,357
	2,964,948	57,112,311
*Right to consideration is unconditional, upon passage of time.		
	2024 RM	2024 ₹ (unaudited)
Security deposits		
- later than 1 year and not later than 5 years	224,915	3,963,565
Advances		
- no later than 1 year	198,212	3,492,991

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (Contd.)

	2025 RM	2025 ₹ (unaudited)
13. DEFERRED TAX ASSETS		
At beginning of year/ period	20,486	394,611
Recognised in profit or loss (Note 9):		
Provisions, right-of-use assets, lease liabilities	57,753	1,112,467
Others	(10,348)	(199,328)
	47,405	913,139
At end of year	67,891	1,307,750
	2024 RM	2024 ₹ (unaudited)
At date of incorporation	-	-
Recognised in profit or loss (Note 9):		
Provisions, right-of-use assets, lease liabilities	54,645	962,982
Others	(34,159)	(601,967)
At end of period	20,486	361,015

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for the Special Purpose Statements of Financial Position purposes:

	2025 RM	2025 ₹ (unaudited)
Deferred tax assets	112,398	2,165,066
Deferred tax liabilities	(44,507)	(857,316)
	67,891	1,307,750
	2024 RM	2024 ₹ (unaudited)
Deferred tax assets	54,645	962,982
Deferred tax liabilities	(34,159)	(601,967)
	20,486	361,015

Deferred tax assets/(liabilities) provided in the Special Purpose Financial Statements are in respect of the tax effects of the following:

	2025 RM	2025 ₹ (unaudited)
Deferred tax assets		
Temporary differences arising from:		
Provisions, right-of-use assets, lease liabilities	112,398	2,165,066
Offsetting	(44,507)	(857,316)
Deferred tax assets (after offsetting)	67,891	1,307,750
Deferred tax liabilities		
Temporary differences arising from:		
Others	(44,507)	(857,316)
Offsetting	44,507	857,316
Deferred tax liabilities (after offsetting)	-	-
	2024 RM	2024 ₹ (unaudited)
Deferred tax assets		
Temporary differences arising from:		
Provisions, right-of-use assets, lease liabilities	54,645	962,982
Offsetting	(34,159)	(601,967)
Deferred tax assets (after offsetting)	20,486	361,015
Deferred tax liabilities		
Temporary differences arising from:		
Others	(34,159)	(601,967)
Offsetting	34,159	601,967
Deferred tax liabilities (after offsetting)	-	-

The tax effects of deductible temporary differences which would give rise to net deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (Contd.)

14. RELATED PARTY TRANSACTIONS

The Company is a subsidiary company of ITC Infotech India Limited, a company incorporated in India which in turn is a wholly-owned subsidiary company of ITC Limited. The Directors regard ITC Limited, a company incorporated in India and listed on the National Stock Exchange of India Limited ('NSE'), BSE Limited ('BSE'), and The Calcutta Stock Exchange Limited ('CSE'), as the ultimate holding company of the Company.

Amount owing by immediate holding company, which arose mainly from sales of services, is unsecured, interest-free with a credit period of 90 days.
Amount owing to immediate holding company, which arose mainly payments made on behalf, is unsecured, interest-free with a credit period of 90 days.

Related Party Transactions

During the financial year, the significant related party transactions, which were determined based on negotiations agreed between the said parties, are as follows:

	2025 (12 months) RM	2025 (12 months) ₹ (unaudited)
Immediate holding company		
ITC Infotech India Limited		
Sales of services (Note 5)	27,893,956	537,307,327
Expenses reimbursed	65,644	1,264,468
Expenses recovered	188,267	3,626,493

	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Immediate holding company		
ITC Infotech India Limited		
Sales of services (Note 5)	7,946,296	140,033,601
Expenses reimbursed	305,384	5,381,630

Analysis of currency profile of amount owing to immediate holding company is as follows:

	2025 RM	2025 ₹ (unaudited)
Ringgit Malaysia		
- Unbilled (Note 12)	2,820,940	54,338,357
United States Dollar	5,085,109	97,951,912
	7,906,049	152,290,269

Analysis of currency profile of amount owing to immediate holding company is as follows:

	2025 RM	2025 ₹ (unaudited)
Ringgit Malaysia	296,865	5,718,362
United States Dollar	69,223	1,333,408
	366,088	7,051,770

	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Ringgit Malaysia		
- Invoiced	7,946,296	140,033,601

Analysis of currency profile of amount owing to immediate holding company is as follows:

	2024 (14 months) RM	2024 (14 months) ₹ (unaudited)
Ringgit Malaysia	296,865	5,231,503
United States Dollar	8,519	150,127
	305,384	5,381,630

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

15. CASH AND CASH EQUIVALENTS

	2025 RM	2025 ₹ (unaudited)
Balances with bank:		
Current accounts	3,074,277	59,218,261
	2024 RM	2024 ₹ (unaudited)
Balances with bank:		
Current accounts	801,184	14,118,865
	Number of shares	2025 ₹ (unaudited)

16. SHARE CAPITAL

Issued and fully paid up shares with no
par value classified as equity instrument:
Ordinary shares

Issued during the period	8,000,000	8,000,000	154,100,000
	Number of shares	2024 RM	2024 ₹ (unaudited)

Issued and fully paid up shares with no
par value classified as equity instrument:
Ordinary shares

Issued during the period	8,000,000	8,000,000	140,980,000
At end of the period	8,000,000	8,000,000	140,980,000

In prior financial period, the Company was registered with share capital of RM 12,500,000, comprising 12,500,000 shares of RM1 each, and the immediate holding company has subscribed and paid RM 8,000,000, comprising 8,000,000 shares of RM1 each. During the current financial year, the Company has applied to the Companies Commission of Malaysia ("CCM") to update the records with CCM of issued and paid up capital to RM 8,000,000. CCM has approved and the Company's records have been updated to reflect the issued and paid up capital as RM 8,000,000.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

17. RETAINED EARNINGS

At the end of the reporting period, the entire retained earnings of the Company is available for distribution as dividends under the single-tier income tax system.

18. LEASE LIABILITIES

	2025 RM	2025 ₹ (unaudited)
At the beginning of the year	1,695,646	32,662,381
Addition	—	—
Finance costs (Note 8)	62,557	1,205,004
Payment of lease rental	(766,284)	(14,760,564)
At end of the year	991,919	19,106,839
	2024 RM	2024 ₹ (unaudited)
At date of incorporation	—	—
Addition	2,146,398	37,824,899
Finance costs (Note 8)	60,104	1,059,183
Payment of lease rental	(510,856)	(9,002,560)
At end of the period	1,695,646	29,881,522
	2025 %	2024 %
Incremental borrowing rate	4.87	4.87

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (Contd.)

The minimum lease payments for the lease liabilities are payable as follows:

	Future minimum lease payments RM	Interest RM	Present Value of minimum lease payments RM
2025			
Less than one year	766,284	(28,286)	737,998
Between one and two years	255,428	(1,507)	253,921
	<u>1,021,712</u>	<u>(29,793)</u>	<u>991,919</u>
	Future minimum lease payments ₹	Interest ₹	Present Value of minimum lease payments ₹
	(Unaudited)	(Unaudited)	(Unaudited)
2025			
Less than one year	14,760,546	(544,860)	14,215,686
Between one and two years	4,920,182	(29,029)	4,891,153
	<u>19,680,728</u>	<u>(573,889)</u>	<u>19,106,839</u>
	Future minimum lease payments RM	Interest RM	Present Value of minimum lease payments RM
2024			
Less than one year	766,284	(62,557)	703,727
Between one and two years	766,284	(28,286)	737,998
Between two and five years	255,428	(1,507)	253,921
	<u>1,787,996</u>	<u>(92,350)</u>	<u>1,695,646</u>
	Future minimum lease payments ₹	Interest ₹	Present Value of minimum lease payments ₹
	(Unaudited)	(Unaudited)	(Unaudited)
2024			
Less than one year	13,503,840	(1,102,411)	12,401,429
Between one and two years	13,503,840	(498,470)	13,005,370
Between two and five years	4,501,280	(26,557)	4,474,723
	<u>31,508,960</u>	<u>(1,627,438)</u>	<u>29,881,522</u>
		2025	2025
		RM	₹
			(unaudited)
19. PROVISIONS			
Provisions for compensated absences:			
- not later than 1 year		22,977	442,595
- later than 1 year and not later than 5 years		<u>159,190</u>	<u>3,066,397</u>
		2024	2024
		RM	₹
			(unaudited)
Provisions for compensated absences:			
- not later than 1 year		29,779	524,780
- later than 1 year and not later than 5 years		<u>17,092</u>	<u>301,204</u>
20. TRADE PAYABLES			
The normal trade credit terms granted to the Company by trade payables ranges from 10 days to 45 days.			

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (Contd.)

	2025 RM	2025 ₹ (unaudited)
21. OTHER FINANCIAL LIABILITIES		
Other payables	208,636	4,018,851
	2024 RM	2024 ₹ (unaudited)
Other payables	137,984	2,431,623

22. CAPITAL RISK MANAGEMENT, FINANCIAL INSTRUMENTS AND FINANCIAL RISKS**Capital management**

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in Note 16 and Note 17. The Company does not have any long-term debt obligation.

The Company is not exposed to any externally imposed capital requirements.

Material accounting policies

Details of the material accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses), for each class of financial assets and financial liabilities are disclosed in Note 3.

Categories of financial instruments

	2025 RM	2025 ₹ (unaudited)
Financial assets		
At amortised costs:		
Amount owing by immediate holding company	5,085,109	97,951,912
Other financial assets	3,191,663	61,479,409
Cash and cash equivalents	3,074,277	59,218,261
Financial liabilities		
At amortised costs:		
Trade payables	1,738,221	33,482,504
Other financial liabilities	208,636	4,018,851
Amount owing to immediate holding company	366,088	7,051,770
Lease liabilities	991,919	19,106,839
	2024 RM	2024 ₹ (unaudited)
Financial assets		
At amortised costs:		
Amount owing by immediate holding company	7,946,296	140,033,601
Other financial assets	423,127	7,456,556
Cash and cash equivalents	801,184	14,118,865
Financial liabilities		
At amortised costs:		
Trade payables	878,461	15,480,679
Other financial liabilities	137,984	2,431,623
Amount owing to immediate holding company	305,384	5,381,630
Lease liabilities	1,695,646	29,881,522

Financial risk management objectives and policies

The operations of the Company are subject to a variety of financial risks, including foreign exchange risk, credit risk and liquidity risk.

The Company has formulated a financial risk management framework whose principal objective is to minimise the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Company.

Foreign exchange risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuation arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are disclosed in the respective notes.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

Foreign currency sensitivity analysis

The Company is mainly exposed to the United States dollar.

The following table details the Company's sensitivity to a 10% increase and decrease in the Ringgit Malaysia against the relevant foreign currency. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 10% change in foreign currency rates. A positive number below indicates a gain in the profit before tax where the Ringgit Malaysia strengthens 10% against the relevant currency. For a 10% weakening of the Ringgit Malaysia against the relevant currency, there would be a comparable impact on the profit before tax, the balances below would be negative.

	2025 RM	2025 ₹ (unaudited)
United States dollar	(501,589)	(9,661,858)
	2024 RM	2024 ₹ (unaudited)
United States dollar	852	15,014

The Company's sensitivity to foreign currency is mainly attributable to the exposure of amount owing to immediate holding company, which are partially denominated in foreign currencies at the end of the reporting year.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the year end exposure does not reflect the exposure during the financial year.

Credit risk management

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

The Company's exposure to credit risk arises primarily from amount owing by/(to) immediate holding company. For other financial assets (including cash and cash equivalents), the Company minimises credit risk by dealing exclusively with high credit rating counter parties.

Liquidity risk management

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company practices prudent liquidity risk management to minimise the mismatch of financial assets and liabilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations:

	Weighted average effective interest rate %	Within one year RM	One to two years RM	Two to five years RM	Total RM
2025					
Financial liabilities:					
Non-interest bearing:					
Trade payables	–	1,738,221	–	–	1,738,221
Other financial liabilities	–	208,636	–	–	208,636
Amount owing to immediate holding company	–	366,088	–	–	366,088
	–	2,312,945	–	–	2,312,945
Interest bearing:					
Lease liabilities	4.87	766,284	255,428	–	1,021,712
Total undiscounted financial liabilities		3,079,229	255,428	–	3,334,657
	Weighted average effective interest rate %	Within one year ₹ (unaudited)	One to two years ₹ (unaudited)	Two to five years ₹ (unaudited)	Total ₹ (unaudited)
2025					
Financial liabilities:					
Non-interest bearing:					
Trade payables	–	33,482,504	–	–	33,482,504
Other financial liabilities	–	4,018,851	–	–	4,018,851
Amount owing to immediate holding company	–	7,051,770	–	–	7,051,770
	–	44,553,125	–	–	44,553,125
Interest bearing:					
Lease liabilities	4.87	14,760,545	4,920,182	–	19,680,727
Total undiscounted financial liabilities		59,313,670	4,920,182	–	64,233,852

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025 (Contd.)

	Weighted average effective interest rate %	Within one year RM	One to two years RM	Two to five years RM	Total RM
2024					
Financial liabilities:					
Non-interest bearing:					
Trade payables	–	878,461	–	–	878,461
Other financial liabilities	–	137,984	–	–	137,984
Amount owing to immediate holding company	–	305,384	–	–	305,384
	–	1,321,829	–	–	1,321,829
Interest bearing:					
Lease liabilities	4.87	766,284	766,284	255,428	1,787,996
Total undiscounted financial liabilities		2,088,113	766,284	255,428	3,109,825

	Weighted average effective interest rate %	Within one year ₹ (unaudited)	One to two years ₹ (unaudited)	Two to five years ₹ (unaudited)	Total ₹ (unaudited)
2024					
Financial liabilities:					
Non-interest bearing:					
Trade payables	–	15,480,679	–	–	15,480,679
Other financial liabilities	–	2,431,623	–	–	2,431,623
Amount owing to immediate holding company	–	5,381,630	–	–	5,381,630
	–	23,293,932	–	–	23,293,932
Interest bearing:					
Lease liabilities	4.87	13,503,840	13,503,840	4,501,280	31,508,960
Total undiscounted financial liabilities		36,797,772	13,503,840	4,501,280	54,802,892

Fair Values

The Directors consider that the carrying amounts of the current financial assets and financial liabilities of the Company at the end of the reporting year approximate their fair values due to the relatively short-term maturities of these financial instruments.

The fair value of long-term liabilities is estimated by discounting the expected future cash flows using the current interest rates for borrowing with similar risk profiles. There is no material difference between the carrying amounts and the estimated fair values of long-term liabilities.

STATEMENT BY DIRECTORS

We, **VISHAL KUMAR, AMITA BOTHRA, THOMAS P JOSHUA and WONG YOUN KIM**, being the Directors of ITC INFOTECH MALAYSIA SDN. BHD. state that, in the opinion of the Directors, the accompanying Special Purpose Financial Statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance and cash flows of the Company for the financial year 3 February 2024 (date of incorporation) to 31 March 2025 in accordance with the accounting policies of the Company.

Signed by the Board

in accordance with a resolution of the Board of Directors dated 6 May 2025.

VISHAL KUMAR

AMITA BOTHRA

THOMAS P JOSHUA

WONG YOUN KIM

Kuala Lumpur

DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **WONG YOUN KIM**, being the Director primarily responsible for the financial management of ITC INFOTECH MALAYSIA SDN. BHD., do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

WONG YOUN KIM

Subscribed and solemnly declared at Kuala Lumpur on 6 May 2025.

Before me,

COMMISSIONER FOR OATHS

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended 31st March, 2025. The Company is a subsidiary of ITC Infotech India Limited, incorporated in India.

Principal Activities

The Company is engaged in the business of providing Information Technology Services and Solutions.

Business Review

During the year, the Company continues to leverage its portfolio of client and industry-focused capabilities, including Data & Analytics, Direct to Consumer (D2C), product lifecycle management-led Digital Thread Solutions, Digital Manufacturing, SAP S/4HANA and Cloud amongst others, strengthening its near-shore presence in the Americas. The Company remains committed to deepening strategic client partnerships and positioning itself as a trusted advisor in enabling their digital transformation and growth agendas.

Financial Results

The Company's financial performance for the year was as under:

(MXN in '000)

Financial Year ended	March 31, 2025	March 31, 2024*
Total Income	48,329	6,064
Profit Before Tax	3,688	550
Profit for the Year	2,748	746

*From 17th April, 2023 to 31st March, 2024.

Directors

The Directors of the Company in office during the financial year ended 31st March, 2025, and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Anindya Roy	- Chairman (w.e.f. 30th January, 2025)
Mr. Bharath Krishnaswamy	- Chairman (up to 8th November, 2024)
Mr. Soumyarup Roy	- Director & Secretary
Mr. Sharad Jain	- Director (up to 14th April, 2025)
Mr. Thomas P. Joshua	- Director (w.e.f. 15th April, 2025)

Auditors

The Company, as per local laws, is not required to audit its Financial Statements. However, as a measure of good governance, the Company has engaged Messrs. Deloitte Haskins & Sells LLP, India (Registration Number: 117366W/W-100018), as the Auditors to conduct audit for the year ended 31st March, 2025. Their Report is annexed to the Financial Statements of the Company.

On behalf of ITC Infotech de México, S.A. de C.V.

Anindya Roy
Chairman

Date: 6th May, 2025

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of ITC Infotech DE Mexico, S.A. DE C.V.

Report on the Special Purpose Financial Statements**Opinion**

We have audited the accompanying Special Purpose Financial Statements of ITC Infotech DE Mexico, S.A. DE C.V. (the "Company"), which comprise the Special Purpose Balance Sheet as at 31st March, 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Special Purpose Financial Statements"). The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company ("ITC Limited") under the requirements of section 129(3) of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements are prepared, in all material respects, in accordance with the basis of preparation set out in Note I(a) to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (the "SAs") issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the requirements of 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 Special Purpose Financial Statements.

Emphasis of Matter**Basis of preparation and restriction on use**

We draw attention to Note I(a) to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose

Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any another purpose. Our report is intended solely for the information and use of the Board of Directors and management of the Company and its group companies and is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Directors for the Special Purpose Financial Statements

The Company's Board of Directors are responsible for the preparation of these Special Purpose 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 basis described in Note I(a) to the Special Purpose Financial Statements.

This responsibility also includes maintenance of adequate accounting records 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, the management and the 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 intends 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 Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose 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 Special Purpose 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 but not for the purpose of expressing an opinion on the 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 Special Purpose 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose 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 Special Purpose 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.

For Deloitte Haskins & Sells LLP
Chartered Accountants
Firm Registration No: 117366W/W-100018

Place: Bengaluru
Date: May 6, 2025

Girish Bagri
Partner
Membership No. 066572
UDIN: 25066572BMNSDA6926

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

	Note No.	As at 31st March 2025 (MXN)	As at 31st March 2025 (INR) (Unaudited)	As at 31st March 2024 (MXN)	As at 31st March 2024 (INR) (Unaudited)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	815,375	3,435,012	748,452	3,766,510
(b) Deferred Tax Assets (Net)	3	561,080	2,363,718	196,353	988,127
(c) Other Non-Current Assets	7(a)	4,800	20,221	–	–
Sub-Total		<u>1,381,255</u>	<u>5,818,951</u>	<u>944,805</u>	<u>4,754,637</u>
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	25,032,202	105,455,661	49,300	248,097
(ii) Cash and Cash Equivalents	5	11,474,437	48,339,508	30,508,447	153,530,709
(iii) Others	6	4,035,620	17,001,260	5,887,725	29,629,387
(b) Other Current Assets	7(b)	2,121,302	8,936,621	1,049,891	5,283,471
Sub-Total		<u>42,663,561</u>	<u>179,733,050</u>	<u>37,495,363</u>	<u>188,691,664</u>
TOTAL		<u>44,044,816</u>	<u>185,552,001</u>	<u>38,440,168</u>	<u>193,446,301</u>
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	8	36,500,000	153,767,200	36,500,000	183,682,600
(b) Other Equity		3,494,300	14,720,787	745,945	3,753,892
Sub-Total		<u>39,994,300</u>	<u>168,487,987</u>	<u>37,245,945</u>	<u>187,436,492</u>
2 Non-current Liabilities					
(a) Other long-term liabilities	12 (A)	87,587	368,987	–	–
Sub-Total		<u>87,587</u>	<u>368,987</u>	<u>–</u>	<u>–</u>
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables and Accrued expenses	9	203,796	858,552	132,802	668,313
(ii) Others	10	1,158,295	4,879,665	129,131	649,839
(b) Other Current Liabilities	12 (B)	1,779,480	7,496,593	803,339	4,042,724
(c) Provisions	11	821,358	3,460,217	128,951	648,933
Sub-Total		<u>3,962,929</u>	<u>16,695,027</u>	<u>1,194,223</u>	<u>6,009,809</u>
TOTAL		<u>44,044,816</u>	<u>185,552,001</u>	<u>38,440,168</u>	<u>193,446 301</u>

The accompanying notes 1 to 27 are an integral part of the Special Purpose Standalone Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date

For Deloitte Haskins & Sells LLP

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

On behalf of the Company

Soumyarup Roy
Director

Anindya Roy
Chairman

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note No.	For the year ended 31st March 2025 (MXN)	For the year ended 31st March 2025 (INR) (Unaudited)	For the period ended 31st March 2024 (MXN)	For the period ended 31st March 2024 (INR) (Unaudited)
I Revenue from Operations	13	47,759,803	201,202,498	5,900,385	29,693,097
II Other Income	14	568,922	2,396,755	163,585	823,225
III Total Income (I+ II)		48,328,725	203,599,253	6,063,970	30,516,322
IV Expenses					
Employee Benefits Expense	15	39,558,826	166,653,422	4,050,356	20,383,012
Depreciation and Amortisation Expense	2	443,776	1,869,540	72,177	363,224
Other Expenses	16	4,638,279	19,540,142	1,391,845	7,004,321
Total Expenses		44,640,881	188,063,104	5,514,378	27,750,557
V Profit Before Tax (III-IV)		3,687,844	15,536,149	549,592	2,765,765
VI Tax Expenses	17				
Current Tax		1,304,216	5,494,401	–	–
Deferred Tax (Credit)		(364,727)	(1,536,522)	(196,353)	(988,127)
		939,489	3,957,879	(196,353)	(988,127)
VII Profit for the Year/ Period (V-VI)		2,748,355	11,578,270	745,945	3,753,892
VII Earnings Per Share (Face value MXN 1 each)	18	0.08	0.32	0.03	0.17
(Basic and diluted)					

There were no items of comprehensive income in the current period, and accordingly, no statement of comprehensive Income is presented.

The accompanying notes 1 to 27 are an integral part of the Special Purpose Standalone Financial Statements.

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date

For Deloitte Haskins & Sells LLP
Firm Registration Number: 117366 W/W-100018
Chartered Accountants

Girish Bagri
Partner

On behalf of the Company
Soumyarup Roy
Director

Anindya Roy
Chairman

Membership Number: 066572
Place: Bengaluru
Date: 6th May, 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

FY 23-24					FY 24-25		
Opening Balance (MXN)	Opening Balance (INR) (Unaudited)	Changes in Equity Share Capital during the year (MXN)	Balance at 31st March, 2024 (MXN)	Balance at 31st March, 2024 (INR) (Unaudited)	Changes in Equity Share Capital during the year (MXN)	Balance at 31st March, 2025 (MXN)	Balance at 31st March, 2025 (INR) (Unaudited)
–	–	36,500,000*	36,500,000	183,682,600	–	36,500,000	153,767,200

* Capital contribution by ITC Infotech India Limited ("the Parent") and ITC Infotech (USA), Inc. at the time of incorporation of the company

B. Other Equity

	Retained Earnings (MXN)	Total (MXN)	Total (INR) (Unaudited)
Balance as at 1st April, 2024	745,945	745,945	3,142,517
Profit for the Year	2,748,355	2,748,355	11,578,270
Total Comprehensive Income	2,748,355	2,748,355	11,578,270
Balance as at 31st March, 2025	3,494,300	3,494,300	14,720,787

	Retained Earnings (MXN)	Total (MXN)	Total (INR) (Unaudited)
Balance as at 17th April, 2023	–	–	–
Profit for the Period	745,945	745,945	3,753,892
Total Comprehensive Income	745,945	745,945	3,753,892
Balance as at 31st March, 2024	745,945	745,945	3,753,892

Retained Earnings: This represents the cumulative profits of the Company.

The accompanying notes 1 to 27 are an integral part of the Special Purpose Standalone Financial Statements.

This is the Special Purpose Standalone Statement of Changes in Equity referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri
Partner

On behalf of the Company
Soumyarup Roy
Director

Anindya Roy
Chairman

Membership Number: 066572

Place: Bengaluru

Date: 6th May, 2025

SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March'2025 (MXN)	For the year ended 31st March'2025 (INR) (Unaudited)	For the period ended 31st March'2024 (MXN)	For the period ended 31st March'2024 (INR) (Unaudited)
A. CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	3,687,844	15,536,149	549,592	2,765,765
ADJUSTMENTS FOR :				
Depreciation and Amortization Expense	443,776	1,869,540	72,177	363,224
	<u>443,776</u>	<u>1,869,540</u>	<u>72,177</u>	<u>363,224</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	4,131,620	17,405,689	621,769	3,128,989
ADJUSTMENTS FOR :				
Other Assets	(24,249,598)	(102,158,707)	(6,944,327)	(34,946,631)
Trade Payables, Other Liabilities and Provisions	<u>2,650,264</u>	<u>11,165,032</u>	<u>1,194,224</u>	<u>6,009,813</u>
CASH FROM OPERATIONS	<u>(17,467,714)</u>	<u>(90,993,675)</u>	<u>(5,128,334)</u>	<u>(25,807,829)</u>
Income Tax Paid	<u>(1,055,597)</u>	<u>(4,447,019)</u>	<u>(42,590)</u>	<u>(214,329)</u>
NET CASH (USED IN) OPERATING ACTIVITIES	<u>(18,523,311)</u>	<u>(78,035,005)</u>	<u>(5,170,924)</u>	<u>(26,022,158)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant and Equipment	<u>(510,699)</u>	<u>(2,151,473)</u>	<u>(820,629)</u>	<u>(4,129,733)</u>
NET CASH (USED IN) INVESTING ACTIVITIES	<u>(510,699)</u>	<u>(2,151,473)</u>	<u>(820,629)</u>	<u>(4,129,733)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES :				
Capital infusion from Shareholders	<u>-</u>	<u>-</u>	<u>36,500,000</u>	<u>183,682,600</u>
NET CASH FROM FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>36,500,000</u>	<u>183,682,600</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(19,034,010)	(80,186,478)	30,508,447	153,530,709
OPENING CASH AND CASH EQUIVALENTS	<u>30,508,447</u>	<u>128,525,986</u>	<u>-</u>	<u>-</u>
CLOSING CASH AND CASH EQUIVALENTS	<u>11,474,437</u>	<u>48,339,508</u>	<u>30,508,447</u>	<u>153,530,709</u>
CASH AND CASH EQUIVALENTS COMPRISE :				
Cash and Cash Equivalents	11,474,437	48,339,508	30,508,447	153,530,709
Cash and Cash Equivalents	<u>11,474,437</u>	<u>48,339,508</u>	<u>30,508,447</u>	<u>153,530,709</u>

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"

For Deloitte Haskins & Sells LLP
Firm Registration Number: 117366 W/W-100018
Chartered Accountants

Girish Bagri
Partner

Soumyarup Roy
Director

On behalf of the Company

Anindya Roy
Chairman

Membership Number: 066572
Place: Bengaluru
Date: 6th May, 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

NATURE OF OPERATIONS

ITC Infotech de México, S.A. de C.V. (the "Company"), a company incorporated in Mexico, is engaged in providing information technology services. The Company is a wholly-owned subsidiary of ITC Infotech India Limited., an Indian company. There are 36,499,999 common shares authorized and issued to ITC Infotech India Limited and 1 common shares authorized and issued to ITC Infotech (USA), Inc.

The Company is incorporated and domiciled in Mexico and has its registered office at Bosque de Ciruelos No. 180 Int. PP 101, Col. Bosque de las Lomas, Miguel Hidalgo, Ciudad de México, 11700. The Company was incorporated on 17th April, 2023.

1. MATERIAL ACCOUNTING POLICIES

(a) Basis of presentation and statement of compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the financial year ended on that date and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, ITC Infotech India Limited, incorporated under the Companies Act, 2013, and having its registered office at 37 J. L. Nehru Road, Kolkata 700071, India.

These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose financial statements do not purport to follow Mexican GAAP.

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss.

Accounting policies have been applied consistently throughout the periods presented in these Special Purpose Financial Statements. Disclosures have been given which are relevant to and materially affect the company's financial position, and the financial performance of the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

(b) Convenience Translation (unaudited)

These Special Purpose financial statements are presented in Mexican Pesos. However, as required by the parent company ITC Infotech India Limited., the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate of MXN= INR 4.2128 for year ended 31st March, 2025 (MXN= INR 5.0324 for period ended 31st March, 2024) as provided by ITC Infotech India Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS. No representation is made that the Mexican Peso amounts have been, could have been, or could be converted into Indian Rupee at such a rate or any other rate.

(c) Use of Estimates and Judgment

The preparation of the Special Purpose Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Special Purpose Financial Statements are included in the following notes:

- i. Revenue Recognition
- ii. Income taxes

(d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(e) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, non-refundable duties and taxes and incidental expenses related to acquisition. Expenses capitalized also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of Property, Plant and Equipment are as follows:

Computers	3 Years

Property, Plant and Equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

(f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognized in prior years are reversed when there is an indication that the impairment losses recognized no longer exist or have decreased. Such reversals are recognized as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognized in previous years.

(g) Foreign Currency Transactions

The presentation currency of the Company is the Mexican Pesos.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognized in the Statement of Profit and Loss.

(h) Financial Instruments, Financial assets and Financial liabilities

Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value, except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Trade receivables, Unbilled receivables, deposits, advances and cash and cash equivalents. Such assets are initially recognized either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortized cost, where the financial assets are held solely for

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collection of cash flows arising from payments of principal and / or interest.

- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealized gains and losses arising from changes in the fair value being recognized in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealized gains and losses arising from changes in the fair value including interest income and dividend income, if any, are recognized in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortized cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortized cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortized cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognized gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognized when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortized cost, the gain or loss is recognized in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets: Interest income is recognized in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Trade payables and other financial liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost. Any discount or premium on redemption / settlement is recognized in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

(i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the

contract is legally enforceable. Revenue is recognized upon transfer of control of promised services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and other such taxes.

Revenue is recognized from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognized on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognized from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with Ind AS 115 - Revenue from contracts with customers. Capitalized costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalized costs.

(j) Employee Benefits – Short Term Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognized for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

(k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognized at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognized, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight-line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease.

The Company recognizes lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognized as expense in the periods in which they are incurred. Interest on lease liability is recognized using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Lease payments associated with short-term leases (i.e., those

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leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude INR 5 lakhs i.e. Approximately MXN 100,000 or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalized within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognized in the Statement of Profit and Loss on a straight line basis over the term of the lease.

There are no ROU Asset and Lease Liabilities recognized in the Balance Sheet as at 31st March 2025 and 31st March 2024. The total cash outflow for leases for the year is MXN 749,060 (INR 3,155,640) which are payments in respect short-term leases (In FY2023-24, the total cash outflow for leases was MXN 246,160 (INR 1,238,776) which were payments in respect short-term leases).

(l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be

available against which the deductible temporary differences can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(m) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

(n) Provisions

Provisions are recognized when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognized is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

(o) Statement of Cash Flows

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 from operating, investing and financing activities of the Company are segregated.

2. FIXED ASSETS

DESCRIPTION	Gross Block (MXN)				Depreciation and Amortization (MXN)				Net Block (MXN)	
	As at 31st March, 2024	Additions	Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2024	Charge during the period	On Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
Computers etc.	820,629	510,699	–	1,331,328	72,717	443,776	–	515,953	815,375	748,452
TOTAL	820,629	510,699	–	1,331,328	72,717	443,776	–	515,953	815,375	748,452

DESCRIPTION	Gross Block (INR) Unaudited				Depreciation and Amortization (INR) Unaudited				Net Block (INR) Unaudited	
	As at 31st March, 2024	Additions	Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2024	Charge during the period	On Withdrawals / Adj	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
Computers etc.	3,457,146	2,151,473	–	5,608,619	304,067	1,869,540	–	2,173,607	3,435,012	3,153,079
TOTAL	3,457,146	2,151,473	–	5,608,619	304,067	1,869,540	–	2,173,607	3,435,012	3,153,079

DESCRIPTION	Gross Block (MXN)				Depreciation and Amortization (MXN)				Net Block (MXN)	
	As at 31st March, 2023	Additions	Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2023	Charge during the period	On Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Computers etc.	–	820,629	–	820,629	–	72,717	–	72,717	748,452	–
TOTAL	–	820,629	–	820,629	–	72,717	–	72,717	748,452	–

DESCRIPTION	Gross Block (INR) Unaudited				Depreciation and Amortization (INR) Unaudited				Net Block (INR) Unaudited	
	As at 31st March, 2023	Additions	Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2023	Charge during the period	On Withdrawals / Adj	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
Computers etc.	–	4,129,734	–	4,129,734	–	363,224	–	363,224	3,766,510	–
TOTAL	–	4,129,734	–	4,129,734	–	363,224	–	363,224	3,766,510	–

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

3. DEFERRED TAX ASSETS

	Opening Balance (MXN)	Recognized in Statement of profit or loss (MXN)	Closing Balance (MXN)	Closing Balance (INR) (Unaudited)
FY 2024-25				
Deferred Tax Assets				
Unused Tax Credit	196,353	(196,353)	–	–
On provision for employees' bonus, separation and retirement, etc.	–	742,592	742,592	3,128,393
On provisions for expense other than w.r.t employees, prepaid expenses, etc.	–	(203,553)	(203,553)	(857,530)
On fiscal allowances on property, plant and equipment	–	22,041	22,041	92,855
Total Deferred Tax Assets	196,353	364,727	561,080	2,363,718
Deferred Tax Liabilities :				
Total Deferred Tax Liabilities	–	–	–	–
Deferred Tax Assets (Net)	196,353	364,727	561,080	2,363,718

	Opening Balance (MXN)	Recognized in Statement of profit or loss (MXN)	Closing Balance (MXN)	Closing Balance (INR) (Unaudited)
FY 2023-24				
Deferred Tax Assets				
Unused Tax Credit	–	196,353	196,353	988,127
Total Deferred Tax Assets	–	196,353	196,353	988,127
Deferred Tax Liabilities :				
Total Deferred Tax Liabilities	–	–	–	–
Deferred Tax Assets (Net)	–	196,353	196,353	988,127

4. TRADE RECEIVABLES

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Unsecured, Considered Good	25,032,202	105,455,661	49,300	248,097
TOTAL	25,032,202	105,455,661	49,300	248,097

Trade Receivables as at 31st March, 2025	Outstanding for the following periods			
	Not Due (MXN)	Less than 6 months (MXN)	Total (MXN)	Total (INR) (Unaudited)
Undisputed Trade Receivables - considered good	11,730,351	13,301,851	25,032,202	105,455,661
Gross	11,730,351	13,301,851	25,032,202	105,455,661
Less : Expected Credit Loss Allowance	–	–	–	–
NET	11,730,351	13,301,851	25,032,202	105,455,661

Trade Receivables as at 31st March, 2024	Outstanding for the following periods			
	Not Due (MXN)	Less than 6 months (MXN)	Total (MXN)	Total (INR) (Unaudited)
Undisputed Trade Receivables - considered good	–	49,300	49,300	248,097
Gross	–	49,300	49,300	248,097
Less : Expected Credit Loss Allowance	–	–	–	–
NET	–	49,300	49,300	248,097

5. CURRENT ASSETS : FINANCIAL ASSETS - CASH AND CASH EQUIVALENTS

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Balance with Banks :				
Current Accounts	11,474,437	48,339,508	30,508,447	153,530,709
TOTAL	11,474,437	48,339,508	30,508,447	153,530,709

The Company does not have any significant cash and cash equivalents that are not available for use.

6. CURRENT ASSETS : FINANCIAL ASSETS - OTHERS

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Unsecured Considered Good, Unless Otherwise Stated				
Unbilled Revenue*	3,897,155	16,417,935	5,823,075	29,304,042
Security Deposit	138,465	583,325	64,650	325,345
TOTAL	4,035,620	17,001,260	5,887,725	29,629,387

* Right to consideration is unconditional, upon passage of time.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

7.(A) OTHER NON CURRENT ASSETS

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Contract Asset	4,800	20,221	–	–
TOTAL	4,800	20,221	–	–

7.(B) OTHER CURRENT ASSETS

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Advances with Government and Public Bodies	1,085,549	4,573,201	389,879	1,962,027
Advances with Statutory Authorities	–	–	42,591	214,335
Prepaid expenses	1,035,753	4,363,420	617,421	3,107,109
TOTAL	2,121,302	8,936,621	1,049,891	5,283,471

8. EQUITY SHARE CAPITAL

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
EQUITY SHARE CAPITAL				
Authorised				
36,500,000 Equity Shares of MXN 1 each	36,500,000	153,767,200	36,500,000	183,682,600
Issued and Subscribed :				
36,499,499 Equity Shares of MXN 1 each, fully paid (All equity shares are held by ITC Infotech India Limited., the Holding Company).	36,499,999	153,767,196	36,499,999	183,682,595
1 Equity Shares of MXN 1 each, fully paid (All equity shares are held by ITC Infotech (USA), Inc.	1	4	1	5
TOTAL	36,500,000	153,767,200	36,500,000	183,682,600

Note: The equity shares of the company, having par value of MXN 1 each per share, rank pari passu in all respects including entitlement to Dividend

SHARES HELD BY PROMOTERS:

Particulars	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of MXN 1 each, fully paid	ITC Infotech India Limited	36,499,999	99.99%	–	36,499,999	99.99%	100%
Equity shares of MXN 1 each, fully paid	ITC Infotech India (USA) Inc	1	0.01%	–	1	0.01%	100%

9. FINANCIAL LIABILITIES – TRADE PAYABLES

Trade Payable as at 31st March, 2025	Outstanding for following periods							Total (INR) (Unaudited)
	Accrued	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total (MXN)	
Others	203,796	–	–	–	–	–	203,796	858,552
Total	203,796	–	–	–	–	–	203,796	858,552

Trade Payable as at 31st March, 2024	Outstanding for following periods							Total (INR) (Unaudited)
	Accrued	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	Total (MXN)	
Others	102,669	30,133	–	–	–	–	132,802	668,313
Total	102,669	30,133	–	–	–	–	132,802	668,313

10. CURRENT FINANCIAL LIABILITIES – OTHERS

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Employee Payable	1,158,295	4,879,665	129,131	649,839
Total	1,158,295	4,879,665	129,131	649,839

11. PROVISIONS

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Provision for Income Tax	206,028	867,955	–	–
Compensated Absences	615,330	2,592,262	128,951	648,933
Total	821,358	3,460,217	128,951	648,933

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

12.(A) OTHER LONG TERM LIABILITIES

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Contract Liability	87,587	368,987	–	–
Total	87,587	368,987	–	–

12.(B) OTHER CURRENT LIABILITIES

	As at 31st March, 2025 (MXN)	As at 31st March, 2025 (INR) (Unaudited)	As at 31st March, 2024 (MXN)	As at 31st March, 2024 (INR) (Unaudited)
Statutory Dues	1,708,822	7,198,925	760,839	3,828,846
Contract Liability	70,658	297,668	42,500	213,878
Total	1,779,480	7,496,593	803,339	4,042,724

Revenue recognized in FY 2024-25 that was included as Contract Liability balance at the beginning of the FY 2024-25 was MXN 42,500 (INR 179,044).

13. REVENUE FROM OPERATIONS

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Sale of Services	47,759,803	201,202,498	5,900,385	29,693,097
Total	47,759,803	201,202,498	5,900,385	29,693,097

The percentage of revenue from Fixed Price contracts for the year ended 31st March, 2025 is approximately 4 % (31st March 2024 – 11%).

14. OTHER INCOME

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Bank Interest	568,922	2,396,755	163,585	823,225
Total	568,922	2,396,755	163,585	823,225

15. EMPLOYEE BENEFITS EXPENSE

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
EMPLOYEE BENEFITS EXPENSE				
Salaries and Bonus	32,316,814	136,144,274	3,464,953	17,437,030
Contribution to Provident and Other Funds	6,046,428	25,472,392	585,403	2,945,982
Staff Welfare Expenses	1,195,584	5,036,756	–	–
Total	39,558,826	166,653,422	4,050,356	20,383,012

16. OTHER EXPENSES

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Rent	749,060	3,155,640	246,160	1,238,776
Rates and Taxes	3,664	15,436	–	–
Insurance	886,387	3,734,171	158,305	796,654
Travelling and Conveyance	32,433	136,634	–	–
Recruitment Expenses	254,479	1,072,069	–	–
Communication	2,886	12,158	–	–
Software and Related Expenses	17,000	71,618	–	–
Legal, Professional and Consultancy Expenses	2,461,714	10,370,709	882,899	4,443,101
Auditors' Remuneration and Expenses	131,268	553,006	102,669	516,671
Bank Charges	14,534	61,229	1,812	9,119
Loss on Exchange (Net)	84,854	357,472	–	–
Total	4,638,279	19,540,142	1,391,845	7,004,321

17. A. TAX EXPENSES

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Current Tax	1,304,216	5,494,401	–	–
Deferred Tax	(364,727)	(1,536,522)	(196,353)	(988,127)
Total	939,489	3,957,879	(196,353)	(988,127)

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B. The Reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Profit before tax	3,687,844	15,536,149	549,592	2,765,765
Income tax expense calculated at 30%	1,106,353	4,660,845	164,878	829,730
Other Differences (Deduction for inflation indexation / adjustment)	(166,864)	(702,966)	(361,231)	(1,817,857)
Income Tax expenses recognized in Statement of Profit and Loss	939,489	3,957,879	(196,353)	(988,127)

18. EARNING PER SHARE

		For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Profit after Tax		2,748,355	11,578,270	745,945	3,753,892
Weighted average number of Equity Shares	No.	36,500,000	36,500,000	21,939,891	21,939,891
Earnings Per Share (Face value of MXN 1 per share) (Basic and Diluted)		0.08	0.32	0.03	0.17

19. CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims to maintain a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity. The Company does not have any long-term debt obligation.

The Company is not exposed to any externally imposed capital requirements.

20. CATEGORIES OF FINANCIAL INSTRUMENTS

DESCRIPTION	As at 31st March, 2025 (MXN)		As at 31st March, 2025 (INR) (Unaudited)		As at 31st March, 2024 (MXN)		As at 31st March, 2024 (INR) (Unaudited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Trade Receivables	25,032,202	25,032,202	105,455,661	105,455,661	49,300	49,300	248,097	248,097
Cash and Cash Equivalents	11,474,437	11,474,437	48,339,508	48,339,508	30,508,447	30,508,447	153,530,709	153,530,709
Other Financial Assets	4,035,620	4,035,620	17,001,260	17,001,260	5,887,725	5,887,725	29,629,387	29,629,387
Total	40,542,259	40,542,259	170,796,429	170,796,429	36,445,472	36,445,472	183,408,193	183,408,193
Financial Liabilities								
Measured at amortised cost								
Trade Payables	203,796	203,796	858,552	858,552	132,802	132,802	668,313	668,313
Other Financial Liabilities - Current	1,158,294	1,158,294	4,879,661	4,879,661	129,131	129,131	649,839	649,839
Total	1,362,090	1,362,090	5,738,213	5,738,213	261,933	261,933	1,318,152	1,318,152

21. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company has a system - based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations.

Market Risk

The Company has in place appropriate risk management policies to limit the impact of currency, interest and price risk on its financial performance.

i. Foreign Currency Risk

The Company undertakes transactions denominated in functional currency – Mexican Pesos. Hence there is no currency risk.

ii. Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Bank interest is the only cash flow which is generated from the financial assets and liabilities which is based on market interest rate, hence, exposure is insignificant

iii. Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

iv. Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due.

The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

	As at 31st March, 2025 Contractual Cash flows							Total (INR) (Unaudited)
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (MXN)	
Trade Payable	203,796	203,796	–	–	–	–	203,796	858,552
Other Financial Liabilities	1,158,294	–	–	1,158,294	–	–	1,158,294	4,879,661
Total	1,362,090	203,796	–	1,158,294	–	–	1,362,090	5,738,213

	As at 31st March, 2024 Contractual Cash flows							Total (INR) (Unaudited)
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (MXN)	
Trade Payable	132,802	132,802	–	–	–	–	132,802	668,313
Other Financial Liabilities	129,131	–	–	129,131	–	–	129,131	649,839
Total	261,933	132,802	–	129,131	–	–	261,933	1,318,152

v. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Financial instruments that are subject to the concentration of credit risk principally consist of cash and trade receivables. Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. The risk of incidence of bad debts is negligible. The Company recognizes provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Exposure to customers is diversified and there is no single external customer contributing more than 10% of outstanding trade receivables and unbilled revenues.

22. SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Geographical Information is given below:

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Segment Revenue				
Mexico	2,536,206	10,684,529	641,691	3,229,245
India	45,223,597	190,517,969	5,258,694	26,463,852
Total	47,759,803	201,202,498	5,900,385	29,693,097

No single external customer / group individually accounted for more than 10% of the revenues in the year ended 31st March, 2025 and in the period ended 31st March, 2024.

23. RELATED PARTY DISCLOSURES

(i) Ultimate Holding Company:

ITC Limited

(ii) Holding Company:

ITC Infotech India Limited

(iii) Key Management Personnel

Mr. Anindya Roy – Director w.e.f 30.01.2025

Mr. Soumyarup Roy – Director

Mr. Thomas P Joshua – Director w.e.f 15.04.2025

Mr. Bharath Krishnaswamy ceased to be director w.e.f 08.11.2024

Mr. Sharad Jain ceased to be director w.e.f 14.04.2025

Disclosure of transactions between the Company and Related Parties:

(iv) Holding Company - ITC Infotech India Limited. (w.e.f from 17th April, 2023)

Description	Holding Company			
	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Sale of Services	45,223,597	190,517,969	5,258,694	26,463,852

Sale of Services rendered to group companies are recognized based on cost plus mark-up in accordance with the terms of the respective agreements.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

(v) (Disclosure of Outstanding Balances as at 31st March, 2025 and 2024.

	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Trade Receivables	24,357,221	102,612,101	–	–
Financial Assets - Others (Unbilled)	2,913,344	12,273,336	5,258,694	26,463,852

(vi) Information regarding significant transactions

(Generally in excess of 10% of the total transaction value of the same type)

Related Party Transactions	For the year ended 31st March, 2025 (MXN)	For the year ended 31st March, 2025 (INR) (Unaudited)	For the period ended 31st March, 2024 (MXN)	For the period ended 31st March, 2024 (INR) (Unaudited)
Sale of Goods / Services				
ITC Infotech India Limited (Holding Company)	45,223,597	190,517,969	5,258,694	26,463,852

24. SUBSEQUENT EVENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions which are applicable to the Group w.e.f. April 1, 2024. These amendments do not have a material impact on the financial statements of the Group.

25. SUBSEQUENT EVENTS

The Company evaluated subsequent events through 6th May, 2025 which is the date on which the Special Purpose Financial Statements were approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

26. APPROVAL OF THE FINANCIAL STATEMENTS

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 6th May, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

27. COMPARATIVES

As required by IND AS, comparative figures have been adjusted to conform to changes in presentation for the current Financial Year.

DIRECTORS' REPORT

The Directors submit their first Report for the period from 17th December, 2023, being the date of incorporation of the Company, to 31st March, 2025.

Incorporation and Principal Activities

The Company was incorporated on 17th December, 2023 in Riyadh, Kingdom of Saudi Arabia, and commenced its operations in April, 2024. The Company is engaged in the business of providing Information Technology Services and Solutions.

The Company is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India.

Business Review

During the period under review, the Company was involved in delivering Information Technology Services and Solutions to its clients in the Financial Services, Government and Travel & Hospitality industries. The Company leveraged its capabilities in Data & Analytics, Application Development & maintenance, Enterprise Resource Planning and Infrastructure services, amongst others, strengthening its presence in the region. The Company remains committed to deepening strategic client partnerships and positioning itself as a trusted advisor in enabling their digital transformation and growth agendas.

Financial Results

The Company's financial performance for the period was as under:

(SAR in '000)

Financial Period*ended	March 31, 2025
Total Income	37,773
Profit Before Tax	1,687
Profit for the Period	1,345

*From 17th December, 2023 to 31st March, 2025.

Directors

The Directors of the Company in office during the period ended 31st March, 2025, and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Vishal Kumar	- Chairman
Mr. Sharad Jain	- Director (up to 14th April, 2025)
Mr. Amartya Mukherjee	- Director (up to 29th January, 2025)
Mr. Anup Manoharlal Ochani	- Director (up to 26th July, 2024)
Mr. Bhabuk Dutta	- Director (w.e.f. 2nd September, 2024)
Ms. Amita Bothra	- Director (w.e.f. 30th January, 2025)
Mr. Thomas P. Joshua	- Director (w.e.f. 15th April, 2025)

General Manager

Mr. Shyam Shriram Kherdekar stepped down as the General Manager of the Company with effect from 31st October, 2024 and Mr. Bhabuk Dutta was appointed as the General Manager with effect from the said date.

Auditors

The Company has engaged Messrs. Suhel Abdulrahman Almhimi, Certified Public Accountant, as its Statutory Auditors for the period under review.

The Company has also engaged Messrs. Deloitte Haskins & Sells LLP, India (Registration Number: 117366W/ W-100018), to conduct audit of the Special Purpose Ind AS Financial Statements of the Company for the said period. Their Report is annexed to the Financial Statements of the Company.

On behalf of ITC Infotech Arabia Limited

Vishal Kumar
Chairman

Date: 6th May, 2025

Independent Auditor's Report**To The Board of Directors of ITC Infotech Arabia Limited Report on the Special Purpose Financial Statements****Opinion**

We have audited the accompanying Special Purpose Financial Statements of ITC Infotech Arabia Limited (the "Company"), which comprise the Special Purpose Balance Sheet as at 31st March, 2025, the Special

Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the period from 17th December, 2023 to 31st March, 2025, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Special Purpose Financial Statements"). The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company ("ITC Limited") under the requirements of section 129(3) of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements are prepared, in all material respects, in accordance with the basis of preparation set out in Note I(a) to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (the "SAs") issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the requirements of 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 Special Purpose Financial Statements.

Emphasis of Matter**Basis of preparation and restriction on use**

We draw attention to Note I(a) to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any other purpose. Our report is intended solely for the information and use of the Board of Directors and management of the Company and its group companies and is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Directors for the Special Purpose Financial Statements

The Company's Board of Directors are responsible for the preparation of these Special Purpose 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 basis described in Note I(a) to the Special Purpose Financial Statements.

This responsibility also includes maintenance of adequate accounting records 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, the management and the 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 intends 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 Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose 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 Special Purpose 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 but not for the purpose of expressing an opinion on the 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 Special Purpose 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose 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 Special Purpose 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.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration No: 117366W/W-100018

Girish Bagri

Place: Bengaluru

Date: 6th May, 2025

Partner Membership No. 066572

UDIN: 25066572BMNSDF7327

ITC INFOTECH ARABIA LIMITED

SPECIAL PURPOSE BALANCE SHEET AS AT MAR 31, 2025

Particulars	Note No	As at Mar 31, 2025 (Amounts in SAR)	As at Mar 31, 2025 (Amounts in INR) Unaudited
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	2	169,714	3,867,358
(b) Right-of-Use-Assets	2	236,704	5,393,893
Sub-Total		406,418	9,261,251
2 Current Assets			
(a) Financial Assets			
(i) Trade Receivables	4	21,953,483	500,264,994
(ii) Cash and Cash Equivalents	6	2,778,930	63,324,867
(iii) Others	3	12,669,582	288,708,106
(b) Other Current Assets	5	1,449,871	33,038,924
Sub-Total		38,851,866	885,336,891
TOTAL		39,258,284	894,598,142
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	8	16,000,000	364,600,000
(b) Other Equity	9	1,345,045	30,650,210
Sub-Total		17,345,045	395,250,210
2 Non-current Liabilities			
(a) Financial Liabilities	12(a)	26,726	609,019
(b) Provisions	11(a)	106,263	2,421,468
(c) Deferred Tax Liabilities (Net)	7	230	5,241
Sub-Total		133,219	3,035,728
3 Current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	22	237,840	5,419,779
(ii) Trade Payables	10	17,421,630	396,995,388
(iii) Other Financial Liabilities	12(b)	787,692	17,949,539
(b) Other current liabilities	13	2,987,799	68,084,470
(c) Provisions	11(b)	2,903	66,153
(d) Current Tax Liabilities	14	342,156	7,796,875
Sub-Total		21,780,020	496,312,204
TOTAL		39,258,284	894,598,142

The accompanying notes 1 to 33 are an integral part of these Special Purpose Financial Statements.
This is the Special Purpose Balance Sheet referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366 W/W-100018

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date : May 06, 2025

On behalf of the Board

Vishal Kumar

Chairman

Date : May 06, 2025

Amita Bothra

Director

Date : May 06, 2025

ITC INFOTECH ARABIA LIMITED

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM DEC 17, 2023 TO MAR 31, 2025

Particulars	Note No.	For the period Dec 17, 2023 to Mar 31, 2025 (Amounts in SAR)	For the period Dec 17, 2023 to Mar 31, 2025 (Amounts in INR) Unaudited
I Revenue from Operations	15	37,618,831	857,239,105
II Other Income	16	154,177	3,513,314
III Total Income (I + II)		<u>37,773,008</u>	<u>860,752,419</u>
IV Expenses			
Employee Benefits Expense	17	2,037,477	46,429,012
Finance Costs	18	4,796	109,289
Depreciation and Amortisation Expense	20	107,705	2,454,327
Other Expenses	19	33,935,599	773,307,465
Total Expenses		<u>36,085,577</u>	<u>822,300,093</u>
V Profit Before Tax (III-IV)		1,687,431	38,452,326
VI Tax Expenses	21		
Current Tax		342,156	7,796,875
Deferred Tax		230	5,241
		<u>342,386</u>	<u>7,802,116</u>
VII Profit for the Period (V-VI)		<u>1,345,045</u>	<u>30,650,210</u>
VIII Earnings Per Share (Face value SAR 10 each) (Basic and Diluted)	24	1.13	25.71

There were no items of Other Comprehensive income in the current period and accordingly, no statement of Total Comprehensive Income is presented. The accompanying notes 1 to 33 are an integral part of these Special Purpose Financial Statements.

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366 W/W-100018

On behalf of the Board

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date : May 06, 2025

Vishal Kumar

Chairman

Date : May 06, 2025

Amita Bothra

Director

Date : May 06, 2025

ITC INFOTECH ARABIA LIMITED

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM DEC 17, 2023 TO MAR 31, 2025

A. Equity Share Capital

			(Amounts in SAR)	(Amounts in INR) Unaudited
	Balance at the beginning of the reporting period	Changes in Equity Share Capital during the period*	Balance at the end of the reporting period	Balance at the end of the reporting period
For the period ended Mar 31, 2025	–	16,000,000	16,000,000	364,600,000

* Capital contribution by ITC Infotech India Limited at the time of incorporation of the Company

B. Other Equity

		(Amounts in SAR)	(Amounts in INR) Unaudited
	Reserves and Surplus Retained Earnings	Total	Total
Opening Balance	–	–	–
- Profit for the period	1,345,045	1,345,045	30,650,210
Balance as at Mar 31, 2025	1,345,045	1,345,045	30,650,210

Retained Earnings - This represents the cumulative profits of the company

The accompanying notes 1 to 33 are an integral part of these Special Purpose Financial Statements.

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366 W/W-100018

On behalf of the Board

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date : May 06, 2025

Vishal Kumar

Chairman

Date : May 06, 2025

Amita Bothra

Director

Date : May 06, 2025

ITC INFOTECH ARABIA LIMITED

SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE PERIOD FROM DEC 17, 2023 TO MAR 31, 2025

Particulars	Note No.	For the period Dec 17, 2023 to Mar 31, 2025 (Amounts in SAR)	For the period Dec 17, 2023 to Mar 31, 2025 (Amounts in INR) Unaudited
A. Cash flow from Operating Activities			
Profit before tax		1,687,431	38,452,326
Adjustments for:			
Depreciation and Amortisation Expense	20	107,705	2,454,327
Finance Costs	18	4,796	109,289
Accrued interest income	3	(1,902)	(43,342)
Operating Profit before Working Capital Changes		<u>1,798,030</u>	<u>40,972,600</u>
Adjustments for:			
Trade Receivables, Loans and Advances and Other Assets		(36,071,034)	(821,968,682)
Trade Payables, Other Liabilities and Provisions		<u>21,333,013</u>	<u>486,126,037</u>
Cash from Operations		(12,939,991)	(294,870,045)
Income Tax Paid (Net)		–	–
Net Cash flow (used in) Operating Activities		<u>(12,939,991)</u>	<u>(294,870,045)</u>
B. Cash flow from Investing Activities			
Acquisition of Property, Plant and Equipment	2	(191,345)	(4,360,274)
Net Cash flow (used in) Investing Activities		(191,345)	(4,360,274)
C. Cash Flow from Financing Activities			
Proceeds from issuance of ordinary shares	8	16,000,000	364,600,000
Payment of lease liabilities	22	(89,734)	(2,044,814)
Net Cash flow from Financing Activities		<u>15,910,266</u>	<u>362,555,186</u>
Net increase in Cash and Cash Equivalents		<u>2,778,930</u>	<u>63,324,867</u>
Cash and cash equivalents as at Dec 17, 2023		–	–
Cash and cash equivalents as at Mar 31, 2025		2,778,930	63,324,867
Cash and Cash Equivalents comprise:			
Balances with Banks	6	2,778,930	63,324,867

The above Statement of Cash Flows has been prepared under the “Indirect Method” as set out in Indian Accounting Standard 7 “Statement of Cash Flows”

There were no non-cash transactions in respect of Investing Activities. Refer Note 22 on leases for non-cash financing activities

The accompanying notes 1 to 33 are an integral part of these Special Purpose Financial Statements.

This is the Special Purpose Statement of Cash Flows referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm Registration Number : 117366 W/W-100018

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date : May 06, 2025

On behalf of the Board

Vishal Kumar

Chairman

Date : May 06, 2025

Amita Bothra

Director

Date : May 06, 2025

Notes

1. GENERAL INFORMATION

ITC Infotech Arabia Limited ("the Company") is a limited liability company formed under the Regulations for Companies in the Kingdom of Saudi Arabia under Commercial Registration number 1010962967 on 04/06/1445 AH (corresponding to December 17, 2023). The registered office of the Company is located at 2163 al urubah rd-al madhar ash shamali Unit No. 110 Ar Riyadh 12334 – 7795 Kingdom of Saudi Arabia. The first financial year of the Company is from December 17, 2023 to March 31, 2025.

The Company is a wholly owned subsidiary of ITC Infotech India Limited ("the Holding Company") incorporated in India and the share capital was infused on April 15, 2024. The ultimate holding company is ITC Limited, a company incorporated and listed in India. The Company is providing information technology services to enterprise clients.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at March 31, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the period December 17, 2023 till March 31, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements" are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, ITC Infotech India Limited, incorporated under the Companies Act, 2013, and having its registered office 37 J. L. Nehru Road, Kolkata 700071, India.

These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow Saudi GAAP.

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss.

Since it is a newly established company incorporated on Dec 17, 2023, Accounting policies have been applied consistently throughout the period presented in these Special Purpose Financial Statements. Disclosures have been given which are relevant to and materially affect the company's financial position, and financial performance of the Company. Accordingly, financial information for comparative period is not presented.

* Companies Act, 2013 refers to the Companies Act, 2013 of India.

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in SAR (Saudi Arabian Riyal). However, as required by the parent company ITC Infotech India Limited, the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate for the period ended March 31, 2025 of SAR = INR 22.7875 as provided by ITC Infotech India Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing 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 judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in Income taxes note.

Revenue recognition: The Company's contracts with customers may include promises to transfer multiple products and services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

The Company uses the percentage-of-completion method in accounting for fixed-price milestone contracts. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards

completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Contracts with customers may include subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

d) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Leasehold Properties - Building Improvement	Shorter of lease period or estimated useful lives
Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the SAR.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

Notes

h) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets: Interest income is recognised in the Statement of Profit and Loss using the effective interest.

Financial Liabilities

Trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) **Revenue from Sale of Services**

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with IND AS 115 - Revenue from contracts with customers. Capitalised costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalised costs.

j) **Employee Benefits**

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately in Other Comprehensive Income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under projected unit credit method. This benefit is unfunded.

Employee Share-Based Compensation**Stock Option Plan of the Company**

The Board of Directors of the parent company have approved an Equity Based Long Term Incentive Plan for certain eligible employees of the

Company / Group under the ITC Infotech India Limited Employee Stock Option Plan 2024. The eligible employees for this purpose include the permanent employees of the Company (including transferred employees as a consequence of strategic transactions, mergers/ acquisition).

This is a one-time grant which is linked to the listing of the Company but allows for cash settlement with approval of the Nomination and Remuneration Committee (NRC) of the parent company in case there is no listing.

These Options have been recognised as cash-settled options and accordingly, a liability is initially measured at fair value at the grant date and is subsequently remeasured at each reporting period, until settled. The fair value of the units granted is recognised in the Statement of Profit and Loss over the period in which the performance and / or service conditions are fulfilled for employees of the Company.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude SAR 22,000 (INR 5 Lakhs) or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease. The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under

operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company. The Board of Directors examines the Company's performance and has identified single reportable segment, namely Information Technology. Segment revenue is reported on the same basis as revenue in the special purpose financial statements.

n) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

o) Statement of cash flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a noncash 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 from operating, investing and financing activities of the Company are segregated.

Notes (Contd.)

Notes 2

PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(Amount in SAR)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	Opening Balance	Additions	Withdrawals / Adjustments	As at 31st March, 2025	Opening Balance	Charge for the Period	On Withdrawals / Adjustments	As at 31st March, 2025
PROPERTY, PLANT AND EQUIPMENT								
Computers, Servers and Networks	-	191,345	-	191,345	-	21,631	-	21,631
GRAND TOTAL	-	191,345	-	191,345	-	21,631	-	21,631

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	Opening Balance	Additions	Withdrawals / Adjustments	As at 31st March, 2025	Opening Balance	Charge for the Period	On Withdrawals / Adjustments	As at 31st March, 2025
RIGHT-OF-USE ASSETS								
Right-of-Use Assets - Buildings	-	322,778	-	322,778	-	86,074	-	86,074
TOTAL	-	322,778	-	322,778	-	86,074	-	86,074

Note : The aggregate depreciation and amortisation charge for the year/ period has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(Amount in INR)
Unaudited

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	Opening Balance	Additions	Withdrawals / Adjustments	As at 31st March, 2025	Opening Balance	Charge for the Period	On Withdrawals / Adjustments	As at 31st March, 2025
(i) PROPERTY, PLANT AND EQUIPMENT								
Computers, Servers and Networks	-	4,360,274	-	4,360,274	-	492,916	-	492,916
GRAND TOTAL	-	4,360,274	-	4,360,274	-	492,916	-	492,916

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION			NET BLOCK	
	Opening Balance	Additions	Withdrawals / Adjustments	As at 31st March, 2025	Opening Balance	Charge for the Period	On Withdrawals / Adjustments	As at 31st March, 2025
RIGHT-OF-USE ASSETS								
Right-of-Use Assets - Buildings	-	7,355,304	-	7,355,304	-	1,961,411	-	1,961,411
TOTAL	-	7,355,304	-	7,355,304	-	1,961,411	-	1,961,411

NOTES (Contd.)

Note No.	As at 31st March, 2025 (Amount in SAR)	As at 31st March, 2025 (Amount in INR) Unaudited
3 OTHER FINANCIAL ASSETS		
Current		
Unbilled Revenue - time and material basis & fixed price support contracts*	10,298,210	234,670,464
Security Deposits (includes deposits for offices)	54,015	1,230,858
Interest accrued on Deposits	1,902	43,342
Advances	279,980	6,380,055
Inter-company receivable (refer Note 30)	2,035,475	46,383,387
Total	12,669,582	288,708,106
* Right to consideration is unconditional, upon passage of time		
4 Trade Receivables		
Unsecured, Considered Good		
Related parties (refer Note 30)	4,153,089	94,638,516
Others	17,800,394	405,626,478
Total	21,953,483	500,264,994

Trade Receivables as at 31st March, 2025	Outstanding for following periods			
	Not Due (Amounts in SAR)	Less than 6 months (Amounts in SAR)	Total (Amounts in SAR)	Total (Amounts in INR) Unaudited
Undisputed Trade Receivables - considered good	21,254,026	699,457	21,953,483	500,264,994
Net	21,254,026	699,457	21,953,483	500,264,994

Note No.		As at 31st March, 2025 (Amount in SAR)	As at 31st March, 2025 (Amount in INR) Unaudited		
5	Other Current Assets				
	Unbilled Revenue - percentage of completion *	473,763	10,795,857		
	Unexpired expenses	976,108	22,243,067		
	Total	1,449,871	33,038,924		
	*Contractual right to consideration is dependent on completion of contractual milestones.				
6	Cash and cash Equivalents*				
	Balances with Banks :				
	Current Accounts	778,930	17,749,867		
	Deposit Accounts	2,000,000	45,575,000		
	Total	2,778,930	63,324,867		
	* Cash and cash equivalents include cash at bank and deposits with banks with original maturity of 3 months or less. The Company does not have any significant cash and cash equivalents that are not available for use.				
7	Deferred tax (liabilities)				
	Deferred Tax Assets	47,568	1,083,956		
	Less: Deferred Tax Liabilities	(47,798)	(1,089,197)		
	Net Deferred Tax (Liabilities)	(230)	(5,241)		
	Movement in Deferred Tax				
		Opening Balance (Amounts in SAR)	Recognised in profit or loss (Amounts in SAR)	Closing Balance (Amounts in SAR)	Closing Balance (Amounts in INR) Unaudited
	Deferred Tax Assets :				
	On lease liabilities	—	47,568	47,568	1,083,956
	Total Deferred Tax Assets	—	47,568	47,568	1,083,956
	Deferred Tax Liabilities :				
	On right of use assets	—	(47,341)	(47,341)	(1,078,783)
	On depreciation allowances on property, plant and equipment	—	(457)	(457)	(10,414)
	Total Deferred Tax Liabilities	—	(47,798)	(47,798)	(1,089,197)
	Deferred Tax Liabilities (Net)	—	(230)	(230)	(5,241)

NOTES (Contd.)

Note No.	As at 31st March, 2025 (Amount in SAR)	As at 31st March, 2025 (Amount in INR) Unaudited
8 Equity Share Capital		
Issued and subscribed :		
1,600,000 shares of SAR 10 each	16,000,000	364,600,000
(All equity shares are held by ITC Infotech India Limited, the Holding Company)		
Total	16,000,000	364,600,000
Shares Held by Promoters		

Particulars	Promoter Name	As at Mar 31, 2025		
		No. of Shares at the end of the period	% of Total Shares	% Change during the period
Equity Shares of SAR 10 each, fully paid	ITC Infotech India Limited	1,600,000	100%	–

9 Retained Earnings		
Opening Balance	–	–
- Profit for the period	1345,045	30,650,210
Closing Balance	1345,045	30,650,210
Retained Earnings: This represents the cumulative profits of the Company.		

10 Trade Payables

Trade Payables as at Mar 31, 2025	Outstanding for following periods				
	Accrued (Amounts in SAR)	Not Due (Amounts in SAR)	Less than 6 months (Amounts in SAR)	Total (Amounts in SAR)	Total (Amounts in INR) Unaudited
Undisputed Trade Payables - Related Parties (refer Note 30)	14,181,494	–	–	14,181,494	323,160,795
Undisputed Trade Payables - Others	3,166,824	73,312	–	3,240,136	73,834,593
Net	17,348,318	73,312	–	17,421,630	396,995,388

Note No.	As at 31st March, 2025 (Amount in SAR)	As at 31st March, 2025 (Amount in INR) Unaudited
11 Provisions		
11(a) Non-Current		
Provision for Employee Benefits *		
Retirement Benefits	66,900	1,524,484
Compensated Absences	39,363	896,984
Total	106,263	2,421,468
11(b) Current		
Provision for Employee Benefits *		
Retirement Benefits	1,200	27,345
Compensated Absences	1,703	38,808
Total	2,903	66,153
*Includes provision for end of service benefits and compensated absences. For details refer to Note 23.		
12 Other Financial Liabilities		
12(a) Non-Current		
Employee Payable	26,726	609,019
Total	26,726	609,019
12(b) Current		
Employee Payable	343,151	7,819,553
Inter-company payable (Refer to Note 30)	444,541	10,129,986
Total	787,692	17,949,539
13 Other Current Liabilities		
Statutory Dues	2,987,799	68,084,470
Total	2,987,799	68,084,470
14 Current tax liabilities		
Provision for Income Tax	342,156	7,796,875
Total	342,156	7,796,875

NOTES (Contd.)

Note No.	For the period Dec 17, 2023 to Mar 31, 2025 (Amount in SAR)	For the period Dec 17, 2023 to Mar 31, 2025 (Amount in INR) Unaudited
15 Revenue from operations		
Sale of Services		
To the Holding Company	12,773,294	291,071,444
Domestic	24,279,313	553,264,837
Resale of Software and Hardware		—
Domestic	566,224	12,902,824
Total	37,618,831	857,239,105
The Percentage of Revenue from Fixed Price Contracts for period ended Mar 31, 2025 is approximately 62 %		
16 Other Income		
Interest Income on Deposits	154,177	3,513,314
Total	154,177	3,513,314
17 Employee Benefits Expense		
Salaries and Bonus	1,871,984	42,657,844
Contribution to Provident and Other Funds	114,466	2,608,402
Staff welfare expenses	51,027	1,162,766
Total	2,037,477	46,429,012
18 Finance costs		
Interest expense on lease liability	4,796	109,289
Total	4,796	109,289
19 Other Expenses		
Insurance	59,311	1,351,545
Travelling and Conveyance	115,355	2,628,651
Recruitment Expenses	6,953	158,452
Communication	34,431	784,594
Outsourcing Charges	32,682,789	744,759,054
Purchase of Hardware and Software for Resale (including Support Charges)	481,289	10,967,383
Business Development Expenses	119,412	2,721,110
Legal, Professional and Consultancy Expenses	378,433	8,623,531
Auditor's Remuneration and Expenses	40,000	911,500
Training and Development	12,031	274,147
Bank Charges	4,647	105,898
Loss on Exchange (Net)	461	10,504
Rates and Taxes	137	3,120
Miscellaneous Expenses	350	7,976
Total	33,935,599	773,307,465
20 Depreciation and Amortisation Expense		
on property, plant and equipment	21,631	492,916
on right-of-use assets	86,074	1,961,411
Total	107,705	2,454,327
21 Tax Expenses		
Tax Expense Recognised in Statement of Profit and Loss		
Current Tax	342,156	7,796,875
Deferred Tax Charge	230	5,241
Total	342,386	7,802,116
The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:		
Profit before tax	1,687,431	38,452,326
Income tax expense calculated at 20%	337,486	7,690,465
Tax effects of expenses not deductible for tax purposes	4,900	111,651
Income tax expenses	342,386	7,802,116

22 Leases

The amount of ROU Asset and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 2 and on the face of the Balance Sheet respectively. The total cash outflow for leases for the period is SAR 89,734 (INR 2,044,814). The lease agreements is for a period of 1 year. Also refer to Note 28(b) for contractual maturities of lease liabilities.

NOTES (Contd.)

Movement of Lease Liabilities during the period

Particulars	For the period Dec 17, 2023 to Mar 31, 2025	
	(Amounts in SAR)	(Amounts in INR) Unaudited
Opening Lease Liabilities	–	–
New Lease recognised	322,778	7,355,304
Interest expense on Lease Liabilities	4,796	109,289
Payments of Lease Liabilities made	(89,734)	(2,044,814)
Closing balance of Lease Liabilities	237,840	5,419,779

23 Employee Benefits

Description of Plans

(a) Defined Contribution Plan

Amounts towards Defined Contribution Plans have been recognised under “Contribution to Provident and Other Funds in Note 17.

(b) Defined Benefit Plan

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through Other Comprehensive Income in the period in which they occur.

Risk Management

The benefit plans expose the Company to actuarial deficit arising out of interest rate risk, salary cost inflation risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

The following table sets out the Benefit Plans as per Actuarial Valuation as on March 31, 2025 and recognised in the financial statements in respect of Employee Benefit Schemes:

		For the period Dec 17, 2023 to Mar 31, 2025 End of Service Unfunded	
		(Amounts in SAR)	(Amounts in INR) Unaudited
I Components of Employer Expense			
	Recognised in Statement of Profit and Loss		
1	Current Service Cost	68,100	1,551,829
2	Total expense recognised in the Statement of Profit and Loss	68,100	1,551,829
3	Re-measurements recognised in Other Comprehensive Income	–	–
4	Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income (2+3)	68,100	1,551,829

The service cost for the period pertaining to end of service benefit expenses have been recognised in “Contribution to Provident and other funds”.

		For the period Dec 17, 2023 to Mar 31, 2025 End of Service Unfunded	
		(Amounts in SAR)	(Amounts in INR) Unaudited
II Net Liability recognised in Balance Sheet			
1	Present Value of Defined Benefit Obligation	68,100	1,551,829

		For the period Dec 17, 2023 to Mar 31, 2025 End of Service Unfunded	
		(Amounts in SAR)	(Amounts in INR) Unaudited
III Change in Defined Benefit Obligation (DBO)			
1	Present Value of DBO at the beginning of the period	–	–
2	Service Cost	68,100	15,51,829
3	Interest Cost	–	–
4	Remeasurement (Gains) / Losses:		
	Effect of changes in demographic assumptions	–	–
	Effect of changes in financial assumptions	–	–
	Effect of experience adjustments	–	–
5	Transfer of Obligation	–	–
6	Exchange difference on foreign plans	–	–
7	Benefits Paid	–	–
8	Present Value of DBO at the end of the period	68,100	1,551,829

		As at March 31, 2025
IV Actuarial Assumptions		
1	Discount Rate (%)	5.00%
2	Long term rate of compensation increase	3.00%

NOTES (Contd.)

V Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above.

VI	Sr. No.	Particulars	End of Service DBO as at Mar 31, 2025	
			(Amounts in SAR)	(Amounts in INR) Unaudited
	1	Discount Rate + 1%	(7,400)	(168,628)
	2	Discount Rate - 1%	8,800	200,530
	3	Long-term Compensation Increase Rate + 1%	8,900	202,809
	4	Long-term Compensation Increase Rate - 1%	(7,600)	(173,185)

VII	Sr. No.	Maturity Analysis of the Benefit Payments	End of Service as at Mar 31, 2025	
			(Amounts in SAR)	(Amounts in INR) Unaudited
	1	Year 1	1,200	27,345
	2	Year 2	1,900	43,296
	3	Year 3	1,800	41,018
	4	Year 4	10,200	232,433
	5	Year 5	24,300	553,736
	6	Next 5 Years	9,300	211,924

VII Share Based Payments

The eligible employees of the Company have been granted stock options under the ITC Infotech India Limited Employee Stock Option Plan 2024 (I3L ESOP 2024) in accordance with the terms and conditions of the scheme, key details of which are as under:

1. Time-Based Options: Vesting of Options would be subject to continued employment of the individual
2. Performance-Based Options: The Nomination and Remuneration Committee of ITC Infotech India Limited (Parent Company) has specified certain performance criteria for vesting of the options.

The Options granted shall vest in accordance with the following Vesting Schedule:

Date of Vesting

2nd anniversary from date of Grant

4th anniversary from the date of Grant

Annual Vesting Percentage

35% of Options granted

65% of Options granted

In the event the Parent company gets listed before vesting, the exercise period shall be up to 5 years from the respective date of vesting. In the event of no listing, there will be mandatory cash settlement within three months from the date of vesting.

The cost of stock options granted under I3L ESOP 2024 have been recognised as cash settled share-based payments in accordance with Ind AS 102 – Share Based Payment. In terms of the aforesaid arrangement, the Company accounts for the cost of the fair value of units granted to the eligible employees as employee benefits expense with a corresponding increase in other financial liabilities.

The fair value of each option is estimated using the Black Scholes Option Pricing model after applying the following key assumptions on a weighted average basis:

Risk-free interest rate: 6.4%

Expected life: 3.67 years

Expected Volatility: 32.2%

The value of the underlying shares at the time of option grant: INR 1,400 per share

The parent company has granted 6,892 stock options during the year. These options are outstanding as at 31st March, 2025 and none of these options are exercisable as at that date.

In accordance with Ind AS 102 - Shared Based Payments, the Company has recognised an amount of SAR 23,900 (INR 5,44,621) under employee benefits expense (Refer Note 17).

Out of the above SAR 23,900 (INR 5,44,621) is attributable to key management personnel. [Mr. Bhabuk Dutta SAR 23,900 (INR 5,44,621)]

Note No.

	For the period Mar 31, 2025 (Amount in SAR)	For the period Mar 31, 2025 (Amount in INR) Unaudited
24 Earnings per share (Basic and Diluted)		
(a) Profit after Tax	1,345,045	30,650,210
(b) Weighted average number of Equity Shares (No.)	1,192,357	1,192,357
(c) Earnings Per Share	<u>1.13</u>	<u>25.71</u>
(Face value of SAR 10 per share)		
25 Auditor's Remuneration and Expenses		
(Net of Input tax credit)		
Audit Fees	40,000	911,500
Total	<u>40,000</u>	<u>911,500</u>

NOTES (Contd.)

26 Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity. The Company does not have any long-term debt obligation.

The Company is not exposed to any externally imposed capital requirements.

27 Categories of Financial Instruments

	As at Mar 31, 2025 (Amounts in SAR)		As at Mar 31, 2025 (Amounts in INR) Unaudited	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Measured at amortised cost				
Cash and Cash Equivalents	2,778,930	2,778,930	63,324,867	63,324,867
Trade Receivables	21,953,483	21,953,483	500,264,994	500,264,994
Other Financial Assets	12,669,582	12,669,582	288,708,106	288,708,106
Total	37,401,995	37,401,995	852,297,967	852,297,967

	As at Mar 31, 2025 (Amounts in SAR)		As at Mar 31, 2025 (Amounts in INR) Unaudited	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities				
Trade Payables	17,421,630	17,421,630	396,995,388	396,995,388
Lease Liability	237,840	237,840	5,419,779	5,419,779
Other Financial Liabilities	814,418	814,418	18,558,558	18,558,558
Total	18,473,888	18,473,888	420,973,725	420,973,725

28 Financial Risk Management Objectives

The Company has a system - based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations

a) Market Risk

The Company has in place appropriate risk management policies to limit the impact of currency, interest and other price risk on its financial performance.

i) Foreign Currency Risk

The Company undertakes transactions denominated in functional currency - SAR and also in USD. The Company has certain trade receivables and unbilled revenue in USD.

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

	(Amounts in SAR)	(Amounts in INR) Unaudited
As at Mar 31, 2025	USD	USD
Financial Assets	17,832,002	406,346,746
Financial Liabilities	–	–

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As all the financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is nil.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

	As at 31st March 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (Amount in SAR)	Total (Amount in INR) Unaudited
Trade Payables	17,421,630	17,421,630	–	–	–	–	17,421,630	396,995,388
Lease Liability	237,840	81,022	81,022	81,022	–	–	243,066	5,538,866
Other Financial Liabilities	814,418	–	787,692	–	26,726	–	814,418	18,558,558
Total	18,473,888	17,502,652	868,714	81,022	26,726	–	18,479,114	421,092,812

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Apart from its operating activities, wherein the Company deals with a large number of customers, the Company is also exposed to credit risk from its investing activities.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Outstanding trade receivables and unbilled revenues of SAR 25,513,851 (INR: 581,396,885) is from one external customer / customer groups which individually account for more than 10% of outstanding trade receivables and unbilled revenues as at March 31, 2025.

For age wise breakup of receivables, refer to Note 4.

29 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Geographical information is given below:

Segment Revenue*	Mar 31, 2025 (Amounts in SAR)	Mar 31, 2025 (Amounts in INR) Unaudited
Kingdom of Saudi Arabia	24,845,537	566,167,661
India	12,773,294	291,071,444
Total	37,618,831	857,239,105

*Revenues of SAR 2,21,85,958 (INR 50,55,62,518) are derived from a single external customer / group in the period ended March 31, 2025.

Non Current Assets

Kingdom of Saudi Arabia	406,418	9,261,251
Total	406,418	9,261,251

30 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited

(ii) HOLDING COMPANY:

ITC Infotech India Limited

(iii) OTHER RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS, etc.

Fellow Subsidiary Companies:

ITC Infotech (USA), Inc.

(iv) KEY MANAGEMENT PERSONNEL

Non-Executive Directors

Mr. Vishal Kumar (Chairman)

Mr. Anup Manoharlal Ochani (up to July 26, 2024)

Mr. Bhabuk Dutta (Non-Executive Director w.e.f September 02, 2024 and General Manager w.e.f October 31, 2024)

Mr. Amartya Mukherjee (up to January 29, 2025)

Ms. Amita Bothra (w.e.f. January 30, 2025)

Mr. Sharad Jain (up to April 14, 2025)

Mr. Thomas P Joshua (w.e.f. April 15, 2025)

General Manager

Mr. Shyam Shriram Kherdekar (up to October 30, 2024)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Sl. No.	Description	(Amounts in SAR)		(Amounts in INR) Unaudited	
		Holding Company ITC Infotech India Limited	Fellow Subsidiaries ITC Infotech (USA), Inc.	Holding Company ITC Infotech India Limited	Fellow Subsidiaries ITC Infotech (USA), Inc.
		2025	2025	2025	2025
1	Sale of Services	12,773,294	—	291,071,444	—
2	Purchase of Services/ Software	14,181,494	481,289	323,160,795	10,967,383
3	Expenses Recovered	2,035,475	—	46,383,387	—
4	Expenses Reimbursed	420,641	—	9,585,365	—
5	Employee Share Based Payments	23,900	—	544,621	—

(vi) DISCLOSURE OF OUTSTANDING BALANCES

Description	(Amounts in SAR)		(Amounts in INR) Unaudited	
	Holding Company ITC Infotech India Limited	Fellow Subsidiaries ITC Infotech (USA), Inc.	Holding Company ITC Infotech India Limited	Fellow Subsidiaries ITC Infotech (USA), Inc.
	2025	2025	2025	2025
Balances as at Mar 31, 2025				
i) Trade Receivables	4,153,089	–	94,638,516	–
ii) Trade Payables	14,181,494	–	323,160,795	–
iii) Other Receivables	2,035,475	–	46,383,387	–
iv) Other Payables	444,541	–	10,129,986	–

(vii) Related Party Transaction

	(Amounts in SAR)	(Amounts in INR) Unaudited
	2025	2025
Mr. Bhabuk Dutta	618,648	14,097,441
Mr. Shyam Shriram Kherdekar	48,643	1,108,461

(viii) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

	(Amounts in SAR)	(Amounts in INR) Unaudited
	2025	2025
Employee Benefits	667,291	15,205,902

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above. Further, value of employee share based payments is not included above.

31 Subsequent Events

The Company evaluated subsequent events through May 6, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

32 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on May 6, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

33 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

DIRECTORS' REPORT

The Directors submit their first Report for the period from 23rd July, 2024, being the date of incorporation of the Company, to 31st March, 2025.

Incorporation and Principal Activities

The Company was incorporated on 23rd July, 2024 in Milan, Italy, and commenced its operations in February, 2025. The Company is engaged in the business of providing Information Technology Services and Solutions.

The Company is a wholly owned subsidiary of ITC Infotech India Limited, incorporated in India.

Business Review

During the year under review, the Company was involved in delivering Information Technology Services and Solutions to its clients in the Manufacturing and Automotive industries. The Company leveraged its capabilities in Product Lifecycle Management-led Digital Thread Solutions and Digital Manufacturing amongst others, strengthening its near-shore presence in Europe. The Company remains committed to deepening strategic client partnerships and positioning itself as a trusted advisor in enabling their digital transformation and growth agendas.

Financial Results

The Company's financial performance for the period was as under:

(In EUR)

Financial Period* ended	March 31, 2025
Total Income	449,673
Profit Before Tax	44,921
Profit for the Period	24,780

*From 23rd July, 2024 to 31st March, 2025.

ITC Infotech Italia s.r.l.

Anindya Roy
Chairman

Directors

The Directors of the Company in office during the period ended 31st March, 2025, and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Anindya Roy	- Chairman
Mr. Hetal Prakash Desai	- Director
Mr. Karan Shukla	- Director

Auditors

The Company, as per local laws, is not required to audit its Financial Statements for the period ended 31st March, 2025. However, as a measure of good governance, the Company has engaged Messrs. Deloitte Haskins & Sells LLP, India (Registration Number: 117366W/W-100018), as the Auditors to conduct for the period ended 31st March, 2025. Their Report is annexed to the Financial Statements of the Company.

Date: 6th May, 2025

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of ITC Infotech Italia S.R.L.

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of ITC Infotech Italia S.R.L. (the "Company"), which comprise the Special Purpose Balance Sheet as at 31st March, 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the period from 23rd July, 2024 to 31st March, 2025, and notes to the financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Special Purpose Financial Statements"). The Special Purpose Financial Statements are prepared for inclusion in the annual report of the Ultimate Holding Company ("ITC Limited") under the requirements of section 129(3) of the Companies Act, 2013.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Financial Statements are prepared, in all material respects, in accordance with the basis of preparation set out in Note I(a) to the Special Purpose Financial Statements.

Basis for Opinion

We conducted our audit of the Special Purpose Financial Statements in accordance with the Standards on Auditing (the "SAs") issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the ICAI and we have fulfilled our ethical responsibilities in accordance with the requirements of 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 Special Purpose Financial Statements.

Emphasis of Matter

Basis of preparation and restriction on use

We draw attention to Note I(a) to the Special Purpose Financial Statements, which describes the purpose and basis of preparation. The Special Purpose

Financial Statements have been prepared by the Company for the purpose of the information and use of the Company's management. The Special Purpose Financial Statements may not be suitable for any another purpose. Our report is intended solely for the information and use of the Board of Directors and management of the Company and its group companies and is not intended to be and should not be referred to or used by any other party or for any other purpose except with our prior consent in writing. We neither accept nor assume any duty, responsibility or liability to any other party or for any other purpose.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Board of Directors for the Special Purpose Financial Statements

The Company's Board of Directors are responsible for the preparation of these Special Purpose 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 basis described in Note I(a) to the Special Purpose Financial Statements.

This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of 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 Special Purpose Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Special Purpose Financial Statements, the management and the 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 intends 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 Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 Special Purpose Financial Statements.

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

- Identify and assess the risks of material misstatement of the Special Purpose 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 but not for the purpose of expressing an opinion on the 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 Special Purpose 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 Special Purpose Financial Statements, including the disclosures, and whether the Special Purpose Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Special Purpose Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Special Purpose 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 Special Purpose 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.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm Registration No: 117366W/W-100018

Girish Bagri

Partner

Membership No. 066572

UDIN: 25066572BMNSDD9815

Place: Bengaluru

Date: May 6, 2025

SPECIAL PURPOSE BALANCE SHEET AS AT MAR 31, 2025

Particulars	Note No.	As at 31st March 2025 (Amount in EUR)	As At 31st March 2025 (Amount in INR) Unaudited
I ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment	2	15,369	1,415,331
(b) Right-of-Use-Assets	2	88,422	8,142,782
(c) Deferred Tax Asset (Net)	7	85,664	7,888,798
(d) Financial Assets			
(i) Others	3(a)	54,648	5,032,527
Sub-Total		244,103	22,479,438
2 Current Assets			
(a) Financial Assets			
(i) Trade Receivables	4	15,596	1,436,236
(ii) Cash and Cash Equivalents	5	941,524	86,704,945
(iii) Others	3(b)	481,188	44,312,611
(b) Other Current Assets	6	39,498	3,637,371
Sub-Total		1,477,806	136,091,163
TOTAL		1,721,909	158,570,601
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	8	1,000,000	92,090,000
(b) Other Equity		(158,791)	(14,623,063)
Sub-Total		841,209	77,466,937
2 Non-current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	21	63,584	5,855,451
(b) Provisions	10(a)	39,628	3,649,343
Sub-Total		103,212	9,504,794
3 Current Liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	21	25,184	2,319,194
(ii) Trade Payables	9	62,219	5,729,748
(iii) Other Financial Liabilities	11(a)	634,508	58,431,842
(b) Other current liabilities	12	2,707	249,288
(c) Provisions	10(b)	5,036	463,765
(d) Current Tax Liabilities	13	47,834	4,405,033
Sub-Total		777,488	71,598,870
TOTAL		1,721,909	158,570,601

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date

For Deloitte Haskins & Sells LLP

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 06 May, 2025

On behalf of the Board

Anindya Roy

Chairman

Date : 06 May, 2025

Karan Shukla

Director

Date : 06 May, 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FROM 23 JUL, 2024 TO 31 MAR, 2025

Particulars	Note No.	For the Period Jul 23, 2024 to Mar 31, 2025 (Amount in EUR)	For the Period Jul 23, 2024 to Mar 31, 2025 (Amount in INR) Unaudited
I Revenue from Operations	14	449,576	41,401,454
II Other Income	15	97	8,933
III Total Income (I + II)		<u>449,673</u>	<u>41,410,387</u>
IV Expenses			
Employee Benefits Expense	16	320,279	29,494,493
Finance Costs	17	255	23,483
Depreciation and Amortisation Expense	19	6,099	561,657
Other Expenses	18	78,119	7,193,979
Total Expenses		<u>404,752</u>	<u>37,273,612</u>
V Profit Before Tax (III-IV)		44,921	4,136,775
VI Tax Expenses			
Current Tax	20	47,834	4,405,033
Deferred Tax (Credit)	7	(27,693)	(2,550,249)
		<u>20,141</u>	<u>1,854,784</u>
VII Profit for the Period (V-VI)		<u>24,780</u>	<u>2,281,991</u>
VIII Earnings Per Share (Face value EUR 1 each) (Basic and Diluted)	22	0.03	3.08

There were no items of Other Comprehensive income in the current period and accordingly, no statement of Total Comprehensive Income is presented.

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 06 May, 2025

On behalf of the Board

Anindya Roy

Chairman

Date : 06 May, 2025

Karan Shukla

Director

Date : 06 May, 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 23 JUL, 2024 TO 31 MAR, 2025

A. Equity Share Capital

	Balance at the beginning of the reporting period	Changes in Equity Share Capital during the period*	Balance at the end of the reporting period (Amounts in EUR)	Balance at the end of the reporting period (Amounts in INR) Unaudited
For the period ended Mar 31, 2025	–	1,000,000	1,000,000	92,090,000

* Capital contribution by ITC Infotech India Limited at the time of incorporation of the Company

B. Other Equity

	Retained and Surplus		Total (Amounts in EUR)	Total (Amounts in INR) Unaudited
	Retained Earnings	Capital Reserve		
Opening Balance	-	-	-	-
- Profit for the Period	24,780	-	24,780	2,281,991
- Recognition of Capital Reserve (Refer Note 29)	-	(241,542)	(241,542)	(22,243,603)
- Deferred Tax Asset on above (Refer Note 7)	-	57,971	57,971	5,338,549
Balance as at Mar 31, 2025	24,780	(183,571)	(158,791)	(14,623,063)

Retained Earnings - This represents the cumulative profits of the company

Capital Reserves: This represents excess of sale consideration over and above the assets and liabilities taken over. Refer Note 29.

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 06 May, 2025

On behalf of the Board

Anindya Roy

Chairman

Date : 06 May, 2025

Karan Shukla

Director

Date : 06 May, 2025

SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE PERIOD FROM 23 JUL, 2024 TO MAR 31, 2025

Particulars	Note No.	For the Period Jul 23, 2024 to Mar 31, 2025 (Amount in EUR)	For the Period Jul 23, 2024 to Mar 31, 2025 (Amount in INR) Unaudited
A. Cash flow from Operating Activities			
Profit before tax		44,921	4,136,775
Adjustments for:			
Depreciation and Amortisation Expense	19	6,099	561,657
Finance costs	17	255	23,483
Accrued interest income	3(b)	(97)	(8,933)
Operating Profit before Working Capital Changes		<u>51,178</u>	<u>4,712,982</u>
Adjustments for:			
Trade Receivables		(15,596)	(1,436,236)
Other financial assets and other current assets		(424,975)	(39,135,947)
Trade Payable		14,858	1,368,273
Other liabilities and provisions		27,107	2,496,284
Cash from Operations		<u>(347,428)</u>	<u>(31,994,644)</u>
Income Tax Paid (Net)		-	-
Net Cash flow (used in) Operating Activities		<u>(347,428)</u>	<u>(31,994,644)</u>
B. Cash flow from Investing Activities			
Acquisition of Property, plant and equipment	2	(3,154)	(290,452)
Net Cash flow (used in) Investing Activities		<u>(3,154)</u>	<u>(290,452)</u>
C. Cash Flow from Financing Activities			
Proceeds from issuance of ordinary shares	8	1,000,000	92,090,000
Payment of lease liabilities	21	(4,410)	(406,117)
Net Cash flow from Financing Activities		<u>995,590</u>	<u>91,683,883</u>
Net increase in Cash and Cash Equivalents		<u>645,008</u>	<u>59,398,787</u>
Cash received from ITC Infotech India Limited, Italy Branch	29	296,516	27,306,158
Cash and cash equivalents as at Jul 23, 2024		-	-
Cash and cash equivalents as at Mar 31, 2025		<u>941,524</u>	<u>86,704,945</u>
Cash and Cash Equivalents comprise:			
Balances with Banks	5	941,524	86,704,945

The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"

There were no non-cash transactions in respect of Investing Activities. Refer Note 21 on leases for non-cash financing activities

The accompanying notes 1 to 32 are an integral part of the Special Purpose Financial Statements.

This is the Special Purpose Statement of Cash Flows referred to in our Report of even date.

For Deloitte Haskins & Sells LLP

Firm Registration Number: 117366 W/W-100018

Chartered Accountants

Girish Bagri

Partner

Membership Number: 066572

Place: Bengaluru

Date: 06 May, 2025

On behalf of the Board

Anindya Roy

Chairman

Date : 06 May, 2025

Karan Shukla

Director

Date : 06 May, 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

COMPANY INFORMATION

ITC Infotech Italia s.r.l. ("the Company") is a limited liability company formed with the registration number 13675560968 on July 23, 2024. The registered office of the Company is located at Corso Di Porta Vittoria 9 Milano (MI) Cap 20122. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of ITC Infotech India Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. The ultimate holding company is ITC Limited, a company incorporated and listed in India.

During the period ended 31st March, 2025 the business of ITC Infotech India Limited, Italy Branch including assets, liabilities and employees have been taken over by the Company vide a Deed of Transfer effective 1st February, 2025 at an agreed sale consideration of EUR 375,000. Refer Note 29.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2024 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the period 17th April, 2023 till 31st March, 2024 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, ITC Infotech India Limited, incorporated under the Companies Act, 2013, and having its registered office 37 J. L. Nehru Road, Kolkata 700071, India.

These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow Italian GAAP.

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss.

Since it is a newly established company incorporated on July 23, 2024, Accounting policies have been applied consistently throughout the period presented in these Special Purpose Financial Statements. Disclosures have been given which are relevant to and materially affect the company's financial position, and financial performance of the Company. Accordingly, financial information for comparative period is not presented.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in Euro. However, as required by the parent company ITC Infotech India Limited., the Indian Rupee equivalent figures, arrived at by applying the average interbank exchange rate for the period ended 31st March, 2025 of EUR = INR 92.09) as provided by ITC Infotech India Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses

during the year. Actual results could differ from those estimates

Estimates and underlying assumptions are reviewed on an ongoing 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 judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in Income taxes note.

Revenue recognition: The Company's contracts with customers may include promises to transfer multiple products and services to a customer. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligations to determine the deliverables and the ability of the customer to benefit independently from such deliverables, and allocation of transaction price to these distinct performance obligations involves significant judgment.

The Company uses the percentage-of-completion method in accounting for fixed-price milestone contracts. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. The estimation of total efforts or costs involves significant judgment and is assessed throughout the period of the contract to reflect any changes based on the latest available information. Contracts with customers may include subcontractor services or third-party vendor equipment or software in certain integrated services arrangements. In these types of arrangements, revenue from sales of third-party vendor products or services is recorded net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction. In doing so, the Company first evaluates whether it obtains control of the specified goods or services before they are transferred to the customer. The Company considers whether it is primarily responsible for fulfilling the promise to provide the specified goods or services, inventory risk, pricing discretion and other factors to determine whether it controls the specified goods or services and therefore, is acting as a principal or an agent. Provisions for estimated losses, if any, on incomplete contracts are recorded in the period in which such losses become probable based on the estimated efforts or costs to complete the contract.

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Office Equipment (Mobile Phones)	3 Years
Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the EURO. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial Instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The

transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Trade payables and other financial liabilities are initially recognised

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

The incremental costs of obtaining a contract are recognized as an asset and amortized to revenues in accordance with IND AS 115 - Revenue from contracts with customers. Capitalised costs are monitored regularly for impairment. Impairment losses are recorded when present value of projected remaining operating cash flows is not sufficient to recover the carrying amount of the capitalised costs.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The employees of the Company are entitled to compensated leave

for which the Company records the liability based on actuarial valuation computed under projected unit credit method. This benefit is unfunded.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude EURO 5429 (INR 5 Lakhs) or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

n) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

o) Statement of cash flow

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a noncash 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 from operating, investing and financing activities of the Company are segregated.

Note 2

PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS- FY 2024-25

(Amounts In EUR)

DESCRIPTION	GROSS BLOCK					DEPRECIATION AND AMORTISATION					NET BLOCK
	Opening Balance	Transfer of assets (Refer Note 29)	Additions	Withdrawals / Adjustments	As at Mar 31,2025	Opening Balance	Transfer of accumulated depreciation (Refer Note 29)	Charge for the Period	On Withdrawals / Adjustments	As at Mar 31,2025	As at Mar 31,2025
(i) PROPERTY, PLANT AND EQUIPMENT											
Office Equipment	-	124	-	-	124	-	-	19	-	19	105
Computers, Servers and Networks	-	14,055	3,154	-	17,209	-	-	1,945	-	1,945	15,264
GRAND TOTAL	-	14,179	3,154	-	17,333	-	-	1,964	-	1,964	15,369

DESCRIPTION	GROSS BLOCK					DEPRECIATION AND AMORTISATION					NET BLOCK
	Opening Balance	Transfer of assets (Refer Note 29)	Additions	Withdrawals / Adjustments	As at Mar 31,2025	Opening Balance	Transfer of accumulated depreciation (Refer Note 29)	Charge for the Period	On Withdrawals / Adjustments	As at Mar 31,2025	As at Mar 31,2025
RIGHT-OF-USE ASSETS											
Right-of-Use Assets - Car	-	1,02,396	-	-	1,02,396	-	9,839	4,135	-	13,974	88,422
TOTAL	-	1,02,396	-	-	1,02,396	-	9,839	4,135	-	13,974	88,422

Note : The aggregate depreciation charge for the period has been included under depreciation and amortisation expense in the Statement of Profit and Loss.

PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS- FY 2024-25

(Amounts In INR) Unaudited

DESCRIPTION	GROSS BLOCK					DEPRECIATION AND AMORTISATION					NET BLOCK
	Opening Balance	Transfer of assets (Refer Note 29)	Additions	Withdrawals / Adjustments	As at Mar 31,2025	Opening Balance	Transfer of accumulated depreciation (Refer Note 29)	Charge for the Period	On Withdrawals / Adjustments	As at Mar 31,2025	As at Mar 31,2025
(i) PROPERTY, PLANT AND EQUIPMENT											
Office Equipment	-	11,419	-	-	11,419	-	-	1,750	-	1,750	9,669
Computers, Servers and Networks	-	12,94,325	2,90,452	-	15,84,777	-	-	1,79,115	-	1,79,115	14,05,662
GRAND TOTAL	-	13,05,744	2,90,452	-	15,96,196	-	-	1,80,865	-	1,80,865	14,15,331

DESCRIPTION	GROSS BLOCK					DEPRECIATION AND AMORTISATION					NET BLOCK
	Opening Balance	Transfer of assets (Refer Note 29)	Additions	Withdrawals / Adjustments	As at Mar 31,2025	Opening Balance	Transfer of accumulated depreciation (Refer Note 29)	Charge for the Period	On Withdrawals / Adjustments	As at Mar 31,2025	As at Mar 31,2025
RIGHT-OF-USE ASSETS											
Right-of-Use Assets - Car	-	94,29,648	-	-	94,29,648	-	9,06,074	3,80,792	-	12,86,866	81,42,782
TOTAL	-	94,29,648	-	-	94,29,648	-	9,06,074	3,80,792	-	12,86,866	81,42,782

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

3. Other Financial Assets

3(a) Non-Current

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Unsecured Considered Good, Unless Otherwise Stated		
Security Deposit	36,910	3,399,035
Advances	17,738	1,633,492
TOTAL	54,648	5,032,527

3(b) Current

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Security Deposits	24,711	2,275,643
Unbilled Revenue - time and material basis & fixed price support contracts*	432,729	39,850,014
Interest accrued on Deposits	97	8,933
Advances	23,651	2,178,021
TOTAL	481,188	44,312,611

* Right to consideration is unconditional, upon passage of time.

4. Trade Receivables

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Unsecured, Considered Good - Others	15,596	1,436,236
	15,596	1,436,236
Less: Expected Credit Loss Allowance	-	-
TOTAL	15,596	1,436,236

Trade Receivables as at 31st March, 2025	Outstanding for the following periods			
	Not Due	Less than 6 months	Total (in EUR)	Total (INR) (Unaudited)
Undisputed Trade Receivables - considered good	15,596	-	15,596	1,436,236
Gross	15,596	-	15,596	1,436,236
Less : Expected Credit Loss Allowance	-	-	-	-
NET	15,596	-	15,596	1,436,236

5. Cash and cash equivalents*

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Balances with banks :		
Current Accounts	141,524	13,032,955
Deposits Accounts	800,000	73,671,990
TOTAL	941,524	86,704,945

* Cash and cash equivalents include cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less. The Company does not have any cash and cash equivalents that are not available for use.

6. Other Current Assets

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Unbilled Revenue - percentage of completion *	4,063	374,162
Unexpired expenses	35,435	3,263,209
TOTAL	39,498	3,637,371

*Contractual right to consideration is dependent on completion of contractual milestones.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

7. Deferred tax assets

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Deferred Tax Assets	85,664	7,888,798
Deferred Tax Liabilities	-	-
Net Deferred Tax Asset	85,664	7,888,798

Movement in Deferred Tax

	Opening Balance (EUR)	Recognised in Other Equity (EUR)	Recognized in profit or loss (EUR)	Closing Balance (EUR)	Closing Balance (INR) (Unaudited)
Deferred Tax Assets					
Deferred tax recognised on amortisation of goodwill as per tax laws (Refer Note 30)	-	57,971	(537)	57,434	5,289,097
On provision for employees bonus and compensated absences	-	-	28,230	28,230	2,599,701
Total Deferred Tax Assets	-	57,971	27,693	85,664	7,888,798
Deferred Tax Assets (Net)	-	57,971	27,693	85,664	7,888,798

8. Equity Share

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Issued and subscribed : 1,000,000 shares of EUR 1 each (All equity shares are held by ITC Infotech India Limited, the Holding Company)	1,000,000	92,090,000
Net Deferred Tax Asset	1,000,000	92,090,000

SHARES HELD BY PROMOTERS:

Particulars	Promoter Name	As at Mar 31, 2025		
		No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of EUR 1 each, fully paid	ITC Infotech India Limited	1,000,000	100%	-

9. Trade Payables

Trade Payables and Accrued expenses as at Mar 31, 2025	Outstanding for following periods				
	Accrued	Not Due	Less than 6 months	Total in EUR	Total in INR (Unaudited)
Undisputed Trade Payables - Others	60,905	1,314	-	62,219	5,729,748
TOTAL	60,905	1,314	-	62,219	5,729,748

10. Provision

10(a) Non-Current

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Provision for Employee Benefits		
Compensated Absences	39,628	3,649,343
TOTAL	39,628	3,649,343

10(b) Current

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Provision for Employee Benefits		
Compensated Absences	5,036	463,765
TOTAL	5,036	463,765

11. Other Financial Liabilities

11(a) Current

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Employee Payable	259,508	23,898,092
Inter-company payable (Refer to Note 29)	375,000	34,533,750
Total	634,508	58,431,842

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

12. Other Current Liabilities

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Statutory Dues	2,707	249,288
Total	2,707	249,288

13. Current Tax Liabilities

	As at Mar 31, 2025 (Amounts in EUR)	As at Mar 31, 2025 (Amount in INR) (Unaudited)
Provision for Income Tax	47,834	4,405,033
Total	47,834	4,405,033

14. Revenue from Operations

	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in EUR)	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in INR) (Unaudited)
Sale of Services		
To the Holding Company	386,265	35,571,144
Domestic	63,311	5,830,310
Total	449,576	41,401,454

The Percentage of Revenue from Fixed Price Contracts for period ended Mar 31, 2025 is approximately 3.6%

15. Other Income

	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in EUR)	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in INR) (Unaudited)
Interest Income - Deposits	97	8,933
Total	97	8,933

16. Employee Benefits Expenses

	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in EUR)	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in INR) (Unaudited)
Salaries and Bonus	223,201	20,554,580
Contribution to Provident and Other Funds	86,121	7,930,883
Staff welfare expenses	10,957	1,009,030
Total	320,279	29,494,493

17. Finance Costs

	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in EUR)	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in INR) (Unaudited)
Interest expenses on lease liability	255	23,483
Total	255	23,483

18. Other Expenses

	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in EUR)	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in INR) (Unaudited)
Rent	19,951	1,837,288
Insurance	2,691	247,814
Travelling and Conveyance	10,936	1,007,096
Communication	1,007	92,735
Business Development Expenses	7,760	714,618
Legal, Professional and Consultancy Expenses	12,208	1,124,235
Bank Charges	5,282	486,419
Rates and Taxes	18,284	1,683,774
Total	78,119	7,193,979

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

19. Depreciation and Amortisation Expense

	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in EUR)	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in INR) (Unaudited)
on property, plant and equipment	1,964	180,865
on right-of-use assets	4,135	380,792
Total	6,099	561,657

20. Tax expenses

	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in EUR)	For the period ended Jul 23, 2024 to Mar 31, 2025 (Amounts in INR) (Unaudited)
Tax Expense Recognised in Statement of Profit and Loss		
Current Tax	47,834	4,405,033
Deferred Tax (Credit)	(27,693)	(2,550,249)
Total	20,141	1,854,784

The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

Profit before Tax	44,921	4,136,775
Income tax expense calculated at 27.9%	12,533	1,154,160
Tax effects of expenses not deductible for tax purposes	7,608	700,624
Income tax expenses	20,141	1,854,784

21. Lease

The amount of ROU Asset and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 2 and on the face of the Balance Sheet respectively. The total cash outflow for leases for the year is EUR 24,361 (INR 24,43,404). (Including payments in respect of short term leases aggregating to EUR 19,951 - INR 18,37,228). The lease agreements are for a period of 4 years. Also refer to Note 26(b) for contractual maturities of lease liabilities.

Movement of Lease Liabilities during the period

Particulars	For the period ended Mar 31, 2025 (Amounts in EUR)	For the period ended Mar 31, 2025 (Amounts in INR) (Unaudited)
Opening Lease Liabilities	-	-
Transfer of Lease Liabilities	92,923	8,557,279
Interest expense on Lease Liabilities	255	23,483
Payments of Lease Liabilities made	(4,410)	(406,117)
Closing balance of Lease Liabilities	88,768	8,174,645

22. Earning per share (Basic and Diluted)

	For the period ended Mar 31, 2025 (Amounts in EUR)	For the period ended Mar 31, 2025 (Amounts in INR) (Unaudited)
a) Profit after Tax	24,780	22,81,991
b) Weighted average number of Equity Shares	7,42,063	7,42,063
c) Earnings Per Share (Face value of EUR 1 per share)	0.03	3.08

23. Auditor's Remuneration and Expenses

(Net of Input tax credit)

	For the period ended Mar 31, 2025 (Amounts in EUR)	For the period ended Mar 31, 2025 (Amounts in INR) (Unaudited)
Audit Fees	5,429	5,00,000
Total	5,429	5,00,000

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

24. Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital to its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity. The Company does not have any long-term debt obligation.

The Company is not exposed to any externally imposed capital requirements.

25. Categories of Financial Instruments

DESCRIPTION	As at Mar 31, 2025 (EUR)		As at Mar 31, 2025 (INR) (Unaudited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Measured at amortised cost				
Cash and Cash Equivalents	941,524	941,524	86,704,945	86,704,945
Trade Receivables	15,596	15,596	1,436,236	1,436,236
Other Financial Assets	535,836	535,836	49,345,138	49,345,138
Total	1492,956	1,492,956	137,486,319	137,486,319
Financial Liabilities				
Measured at amortised cost				
Trade Payables	62,219	62,219	5,729,748	5,729,748
Lease Liability	88,768	88,768	8,174,645	8,174,645
Other Financial Liabilities	634,508	634,508	58,431,842	58,431,842
Total	785,495	785,495	72,336,235	72,336,235

26. Financial Risk Management Objectives

The Company has a system - based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations

a) Market Risk

The Company has in place appropriate risk management policies to limit the impact of currency, interest and other price risk on its financial performance.

i) Foreign Currency Risk

The Company undertakes transactions denominated in functional currency - EUR. There are no transactions undertaken in other than functional currency.

ii) Interest Rate Risk

Interest rate risk refers to 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 investments in fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

	As at Mar 31, 2025 Contractual Cash flows*							Total (INR) (Unaudited)
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (EUR)	
Trade Payable	62,219	62,219	-	-	-	-	62,219	5,729,748
Lease Liability	88,768	6,615	6,615	13,230	64,874	-	91,334	8,410,985
Other Financial Liabilities	634,508	375,000	-	259,508	-	-	634,508	58,431,842
Total	785,495	443,834	6,615	272,738	64,874	-	788,061	72,572,575

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c. Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Apart from its operating activities, wherein the Company deals with a large number of customers, the Company is also exposed to credit risk from its investing activities.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly.

The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. Outstanding trade receivables and unbilled revenues of EUR 46,705 (INR: 4,301,063) is from one external customer / customer groups which individually account for more than 10% of outstanding trade receivables and unbilled revenues as at March 31, 2025.

For age wise breakup of receivables, refer to Note 4.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

27. SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Geographical information is given below:

Segment Revenue*	Mar 31, 2025 (in EUR)	Mar 31, 2025 (in INR) (Unaudited)
Italy	63,311	5,830,310
India	386,265	35,571,144
Total	449,576	41,401,454

*Revenues of EUR 46,705 (INR 43,01,063) are derived from a single external customer / group in the period ended March 31, 2025.

Non Current Assets	Mar 31, 2025 (in EUR)	Mar 31, 2025 (in INR) (Unaudited)
Italy	244,103	22,479,438
Total	244,103	22,479,438

28. RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited

(ii) HOLDING COMPANY:

ITC Infotech India Limited

(iii) KEY MANAGEMENT PERSONNEL

Non-Executive Directors

Mr. Anindya Roy (Chairman)

Mr. Hetal Prakash Desai

Mr. Karan Shukla

(iv) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Sl. No.	Description	(in EUR)	(in INR) Unaudited
		Holding Company ITC Infotech India Limited	Holding Company ITC Infotech India Limited
		2025	2025
1	Sale of Services	386,265	35,571,144
2	Assets and Liabilities taken over from ITC Infotech India Limited, Italy Branch (Refer Note 29)	375,000	34,533,750

(iv) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

Description	(in EUR)	(in INR) Unaudited
	Holding Company ITC Infotech India Limited	Holding Company ITC Infotech India Limited
	2025	2025
Balances as at 31st March, 2025		
i) Other Financial Asset	386,265	35,571,144
i) Other Payables (Refer Note 29)	375,000	34,533,750

29. Assets and Liabilities taken over from ITC Infotech India Limited, Italy Branch

During the period ended 31st March, 2025 the business of ITC Infotech India Limited, Italy Branch including assets, liabilities and employees have been taken over by the Company vide a Deed of Transfer effective 1st February, 2025 at an agreed sale consideration of EUR 375,000. In accordance with the requirements of Appendix C to Ind AS 103 - Business Combination of entities under common control, the excess of sale consideration over and above the assets and liabilities transferred is recognised in Capital Reserve.

30. Subsequent Events

The Company evaluated subsequent events through May 6, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

31. Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on May 6, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

32. New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. The Directors of your Company ('the Company') submit their Report for the financial year ended 31st March, 2025.

2. BUSINESS REVIEW

The Company is primarily engaged in the business of providing Information Technology Enabled Services (ITES) mainly into cloud computing i.e., Digital Services (Cloud Native application development), Digital Cloud Consulting (Digital transformation, migrations, Devops/automation), Data Analytics and Insights (analytics using cloud native components), Cloud managed and reseller services (AWS and other related products & services), amongst others.

During the year ended 31st March, 2025, the Company's consolidated Revenue from Operations aggregated ₹19,764 lakhs (previous year: ₹20,108 lakhs), representing a degrowth of 1.74%, resulting in a loss of ₹1,655 lakhs (previous year Net Profit: ₹294 lakhs).

The Company stayed relevant to the evolving business priorities of its clients and drove its key customer accounts by partnering in their growth and transformation agendas. The Company remains committed to continuous innovation and delivering value to its stakeholders through advanced technology solutions.

As reported in the previous year, on 18th April, 2024, ITC Infotech India Limited (ITC Infotech), a wholly owned subsidiary of ITC Limited and a global technology services provider, entered into share purchase agreement for purchase of the entire share capital of the Company. On 1st October, 2024, the shares of the Company were fully acquired by ITC Infotech, consequent to which the Company and its subsidiaries viz., Cloudlytics Technologies Private Limited, India (Cloudlytics), Blazeclan Technologies PTE Ltd., Singapore, Blazeclan Technologies SDN. BHD., Malaysia, Blazeclan Technologies Pty. Ltd., Australia, Blazeclan Europe SRL., Belgium, Blazeclan Technologies Limited, New Zealand, Blazeclan Technologies Inc., Canada, Blazeclan Technologies LLC, USA, Blazeclan Americas Inc., USA, and Blazeclan Technologies Corporation, Philippines, became wholly owned subsidiaries of ITC Infotech with effect from the said date.

A key element of the aforementioned acquisition was to integrate and consolidate the business of the Company with ITC Infotech to realise the operational and commercial synergies. Accordingly, the Board of Directors of the Company ('the Board') at the Meeting held on 29th January, 2025, subject to necessary regulatory approvals, approved the Scheme for amalgamation of the Company and Cloudlytics with ITC Infotech under Sections 230 to 232 of the Companies Act, 2013 ('the Act'). Necessary applications have been filed in this regard with the Hon'ble National Company Law Tribunal, Mumbai and Kolkata Benches, which are pending.

3. FINANCIAL RESULTS

The Company's standalone and consolidated financial results for the year under review are provided below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Total Income	12,043	12,701	19,817	20,161
Total Expenses	14,608	12,571	21,641	19,446
Profit / (Loss) before Tax	(2,565)	130	(1,824)	715
Tax Expenses	(281)	54	(169)	421
Profit / (Loss) after Tax	(2,285)	76	(1,655)	294

The Company adopted Indian Accounting Standards ('Ind AS') from 1st April, 2024 with the date of transition to Ind AS being 1st April, 2023. Details of optional exemptions availed by the Company and principal adjustments, along with related reconciliations, are provided in the Notes to the Financial Statements of the Company.

4. INCREASE IN SHARE CAPITAL

During the year, with your approval, the Authorised Share Capital of the Company was increased to ₹12 crores divided into 11,80,00,000 Equity Shares with voting rights of ₹1/- each and 20,00,000 Equity Shares without voting rights of ₹1/- each. Further, the Company issued 1,99,60,000 Equity Shares of ₹1/- each (with voting rights) for cash, at a premium of ₹39.08 per share, on rights basis to ITC Infotech, consequent to which the Issued and Paid-up Share Capital of the Company as on 31st March, 2025 stands increased to ₹11.03 crores, divided into 11,02,50,718 Equity Shares of ₹1/- each.

5. EMPLOYEE STOCK OPTION SCHEME

During the year, the Board took on record the extinguishment of all the employee stock options issued by the Company under the Employee Stock Option Plan 2020 ('ESOP Scheme') with effect from 10th September, 2024 and consequent termination of the ESOP Scheme, in accordance with Clause 28 of the ESOP Scheme.

6. WHOLLY OWNED SUBSIDIARY COMPANIES

Details about the subsidiaries of the Company, including highlights of their performance and contribution to the overall performance of the Company, are covered in **Annexure 1** to this Report.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL**Changes in Directors**

During the year, Mr. Gurmeet Singh (DIN: 03009229), Mr. Varoon Dineshbhai Rajani (DIN: 03008920), Mr. Veeraj Thaploo (DIN: 03008852) and Ms. Siddhi Manthan Ruparelia (DIN: 10759732) stepped down as Non-Executive Directors of the Company with effect from 1st October, 2024. Your Board places on record its appreciation for the contribution made by them during their tenure with the Company.

Messrs. Navneet Prakash Khandelwal (DIN: 05273477), Mayur Dogra (DIN: 09110374), and Hetal Prakash Desai (DIN: 10644392) were appointed, with your approval, as Non-Executive Directors of the Company with effect from 1st October, 2024.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act, Mr. Navneet Prakash Khandelwal will retire by rotation at the ensuing Annual General Meeting ('AGM') of the Company, and being eligible, offers himself for re-election. Your Board has recommended his re-election at the ensuing AGM of the Company.

Key Managerial Personnel

Ms. Deepika Krishna was appointed, as the Manager of the Company with effect from 15th March, 2025, in terms of the provisions of Sections 196, 197 and 203 of the Act. Ms. Krishna has also been appointed as the Company Secretary of the Company in terms of Section 203 of the Act, in place of Ms. Samiksha Baheti, who had stepped down from the position, with effect from 15th March, 2025.

Further, in terms of Section 203 of the Act, the Board appointed Mr. Girish Sharma as the Chief Financial Officer of the Company with effect from 15th March, 2025.

8. BOARD MEETINGS

Thirteen Meetings of the Board were held during the financial year ended 31st March, 2025.

9. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the loss of the Company for the period ended on that date;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

10. RISK MANAGEMENT

The Company has laid down adequate Risk Management Systems and Procedures to ensure that the management controls the applicable risks through a properly defined framework. The major risks have been identified and its mitigation process / measures have been formulated in the areas of business functions, such as human resources, operations, administration, IT, Finance, Customers, etc. The Company's risk management framework is designed to identify and address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company. Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board.

The Company continues to hold ISO:27001 Certification for risk management by complying with all the requirements of the Certification from time to time.

11. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements, commensurate with its size and scale of operations. During the year, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are

undertaken to ensure that such systems are reinforced on an ongoing basis.

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act are provided in the Notes to the Financial Statements of the Company.

13. RELATED PARTY TRANSACTIONS

During the year, all contracts or arrangements entered into by the Company with its related parties were in the ordinary course of business and on arm's length basis. The details of material related party transactions of the Company in the prescribed Form No. AOC-2 are provided in **Annexure 2** to this Report.

14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the period under review, no orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

15. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

16. DEPOSITS

During the year, the Company has not accepted any deposit from the public / Members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

The loan taken from an ex-member of the Company in June, 2022 has been repaid during the year and no amount on account of principal and interest is outstanding as on 31st March, 2025.

17. ANNUAL RETURN

As per the provisions of Section 92(3) and Section 134(3) (a) of the Act, the Annual Return in Form No. MGT-7 is available on the Company's website and can be accessed at: <https://www.blazeclan.com/compliance/>

18. PARTICULARS OF EMPLOYEES

The particulars of the Company's employees, pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including details of employee(s) who had drawn remuneration more than the limit specified in the said Rule, are provided in **Annexure 3** to this Report.

The Company has zero tolerance towards any sexual harassment at the workplace. In line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder, the Company has in place

an Internal Complaints Committee for conducting inquiry into complaints received on harassments at the workplace. During the year under review, the Internal Complaints Committee did not receive any complaint.

19. STATUTORY AUDITORS

Messrs. H A M & Co, Chartered Accountants, were re-appointed with your approval as the Auditors of the Company at the 14th AGM for a period of five years i.e., till the conclusion of the 19th AGM, on such remuneration as may be mutually agreed between the Board and the Statutory Auditors of the Company.

There were no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors in their Report on the Financial Statements of the Company for the year ended 31st March, 2025.

20. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

21. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

a) **Conservation of Energy:** Since the Company is engaged in the business of Cloud services, the Company does not consume substantial energy. Even then, preventive measures have been initiated by the management to control energy wastage in the Company.

b) **Technology Absorption:** The Company has not imported any technology and has no technical collaboration with any party involving sharing of intellectual property other than its subsidiaries.

c) **Foreign exchange earnings and outgo:** The foreign exchange earnings of the Company during the year aggregated ₹4,954.47 lakhs, while foreign exchange outgo aggregated ₹1,676.44 lakhs.

22. ACKNOWLEDGEMENT

Your Directors thank the clients, partners and vendors for their continued support, and employees for their unstinted support, hard work, solidarity and co-operation.

On behalf of the Board

Place: Bengaluru
Date: 7th May, 2025

N. Khandelwal H. Desai
Chairman Director

ANNEXURE 1 TO THE REPORT OF THE BOARD OF DIRECTORS

WHOLLY OWNED SUBSIDIARY COMPANIES

The statement in Form AOC-1 containing the salient features of the financial statements of the subsidiaries for the financial year 2024-25 is attached to the Financial Statements of the Company.

The highlights of the performance of the subsidiaries of the Company during the year under review are set out below:

Company	Currency Million	Revenue		Net Profit	
		2024-25	2023-24	2024-25	2023-24
Cloudlytics Technologies Private Limited, India	INR	2.76	11.22	0.18	6.38
Blazeclan Technologies PTE Ltd., Singapore	SGD	8.18	8.35	0.38	0.29
Blazeclan Technologies SDN. BHD., Malaysia	MYR	9.31	13.64	0.04	0.46
Blazeclan Technologies Pty. Ltd., Australia	AUD	9.85	10.36	0.49	0.70
Blazeclan Europe SRL., Belgium	EUR	0.67	0.77	(0.01)	(0.17)
Blazeclan Technologies Limited, New Zealand	NZD	0.42	0.34	0.07	0.04
Blazeclan Technologies Inc., Canada	CAD	0.37	0.51	(0.01)	(0.27)
Blazeclan Technologies LLC, USA	USD	–	0.11	(0.004)	0.03
Blazeclan Americas Inc.	USD	0.52	0.48	0.06	(0.02)
Blazeclan Technologies Corporation, Philippines	PHP	3.52	12.59	0.05	0.70

**ANNEXURE 2 TO THE REPORT OF THE BOARD OF DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

FORM NO. AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **None**

2. Details of material contracts or arrangements or transactions at arm's length basis:

a)	Name(s) of the related party and nature of relationship	Blazeclan Technologies PTE Ltd., Singapore (Subsidiary)	Blazeclan Technologies SDN. BHD, Malaysia (Subsidiary)	Blazeclan Technologies Pty Ltd., Australia (Subsidiary)
b)	Nature of contracts / arrangements / transactions	Sale of IT Services	Sale of IT Services	Sale of IT Services
c)	Duration of the contracts / arrangements / transactions	Continuing	Continuing	Continuing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	- Subcontracting of execution and management of customer contracts - Pricing based on arm's length margin - Periodic invoicing; payment within 90 days - Value of transactions during the year - ₹1,433 lakhs	- Subcontracting of execution and management of customer contracts - Pricing based on arm's length margin - Periodic invoicing; payment within 90 days - Value of transactions during the year - ₹1,524 lakhs	- Subcontracting of execution and management of customer contracts - Pricing based on arm's length margin - Periodic invoicing; payment within 90 days - Value of transactions during the year - ₹2,367 lakhs
e)	Date(s) of approval by the Board, if any	N.A.	N.A.	N.A.
f)	Amount paid as advances, if any	Nil	Nil	Nil

On behalf of the Board

Place : Bengaluru
Date: 7th May, 2025

N. Khandelwal
Chairman

H. Desai
Director

**ANNEXURE 3 TO THE REPORT OF THE BOARD OF DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Top ten employees in terms of remuneration drawn								
Name of employees	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of employment	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
Bimal Panchasara	48	AVP Delivery - Cloud Services	70,34,911	48,69,082	B.E.	26	22-October-2019	Fulcrum Worldwide Software Pvt. Ltd., Vice President - CSG
Harshal Parulkar	44	AVP Delivery - Cloud Services	59,70,479	43,56,987	M.C.M.	22	18-January-2021	Toll (India) Logistics Pvt. Ltd., Infrastructure Service Manager
Vishwanathan Chandran	50	AVP Delivery	59,65,643	40,91,344	M.S.	26	1-September-2021	Cognizant Technology Solutions India Pvt. Ltd., Associate Director - Projects
Abhradip Ray	42	AVP Delivery - Cloud Services	58,80,154	40,80,594	B.E.	19	13-November- 2017	Cognizant Technology Solutions India Pvt. Ltd., Manager – Projects
Anirudh Namdeo	44	Sr. Manager-Portfolio	51,23,904	36,90,221	M.C.A.	21	3-September-2019	Rolta India Limited, Senior Manager
Mukesh Patil	45	Principal Data Architect L1	49,57,808	36,14,089	B.E.	17	7-June-2021	Cybage Software Pvt. Ltd., System Analyst
Shreejay Sistla	47	Senior Manager - Portfolio	48,21,867	35,52,539	B.E.	24	30-November- 2020	Tata Communications Limited, Senior Manager
Swapnil Jakhethia	39	Principal Cloud Architect L1	47,09,746	33,83,130	B.E.	9	31-January-2019	Wipro Limited, Technical Lead – AWS
Sachin Verma	48	Senior Director, Sales- Cloud Services	46,48,024	35,28,777	M.B.A.	23	15-December- 2021	Wipro Limited, Senior Manager Sales
Pramod Saki	40	Principal Cloud Security Architect L1	46,41,643	36,01,996	M.C.A.	16	2-August-2017	Wipro Limited, Technical Lead

Other employees employed for a part of the year and in receipt of remuneration aggregating ₹ 8,50,000/- or more per month								
Name of employees	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of employment	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
Sanjay Bhat	46	Vice President, Practice Sales - Cloud Services	26,86,684	17,65,687	B.E.	21	24-February- 2020	Cognizant Technologies Solutions India Pvt. Ltd., Associate Director

Notes:

- Gross Remuneration includes salary, performance bonus, allowances and other benefits / applicable perquisites borne by the Company, except the provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net Remuneration comprises cash income less (a) income tax, & education cess deducted at source, and (b) employee's own contribution to Provident Fund.
- All appointments are / were contractual in accordance with terms and conditions as per Company's rules.
- None of the above employees is a relative of any Director / Manager of the Company.

On behalf of the Board

Place : Bengaluru
Date: 7th May, 2025

N. Khandelwal
Chairman

H. Desai
Director

INDEPENDENT AUDITORS' REPORT**To the Members of Blazeclan Technologies Private Limited****Report on the Audit of Financial Statements****Opinion**

We have audited the accompanying Financial Statements of Blazeclan Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and a summary of material accounting policies and Notes to the Financial Statements, including and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the 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 (the "Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss, total comprehensive loss, the changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (the "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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report but does not include the Financial Statements and our auditor's report thereon.

- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's Board of Directors are 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 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 control that we identify during our audit.

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

Report on Other Legal and Regulatory requirements

1. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the aforesaid Financial Statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time;
- (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 is 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 over financial reporting 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 over financial reporting;
- (g) 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.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts,
 - no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - Based on audit procedures carried out by us, that we have 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.
- The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Act is not applicable for the year under consideration.
 - Based on our examination, which included test checks, the company has used an accounting software(s) for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software(s). 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 has been preserved by the company as per statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For H A M & Co.
Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah
Partner
Membership No. 137026
UDIN : 25137026BMJPZT9707
Place : Mumbai
Date : 7th May, 2025

Annexure "A" to the Independent Auditor's Report on the Financial Statements of Blazeclan Technologies Private Limited for the year ended 31 March, 2025

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

Report on the Internal Financial Controls over financial reporting 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 Blazeclan Technologies Private Limited (the "Company") as of 31st March, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in 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 control system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal financial controls over financial reporting

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

Annexure "B" to the Independent Auditor's Report on the Financial Statements of Blazeclan Technologies Private Limited for the year ended 31 March, 2025

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Blazeclan Technologies Private Limited of even date)

1.	(a)	In our opinion and according to the information and explanations given to us, the Company has maintained proper records showing particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of Right-of-Use assets
	(b)	The Company has a program of verification of Property, Plant and Equipment and Right-of-Use assets, so to cover all the Property Plant and Equipment and Right-of-Use assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment and Right-of-Use assets were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
	(c)	According to the information and explanations given to us and the records examined by us, we report that, the Company does not hold any freehold and leasehold immovable properties of land and building as at the Balance Sheet date. Hence, reporting under paragraph 3 (i)(c) of the Order is not applicable.
	(d)	The Company has not revalued its Property, Plant and Equipment (including Right-of-Use asset) during the year. Accordingly, paragraph 3 (i)(d) of the Order is not applicable.
	(e)	In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder. Accordingly, paragraph 3 (i) (e) of the Order is not applicable.
2.	(a)	The Company is a service company, accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.
	(b)	The Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate at points of time during the year from banks or financial institutions on the basis of security of current assets. In our opinion, the periodic returns or statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company of the respective periods.
3.		In our opinion and according to information and explanation given to us, during the year the Company has made investments in subsidiary companies and not provided any guarantee or security/ granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties. Accordingly, paragraph 3 (iii) (a),(b) (except to the extent it pertains to investments),(c),(d),(e) and (f) of the Order is not applicable. The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
4.		In our opinion and according to information and explanation given to us, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
5.		In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be public deposits during the year. Accordingly, paragraph 3 (v) of the Order is not applicable.
6.		The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the Company and accordingly paragraph 3 (vi) of the order is not applicable.
7.		In our opinion and according to the information and explanations given to us:
	(a)	Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.
	(b)	No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
	(c)	There are no dues of goods and services tax, service tax, custom duty, excise duty, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute.
8.		In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.
9.	(a)	In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year, hence this clause is not applicable.
	(b)	In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender, hence this clause is not applicable.

Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For H A M & Co.

Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah

Partner
Membership No. 137026
UDIN : 25137026BMJPZT9707
Place : Mumbai
Date : 7th May, 2025

	(c)	In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans, hence this clause is not applicable.
	(d)	In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
	(e)	The company has not taken any funds from other entities and persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures, hence this clause is not applicable.
	(f)	In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence this clause is not applicable.
10.	(a)	In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.
	(b)	In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.
11.	(a)	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.
	(b)	Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.
	(c)	To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.
12.		The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.
13.		According to the information and explanations given to us, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable, the details of such transactions have been disclosed in the notes to the Financial Statements, as required by the applicable Accounting Standards. Section 177 of the Companies Act, 2013 is not applicable to the company and hence, not commented upon.
14.	(a)	As per provision of section 138 of the Companies Act, 2013, appointment of internal auditor during the current financial year is not mandatory for the Company, hence this Company has not appointed any internal auditor.
	(b)	This clause is not applicable to the company.
15.		In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
16.	(a)	In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
	(b)	In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities, hence this clause is not applicable.
	(c)	In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.
	(d)	In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.
17.		The Company has incurred cash losses amounting to Rs. 1,650 lakhs during the financial year covered by our audit. Further, the Company has not incurred any cash losses in the immediately preceding financial year.
18.		There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.
19.		In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans, there are no 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.
20.	(a)	In our opinion and according to the information and explanations given to us, provisions of section 135 of Companies Act, 2013 is not applicable to the Company.
	(b)	This Clause is not applicable to the company.

For H A M & Co.

Chartered Accountants

Firm Registration No 136368W

CA Hardik H. Shah

Partner

Membership No. 137026

UDIN : 25137026BMJPZT9707

Place : Mumbai

Date : 7th May, 2025

Standalone Balance Sheet as at 31st March, 2025

Particulars	Note No.	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 1st April, 2023 (₹ in Lakhs)
I ASSETS				
1 Non-current Assets				
(a) Property, Plant and Equipment	2	388	5	13
(b) Other Intangible Assets	2	–	4	4
(c) Right-of-Use Assets	2	1,173	187	601
(d) Financial Assets				
(i) Investments	3	3,391	177	7
(ii) Others	4 (a)	233	43	41
(e) Deferred Tax Assets (Net)	8	452	183	140
(f) Income Tax Assets (Net)	9	273	303	556
Sub-Total		5,910	902	1,362
2 Current Assets				
(a) Financial Assets				
(i) Trade Receivables	5	4,458	2,490	2,303
(ii) Cash and Cash Equivalents	6	334	845	94
(iii) Other Bank Balances	7	310	–	–
(iv) Others	4 (b)	2,710	1,465	1,775
(b) Other Current Assets	10	504	787	684
Sub-Total		8,316	5,587	4,856
TOTAL		14,226	6,489	6,218
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	11 (a)	1,103	903	903
(b) Other Equity		6,699	1,378	1,265
Sub-Total		7,802	2,281	2,168
2 Non-current Liabilities				
(a) Borrowings	12 (b)	–	82	67
(b) Financial Liabilities				
(i) Lease Liabilities	23	553	–	–
(ii) Others	12 (c)	758	–	–
(c) Provisions	13 (a)	658	434	323
Sub-Total		1,969	516	390
3 Current Liabilities				
(a) Borrowings	12 (d)	–	266	279
(b) Financial Liabilities				
(i) Lease Liabilities	23	643	190	601
(ii) Trade Payables				
- Total outstanding dues of Micro Enterprises and Small Enterprises	12 (a)	44	49	36
- Total outstanding dues other than Micro Enterprises and Small Enterprises		2,155	1,840	2,023
(iii) Other Financial Liabilities	12 (e)	723	191	32
(c) Other Current Liabilities	14	758	1,063	629
(d) Provisions	13 (b)	132	93	60
Sub-Total		4,455	3,692	3,660
TOTAL		14,226	6,489	6,218

The accompanying notes are an integral part of the Financial Statements
This is the Balance Sheet referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Bengaluru
Date : 7th May 2025

On behalf of BLAZECLAN TECHNOLOGIES PVT LTD

Navneet Khandelwal
Director

Place : Bengaluru
Date : 7th May 2025

Girish Sharma
Chief Financial Officer
Place : Jhunjhunu
Date : 7th May 2025

Hetal Desai
Director

Place : Bengaluru
Date : 7th May 2025

Deepika Krishna
Manager & Company Secretary
Place : Bengaluru
Date : 7th May 2025

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note No.	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
I Revenue from Operations	15	12,002	12,655
II Other Income	16	41	46
III Total Income (I + II)		<u>12,043</u>	<u>12,701</u>
IV Expenses			
Employee Benefits Expense	17	10,525	9,392
Finance Costs	18	203	113
Depreciation and Amortization Expense	2	519	417
Other Expenses	19	3,361	2,649
Total Expenses		<u>14,608</u>	<u>12,571</u>
V Profit/(Loss) Before Tax (III - IV)		<u>(2,565)</u>	<u>130</u>
VI Tax Expenses	20 (a)		
Current Tax		2	93
Deferred Tax Charge / (Credit)		(283)	(39)
Total Tax Expenses		<u>(281)</u>	<u>54</u>
VII Profit/(Loss) for the Year (V-VI)		<u>(2,285)</u>	<u>76</u>
VIII Other Comprehensive Income/(Loss)			
Items that will not be Reclassified Subsequently to Profit or Loss			
- Remeasurement Gain / (Loss) of Net Defined Benefit Liability		(40)	18
Less: Tax Relating to Items that will not be reclassified subsequently to Profit or Loss	20 (b)		
- Current Tax			
- Deferred Tax		(14)	4
Total Other Comprehensive Income/(Loss)		<u>(54)</u>	<u>22</u>
IX Total Comprehensive Income/(Loss) for the Year (VII+VIII)		<u>(2,338)</u>	<u>98</u>
X Earnings Per Share (in ₹) (Face value ₹ 1 each)	25		
Basic		(2)	0.08
Diluted		(2)	0.08

The accompanying notes are an integral part of the Financial Statements

This is the Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Bengaluru
Date : 7th May 2025

On behalf of BLAZECLAN TECHNOLOGIES PVT LTD

Navneet Khandelwal
Director

Place : Bengaluru
Date : 7th May 2025

Girish Sharma
Chief Financial Officer
Place : Jhunjhunu
Date : 7th May 2025

Hetal Desai
Director

Place : Bengaluru
Date : 7th May 2025

Deepika Krishna
Manager & Company Secretary
Place : Bengaluru
Date : 7th May 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

(₹ in Lakhs)

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	903	200	1,103
For the year ended 31st March, 2024	903	–	903

B. Other Equity

(₹ in Lakhs)

Particulars	Attributable to the ownership of the company			Total
	Retained Earning	Share Based Payments Reserves	Securities Premium	
Balance as at 1st April, 2023	420	125	720	1,265
- Profit/(Loss) for the Year	76	–	–	76
- Other Comprehensive Income/ (Expense) (Net of Tax)	22	–	–	22
Total Comprehensive Income/ (Expense)	98	–	–	98
- Recognition of Share Based Payment	–	15	–	15
Balance as at 31st March, 2024	518	140	720	1,378
- Profit/(Loss) for the Year	(2,285)	–	–	(2,285)
- Other Comprehensive Income/ (Expense) (Net of Tax)	(54)	–	–	(54)
Total Comprehensive Income/ (Expense)	(2,339)	–	–	(2,339)
- Premium on issue of share capital	–	–	7,800	7,800
- Recognition of Share Based Payment	–	328	–	328
- Settlement of ESOPs	–	(468)	–	(468)
Balance as at 31st March, 2025	(1,820)	–	8,520	6,699

Retained Earnings: This represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This can be utilised in accordance with the provisions of the Companies Act, 2013.

Share Based Payments Reserves: This Reserve represents fair value of options issued to employees under BTPL Employee Stock Option Scheme.

Securities Premium: This Reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying notes are an integral part of the Financial Statements

This is the Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place : Bengaluru

Date : 7th May 2025

Navneet Khandelwal

Director

Place : Bengaluru

Date : 7th May 2025

Girish Sharma

Chief Financial Officer

Place : Jhunjhunu

Date : 7th May 2025

Hetal Desai

Director

Place : Bengaluru

Date : 7th May 2025

Deepika Krishna

Manager & Company Secretary

Place : Bengaluru

Date : 7th May 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES :		
PROFIT BEFORE TAX	(2,565)	129
ADJUSTMENTS FOR :		
Depreciation and Amortisation Expense	519	417
Property, Plant and Equipment - (Gain) / Loss on Sale / Discarded [net]	4	-
Unrealised Loss / (Gain) on Exchange [net]	102	37
Provision for Doubtful Receivables and Advances	10	11
Interest Income	(17)	(2)
Finance Costs	203	113
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(1,744)	705
ADJUSTMENTS FOR :		
Trade Receivables, Loans and Advances and Other Assets	(4,063)	10
Trade Payables, Other Liabilities and Provisions	1,504	567
CASH GENERATED FROM OPERATIONS	(4,304)	1,282
Less: Income Tax Paid/ (Credits) (Net)	(42)	(156)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	(4,262)	1,438
B CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant and Equipment	(361)	-
Investment in Bank Deposits (original maturity more than 3 months) (net)	(306)	(2)
Investment in subsidiaries	(2,583)	(170)
Interest Received on maturity of Bank Deposits	17	2
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(3,233)	(170)
C CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from issue of Share Capital	8,000	-
Proceeds from Borrowings	4,080	160
Repayments of Borrowings	(4,428)	(158)
Interest Paid on Borrowings	(164)	(84)
Repayment of Lease Liability	(504)	(435)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	6,984	(517)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(511)	751
OPENING CASH AND CASH EQUIVALENTS	845	94
CLOSING CASH AND CASH EQUIVALENTS	334	845

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows".

The accompanying notes form an integral part of the Financial Statements

This is the Cash Flow Statement referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Bengaluru
Date : 7th May 2025

On behalf of BLAZECLAN TECHNOLOGIES PVT LTD

Navneet Khandelwal
Director

Place : Bengaluru
Date : 7th May 2025

Girish Sharma
Chief Financial Officer
Place : Jhunjhunu
Date : 7th May 2025

Hetal Desai
Director

Place : Bengaluru
Date : 7th May 2025

Deepika Krishna
Manager & Company Secretary
Place : Bengaluru
Date : 7th May 2025

Notes to Financial Statements

COMPANY INFORMATION

Blazeclan Technologies Private Limited ("the Company") [CIN: U72100PN2010PTC136385] is a wholly owned subsidiary of ITC Infotech India Limited ("the Holding Company") providing information technology services to enterprise clients. The Company is incorporated and domiciled in India and has its registered office at Pune, Maharashtra, India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Company in an all cash deal on 1st October 2024. Consequently the company has become its 100% subsidiary.

1 MATERIAL ACCOUNTING POLICIES

a) Statement of Compliance

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 37 (First-time Adoption).

b) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies. The functional currency of the Company is the Indian rupee (₹). These financial statements are presented in ₹ (rounded off to Lakhs).

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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

The following is the key judgement and estimate applied in the preparation of the financial statements:

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements

c) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the

assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

e) Other Intangible Assets

Other Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially: a. for assets acquired in a business combination, at fair value on the date of acquisition. b. for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use. c. Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred.

Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Intangible assets represents purchased / internally developed software having finite useful lives. Such assets are amortized over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

Amortization expenses and impairment losses and reversal of impairment losses are included in the 'Depreciation and amortization expense' in the Statement of Profit and Loss.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, investments, fixed deposits, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

Notes to Financial Statements (Contd.)

- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through Other Comprehensive Income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss as other income only when the Company's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Investment in Subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any, in the financial statements.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The employees of the Company are entitled to compensated leave and gratuity. The cost of providing these benefits is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately in Other Comprehensive Income in the period in which they occur. Gratuity plan and Leave Encashment Benefits are both unfunded in nature.

k) Employee Share Based Compensation

Certain employees of the Company/ Subsidiary Companies are covered under the stock option plans of the Company. These schemes are in the nature of equity settled. In case of equity settled awards, the fair value of the awards at the grant date is amortised on a straight-line basis over the vesting period. The cost in respect of such share-based payments is recognised as an Employee Benefit Expenses in the Statement of Profit and Loss with corresponding increase in Equity.

l) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude ₹ 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease. The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

m) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Notes to Financial Statements (Contd.)

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

n) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

o) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the

operating segments, has been identified as the Board of Directors (BOD). The Company is currently operating in a single segment i.e. Information Technology. Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements.

p) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

q) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

r) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Notes to Financial Statements (Contd.)

Note 2

PROPERTY, PLANT AND EQUIPMENT, OTHER INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	As at 31st March, 2025	As at 1st April, 2024	Charge for the Year	Withdrawals / Adjustments	As at 31st March, 2025	As at 31st March, 2024
(a) PROPERTY, PLANT AND EQUIPMENT									
Furniture and Fixtures	0.12	0.30	0.12	0.30	0.12	-	0.12	0.30	-
Office Equipment	0.19	45	-	45	0.14	3	-	42	0.05
Computers, Servers and Networks	13	370	-	383	8	30	-	345	5
TOTAL	13	415	0.12	428	8	33	0.12	388	5
(b) OTHER INTANGIBLE ASSETS									
Trademarks	4	-	4	-	-	-	-	-	4
TOTAL	4	-	4	-	-	-	-	-	4
(c) Right-of-Use Assets									
Right-of-Use Assets - Buildings	601	1,471	692	1,380	414	486	692	1,173	187
TOTAL	601	1,471	692	1,380	414	486	692	1,173	187

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals / Adjustments	As at 31st March, 2024	As at 1st April, 2023	Charge for the Year	Withdrawals / Adjustments	As at 31st March, 2024	As at 31st March, 2023
(a) PROPERTY, PLANT AND EQUIPMENT									
Furniture and Fixtures	0.12	-	-	0.12	-	0.12	-	-	0.12
Office Equipment	0.19	-	-	0.19	-	0.14	-	0.05	0.19
Computers, Servers and Networks	13	-	-	13	-	8	-	5	13
TOTAL	13	-	-	13	-	8	-	5	13
(b) OTHER INTANGIBLE ASSETS									
Trademarks	4	-	-	4	-	-	-	4	4
TOTAL	4	-	-	4	-	-	-	4	4
(c) Right-of-Use Assets									
Right-of-Use Assets - Buildings	601	-	-	601	-	409	(5)	187	601
TOTAL	601	-	-	601	-	409	(5)	187	601

Notes to Financial Statements (Contd.)

Note No.

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 1st April, 2023 (₹ in Lakhs)
3 NON-CURRENT INVESTMENTS			
In Subsidiaries			
Investments in Equity Instruments- (At Cost) Unquoted			
Blazeclan Technologies PTE Limited (SG)	1,981	0.32	0.32
Blazeclan Europe SRL. (EU)	872	3	3
Blazeclan Technologies LLC (USA)	0.08	0.65	0.65
Blazeclan Technologies SDN. BHD. (MY)	0	0	0
Cloudlytics Technologies Private Limited (IN)	11	11	1
Blazeclan Americas Inc. (USA)	2	2	2
Blazeclan Technologies Pty. Limited (AU)	368	0.33	0.33
Blazeclan Technologies Inc. (CANADA)	0	0	0
Blazeclan Technologies Corporation (PHP)	158	160	–
Total	3,391	177	7
4 OTHER FINANCIAL ASSETS			
4(a)Non-Current			
Unsecured Considered Good, Unless Otherwise Stated			
Security Deposits (includes deposits for Company offices etc.)	194	–	–
Investment in Fixed Deposits	39	43	41
Total	233	43	41
4(b)Current			
Unsecured Considered Good, Unless Otherwise Stated			
Unbilled Revenue - time and material basis & fixed price support contracts	2,139	1,357	1,675
Security Deposits (includes deposits for Company offices)	10	106	98
Advances (includes advance to employees)	22	2	2
Others	539	–	–
Total	2,710	1,465	1,775
5 TRADE RECEIVABLES			
Unsecured, Considered Good	4,497	2,519	2,321
Less: Expected Credit Loss Allowance	(39)	(29)	(18)
Total	4,458	2,490	2,303

(₹ in Lakhs)

Trade Receivables as at 31st March, 2025	Outstanding for the following periods						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - considered good	2,726	1,371	147	252	1	–	4,497
Less : Expected Credit Loss Allowance							(39)
Net							4,458

(₹ in Lakhs)

Trade Receivables as at 31st March, 2024	Outstanding for the following periods						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - considered good	2,215	137	145	14	8	–	2,519
Less : Expected Credit Loss Allowance							(29)
Net							2,490

(₹ in Lakhs)

Trade Receivables as at 1st April, 2023	Outstanding for the following periods						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total
Undisputed Trade Receivables - considered good	1,318	851	21	66	9	56	2,321
Less : Expected Credit Loss Allowance							(18)
Net							2,303

Notes to Financial Statements (Contd.)

Note No.

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 1st April, 2023 (₹ in Lakhs)
6 CASH AND CASH EQUIVALENTS			
Balances with Banks :			
Current Accounts	334	845	93
Cash in hand	0.22	0.29	1
Total	334	845	94
7 OTHER BANK BALANCES			
On Deposit Accounts*	310	—	—
Total	310	—	—
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.			
8 DEFERRED TAX ASSETS (NET)			
Deferred Tax Assets	452	183	140
Total	452	183	140

Movement in Deferred Tax

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	168	207	14	389
On provision for doubtful receivables	7	3	—	10
On fiscal allowances on property, plant and equipment	6	(11)	—	(5)
On lease Liabilities	48	301	—	349
Other timing differences (includes provision for expenses)	1	49	—	50
Total Deferred Tax Assets	230	549	14	793
Deferred Tax Liabilities :				
On Right-of-Use Asset	47	295	—	342
Total Deferred Tax Liabilities	47	295	—	342
Deferred Tax Assets (Net)	183	254	14	452

Particulars	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
FY 2023-24				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	128	34	4	168
On provision for doubtful receivables	5	2	—	7
On fiscal allowances on property, plant and equipment	7	(1)	—	6
On lease Liabilities	—	48	—	48
Other timing differences (includes provision for expenses)	—	1	—	1
Total Deferred Tax Assets	140	84	4	230
Deferred Tax Liabilities :				
On Right-of-Use Asset	—	47	—	47
Total Deferred Tax Liabilities	—	47	—	47
Deferred Tax Assets (Net)	140	37	4	183

9 INCOME TAX ASSETS (NET)			
Advance Tax (Net of Provision for Income Tax)	273	303	556
Total	273	303	556
10 OTHER CURRENT ASSETS			
Unbilled Revenue - percentage of completion	82	332	381
Other Advances (includes Unexpired Expenses)	422	455	303
Total	504	787	684

Notes to Financial Statements (Contd.)

Note No.

As at
31st March, 2025
(₹ in Lakhs)

As at
31st March, 2024
(₹ in Lakhs)

As at
1st April, 2023
(₹ in Lakhs)

11(a) EQUITY SHARE CAPITAL

Authorised:

12,00,00,000 (2024 - 10,00,00,000) Equity Shares of ₹ 1 each

1,200

1,000

1,000

Issued and subscribed :

11,02,50,718 (2024 - 9,02,90,718) Equity Shares of ₹ 1 each, fully paid

1,103

903

903

[All equity shares are held by the Holding Company. The Equity Shares of the Company, having par value of ₹ 1 per share, rank pari passu in all respects including entitlement to dividend. 1,99,60,000 shares of the face value of ₹ 1 have been issued during the year (2024 - Nil)]

11(b) Shares held by Promoters

Particulars	Promoter Name	As at 31 March, 2025			As at 31 March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 1 each, fully paid	ITC Infotech India Ltd	11,02,50,718	100%	100%	–	0%	NA
Equity shares of ₹ 1 each, fully paid	Veeraj Thaploo	–	0%	-23%	2,07,24,548	23%	-2%
Equity shares of ₹ 1 each, fully paid	Gurmeet Singh	–	0%	-23%	2,05,01,405	23%	-2%
Equity shares of ₹ 1 each, fully paid	Varoon Rajani	–	0%	-25%	2,22,49,521	25%	0%
Equity shares of ₹ 1 each, fully paid	Naman Popat	–	0%	-12%	1,05,30,068	12%	1%
Equity shares of ₹ 1 each, fully paid	Priyanka Rajani	–	0%	-10%	92,91,324	10%	0%

12 FINANCIAL LIABILITIES (Refer Note 23 for Lease Liabilities)

12(a) Trade Payables

2,199

1,889

2,059

Ageing schedule

(₹ in Lakhs)

Trade Payable as at 31st March, 2025	Particulars outstanding for following periods							
	Unbilled (Accrued)	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total
Micro Enterprises and Small Enterprises	29	15	–	–	–	–	–	44
Others	1,315	504	316	20	–	–	–	2,155
Total	1,344	519	316	20	–	–	–	2,199

(₹ in Lakhs)

Trade Payable as at 31st March, 2024	Particulars outstanding for following periods							
	Unbilled (Accrued)	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total
Micro Enterprises and Small Enterprises	–	–	49	–	–	–	–	49
Others	890	–	950	1	–	–	–	1,840
Total	890	–	999	1	–	–	–	1,889

(₹ in Lakhs)

Trade Payable as at 1st April, 2023	Particulars outstanding for following periods							
	Unbilled (Accrued)	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Micro Enterprises and Small Enterprises	–	–	36	–	–	–	–	36
Others	425	–	2,023	–	–	–	–	2,448
Total	425	–	2,059	–	–	–	–	2,484

Notes to Financial Statements (Contd.)

Note No.	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 1st April, 2023 (₹ in Lakhs)
12(b) Non-Current Borrowings			
Borrowings	–	82	67
Total	–	82	67
12(c) Non-Current Financial Liabilities - Others			
Employee Payable	758	–	–
Total	758	–	–
12(d) Current Borrowings			
Borrowings	–	266	279
Total	–	266	279
12(e) Current Financial Liabilities - Others			
Employee Payable	20	31	32
Capex payable	54	–	–
Other Liabilities	649	160	–
Total	723	191	32
13 PROVISIONS			
13(a) Non- Current Provisions			
Provision for Employee Benefits			
Retirement Benefits	425	343	248
Compensated Absences	233	91	75
Total	658	434	323
13(b) Current Provisions			
Provision for Employee Benefits*			
Retirement Benefits	68	55	28
Compensated Absences	64	38	32
Total	132	93	60
*Includes provision for gratuity and compensated absences. For details refer to note 17.			
14 OTHER CURRENT LIABILITIES			
Statutory Dues	548	548	359
Contract Liability	210	515	270
[Out of last year's amount of ₹ 515 Lakhs as at 31st March 2024 (270 Lakhs as at 31st March 2023), revenue recognised in current year is ₹ 515 Lakhs (269 Lakhs in FY 2024)]			
Total	758	1,063	629
		For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
15 REVENUE FROM OPERATIONS			
Sale of Services			
Domestic		5,097	4,233
Exports		5,827	8,011
Resale of Services (including Support Charges)			
Domestic		1,078	411
Total		12,002	12,655
16 OTHER INCOME			
Interest Income		41	46
Total		41	46
Interest income comprises Interest from:			
Deposits		17	2
Statutory authorities		16	28
Others		8	16
		41	46
17 EMPLOYEE BENEFITS EXPENSE			
Salaries and Bonus		9,660	8,860
Contribution to Provident and Other Funds		419	430
Share based Payments to Employees		328	15
Staff Welfare Expenses		116	87
Reimbursement of Contractual Remuneration, net		2	–
Total		10,525	9,392

Notes to Financial Statements (Contd.)

Note No.	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
18 FINANCE COSTS		
Interest Expense		
On Borrowings, Lease Liabilities, etc.	203	113
Total	203	113
19 OTHER EXPENSES		
Rent	218	235
Rates and Taxes	7	25
Insurance	102	89
Travelling and Conveyance	143	208
Recruitment Expenses	47	73
Communication	33	40
Power and Fuel	16	6
Outsourcing Charges	673	844
Software and Related Expenses	505	535
Business Development Expenses	54	115
Repairs and Maintenance		
- Buildings	8	—
Bank Charges	12	5
Legal, Professional and Consultancy Expenses	1,389	321
Doubtful and Bad Receivables	10	11
Property, Plant and Equipment Discarded, net	4	—
Auditor's Remuneration and Expenses	23	6
Training and Development	31	32
Printing and Stationery	1	2
Loss on Exchange (Net)	60	97
Miscellaneous Expenses	25	4
Total	3,361	2,649
20 TAX EXPENSES		
20(a) Tax Expense Recognised in Statement of Profit and Loss		
Current Tax	1	93
Charge / (Credits) related to previous years	1	—
	2	93
Deferred Tax Charge / (Credit)	(283)	(39)
Charge / (Credits) related to previous years	—	—
	(283)	(39)
Total	(281)	54
20(b) Tax (Expense) / Credits Recognised in Other Comprehensive Income		
Current Tax		
Arising on remeasurement of Net Defined Benefit Liability	—	—
Deferred Tax Credit / (Charge)		
Arising on Remeasurement of Net Defined Benefit Liability	(14)	4
Total	(14)	4
20(c) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:		
Profit before tax	(2,565)	130
Income tax expense calculated at 25.168% (2024- 25.168%)	(646)	33
Effects of:		
-Other differences	364	21
-Adjustments recognised in the current year in relation to the current tax of prior years	1	—
Income Tax expenses recognised in Statement of Profit and Loss	(281)	54
21 Commitments and Contingencies		
a) There are no contracts remaining to be executed on capital account.		
b) There are no claims against the Company not acknowledged as debts.		

Notes to Financial Statements (Contd.)

Rs. Lacs

22 Micro Enterprises and Small Enterprises

The following details relating to Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Sr No.	Particulars	As at 31st March, 2025	As at 31st March, 2024
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. Principal amount due Interest amount due thereon	98 —	49 —
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	—	—
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	—	—
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	—	—
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	—	—

23 Leases:

The amount of ROU Asset and Lease Liabilities recognised in the Balance Sheet are disclosed in Note 2 and on the face of the Balance Sheet respectively. The total cash outflow for leases for the year is ₹722 Lakhs (PY: ₹670 Lakhs) [including payments in respect of short-term leases aggregating ₹41 Lakhs (PY: ₹25 Lakhs) and low value leases aggregating ₹177 Lakhs (PY: ₹210 Lakhs)]. These lease arrangements generally range between 1 year and 5 years. Also Refer to Note 29 (b) for contractual maturities of lease liabilities.

Movement of Lease Liabilities during the year

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Lease Liabilities	190	601
Lease liability recognised	1,380	—
Remeasurements and Withdrawals	91	—
Interest expense on Lease Liability	39	29
Rent Concessions	—	(5)
Payments of Lease Liability made	(504)	(435)
Closing balance of Lease Liability	1,196	190

24 Employee Benefits

Description of Plans

(a) Defined Contribution Plan

Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and Other Funds in Note 17 - ₹ 419 Lakhs (2024 - ₹ 430 Lakhs)

(b) Defined Benefit Plan

The cost of providing benefits under the defined benefit obligation is calculated by an independent actuary using the Projected Unit Credit Method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through Other Comprehensive Income in the period in which they occur. Gratuity plan and Leave Encashment Benefits are unfunded in nature.

Risk Management

The defined benefit plan of gratuity exposes the Company to actuarial deficit arising out of interest rate risk, salary cost inflation risk, longevity risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. The scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the liabilities, leading to accounting deficit in the funds. Increase in salary due to adverse inflationary pressures might lead to higher liabilities. The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	Gratuity	Compensated absences	Gratuity	Compensated absences
	Unfunded	Unfunded	Unfunded	Unfunded
I Components of Employer Expense				
Recognised in Profit or Loss				
1 Current Service Cost	126	34	105	59
2 Past Service Cost	—	116	—	—
3 Interest Cost	26	8	20	7
4 Total expense recognised in the Statement of Profit and Loss (1 + 2 + 3)	152	158	125	66
Re-measurements recognised in Other Comprehensive Income				
5 Effect of changes in demographic assumptions	34	(14)	—	—
6 Effect of changes in financial assumptions	9	5	1	—
7 Effect of experience adjustments	(43)	49	6	(25)
8 Total re-measurements included in OCI (5+6+7)	—	40	7	(25)
9 Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4 + 8)	152	198	132	41

Notes to Financial Statements (Contd.)

The current service cost and net interest expense for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Compensated absences in "Salaries and Bonus". The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

(₹ in Lakhs)

Particulars		For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		Gratuity	Compensated absences	Gratuity	Compensated absences
		Unfunded	Unfunded	Unfunded	Unfunded
II	Net (Asset)/Liability recognised in Balance Sheet				
	1 Present Value of Defined Benefit Obligation	493	297	398	129
	2 Obligation w.r.t Overseas branches	–	–	–	–
	3 Fair Value of Plan Assets	–	–	–	–
	4 Status [(Surplus)/Deficit]	493	297	398	129
	5 Net (Asset)/Liability recognised in Balance Sheet	31st March, 2025		31st March, 2024	
		Current	Non-Current	Current	Non-Current
	- Gratuity	68	425	55	343
	- Compensated absences	64	233	38	91

(₹ in Lakhs)

Particulars		For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		Gratuity	Compensated absences	Gratuity	Compensated absences
		Unfunded	Unfunded	Unfunded	Unfunded
III	Change in Defined Benefit Obligation (DBO)				
	1 Present Value of DBO at the beginning of the year	398	129	276	107
	2 Current Service Cost	126	34	105	59
	3 Past Service Cost	–	116	–	–
	4 Interest Cost	26	8	20	7
	5 Remeasurement gains / (losses):				
	Effect of changes in demographic assumptions	34	(14)	–	–
	Effect of changes in financial assumptions	9	4	3	–
	Effect of experience adjustments	(43)	49	6	(25)
	6 Benefits Paid	(57)	(29)	(12)	(19)
	7 Present Value of DBO at the end of the year	493	297	398	129

IV	Actuarial Assumptions	31st March, 2025	31st March, 2024
	1 Discount Rate (%)	6.75%	7.20%
	2 Long term rate of compensation increase	12%	12%

V Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of sensitivity analysis from previous year.

Notes to Financial Statements (Contd.)

(₹ in Lakhs)

VI	Sr. No.	Particulars	DBO as at 31st March, 2025	DBO as at 31st March, 2024
	1	Discount Rate + 100 basis points	758	512
	2	Discount Rate - 100 basis points	824	542
	3	Long term Compensation Increase Rate + 1%	821	540
	4	Long term Compensation Increase Rate – 1%	761	513

VII	Sr. No.	Maturity Analysis of the Benefit Payments	As at 31st March, 2025	As at 31st March, 2024
	1	Year 1	137	55
	2	Year 2	134	64
	3	Year 3	126	72
	4	Year 4	115	96
	5	Year 5	100	103
	6	Next 5 Years	304	418

25	Earnings per share (Basic and Diluted)	For the period ended 31st March, 2025	For the period ended 31st March, 2024
	Profit / (Loss) after Tax (₹ in lakhs)	(2,285)	76
	Weighted average number of Equity Shares - Basic	9,96,96,526	9,02,90,718
	Weighted average number of Equity Shares - Diluted	9,96,96,526	9,02,90,718
	Earnings Per Share - Basic (Face value of ₹ 1 per share)	(2)	0.08
	Earnings Per Share - Diluted (Face value of ₹1 per share)	(2)	0.08

26	Auditor's Remuneration and Expenses (Net of Input tax credit)	For the period ended 31st March, 2025	For the period ended 31st March, 2024
	Statutory Audit Fees	6	3
	Tax Audit Fees	2	3
	Other Services	15	–
	Total	23	6

27 Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations through its internal accruals with a judicious use of borrowing facilities to fund working capital needs that arise from time to time.

28 Categories of Financial Instruments

(₹ in Lakhs)

Particulars	As at 31st March, 2025		As at 31st March, 2024		As at 1st April, 2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets						
Measured at amortised cost						
Cash and Cash Equivalents	334	334	845	845	94	94
Investment in Fixed deposits	349	349	43	43	41	41
Trade Receivables	4,458	4,458	2,490	2,490	2,303	2,303
Other Financial Assets	2,904	2,859	1,465	1,465	1,775	1,775
Total	8,045	8,001	4,843	4,843	4,213	4,213
Financial Liabilities						
Measured at amortised cost						
Borrowings	–	–	348	348	346	346
Trade Payables	2,199	2,199	1,889	1,889	2,059	2,059
Lease Liability	1,196	1,196	190	190	601	601
Other Financial Liabilities	1,481	1,212	191	191	32	32
Total	4,876	4,607	2,619	2,619	3,038	3,038

Notes to Financial Statements (Contd.)

29 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities, including net investments in foreign operations which are not in the Company's functional currency (₹). A significant portion of these transactions are in US Dollar (USD) and EURO.

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

As at 31st March 2025	USD	EURO	Others	Total
Financial Assets	271	1,047	4,289	5,606
Financial Liabilities	129	–	274	403

ii) Interest Rate Risk

Interest rate risk refers to 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 investments in fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. Considering the dynamic nature of the underlying businesses, the Company also maintains adequate committed credit lines.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(₹ in Lakhs)

	As at 31st March 2025						
	Contractual Cash flows*						
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total
Trade Payables	2,199	2,199	–	–	–	–	2,199
Other Financial Liabilities	1,481	723	–	–	–	758	1,481
Lease Liability	1,196	145	145	302	700	–	1,292
Total	4,876	3,067	145	302	700	758	4,972

(₹ in Lakhs)

	As at 31st March 2024						
	Contractual Cash flows*						
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total
Borrowings	348	223	12	31	82	–	348
Trade Payables	1,889	1,889	–	–	–	–	1,889
Lease Liability	190	114	79	–	–	–	193
Other Financial Liabilities	191	191	–	–	–	–	191
Total	2,619	2,418	91	31	82	–	2,622

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit

Notes to Financial Statements (Contd.)

risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

(₹ in Lakhs)		
Particulars	As at 31st March, 2025	As at 31st March 2024
Opening Balance	29	18
Add: Expected credit loss provisions made during the year	10	11
Closing Balance	39	29

For age wise breakup of receivables, refer to note 5.

Investments in fixed deposits are with highly rated banks and are held at amortised cost. Thus, counter party risk attached to such assets is considered to be insignificant.

30 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in multiple geographical segments as given below:

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Segment Revenue		
India	6,176	4,954
Singapore	1,433	3,056
Malaysia	1,524	1,911
Australia and New Zealand	2,450	1,811
North America	260	553
Rest of the World	159	370
Total	12,002	12,655

31 RELATED PARTY DISCLOSURES**(i) Ultimate Holding Company**

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) Holding Company

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

(iii) Subsidiary Companies:

Blazeclan Technologies PTE. LTD (Singapore)
 Blazeclan Technologies SDN BHD (Malaysia)
 Blazeclan Europe SRL (Belgium)
 Blazeclan Technologies INC (Canada)
 Blazeclan Americas Inc (USA)
 Blazeclan Technologies LLC (USA)
 Cloudlytics Technologies Pvt Ltd (India)
 Blazeclan Technologies Corporation (Philippines)
 Blazeclan Technologies Pty. Ltd. (Australia)

Step-down Subsidiary:

Blazeclan Technologies Ltd, New Zealand (step down subsidiary of Blazeclan Technologies Pty. Ltd., Australia)

(iv) KEY MANAGEMENT PERSONNEL**Director**

Varoon Rajani (until 30th September, 2024)
 Veeraj Thaploo (until 30th September, 2024)
 Gurmeet Singh (until 30th September, 2024)
 Navneet Khandelwal (w.e.f 1st October, 2024)
 Mayur Dogra (w.e.f 1st October, 2024)
 Hetal Desai (w.e.f 1st October, 2024)

Company Secretary

Samiksha Baheti (upto 14th March, 2025)

Manager & Company Secretary

Deepika Krishna (appointed w.e.f 15th March, 2025)

Chief Financial Officer

Girish Sharma (appointed w.e.f 15th March, 2025)

Notes to Financial Statements (Contd.)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(₹ in Lakhs)

Sl. No.	Holding Company and Subsidiaries	Sale of services		Purchase of services		Expense reimbursement		Subscription of share capital	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Blazeclan Technologies PTE. LTD (Singapore)	1,433	3,050	172	75	14	96	–	–
2	Blazeclan Technologies SDN BHD (Malaysia)	1,524	1,911	–	–	–	–	–	–
3	Blazeclan Europe SRL (Belgium)	161	294	54	–	–	–	–	–
4	Blazeclan Technologies INC (Canada)	27	97	105	–	–	–	–	–
5	Blazeclan Americas INC (USA)	183	297	12	–	–	–	–	–
6	Blazeclan Technologies LLC (USA)	1	60	–	–	–	–	–	–
7	Cloudlytics Technologies Pvt Ltd (India)	–	–	23	100	–	–	–	–
8	Blazeclan Technologies Corporation (Philippines)	11	33	30	140	–	–	–	160
9	Blazeclan Technologies Ltd, New Zealand	85	1	28	–	–	–	–	–
10	Blazeclan Technologies Pty. Ltd. (Australia)	2,367	1,737	8	–	–	–	–	–
11	ITC Infotech India Limited	371	–	24	–	2	–	–	–

(₹ in Lakhs)

Sl. No.	Key Managerial Personnel and Other Related Parties	Loan received*		Loan repaid		Interest repaid		Purchase of Non controlling interest	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Gurmeet Singh	527	–	25	–	9	–	528	–
2	Veeraj Thaploo	527	–	25	–	9	–	528	–
3	Varoon Rajani	–	–	–	–	–	–	528	–
4	Siddhi Ruparelia	525	–	–	–	9	–	–	–

* Loan (along with interest) has since been repaid post 30 September, 2024

(vi) DISCLOSURE OF OUTSTANDING BALANCES

(₹ in Lakhs)

Description	Trade Payables		Trade Receivables		Other Payables	
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
Balances for -						
Blazeclan Technologies PTE. LTD (Singapore)	20	75	–	341	–	–
Blazeclan Technologies SDN BHD (Malaysia)	–	–	466	378	–	–
Blazeclan Europe SRL (Belgium)	54	–	171	177	–	–
Blazeclan Technologies INC (Canada)	47	–	4	35	–	–
Blazeclan Americas INC (USA)	5	–	50	143	–	–
Blazeclan Technologies LLC (USA)	–	–	140	139	0.08	–
Cloudlytics Technologies Pvt Ltd (India)	23	5	120	153	–	–
Blazeclan Technologies Corporation (Philippines)	124	140	–	33	160	160
Blazeclan Technologies Ltd, New Zealand	28	–	61	–	–	–
Blazeclan Technologies Pty. Ltd. (Australia)	8	–	1,248	126	–	–

(vii) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

(₹ in Lakhs)

Description	2024-25	2023-24
Employee Benefits	47	88

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above.

(viii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

Notes to Financial Statements (Contd.)

32 Ratios

Particulars	Numerator	Denominator	31st March, 2025	31st March, 2024
Current Ratio ¹	Current Assets	Current Liabilities	1.9	1.5
Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.2	0.2
Debt Service Coverage Ratio ²	Earnings available for Debt Service	Debt Service	(0.4)	1.0
Return on Equity ³	Net Profits after Taxes	Average Shareholder's Equity	-45.3%	3.4%
Trade Receivables turnover ratio ⁴	Revenue	Average Trade Receivable	3.5	5.3
Trade Payables turnover ratio ⁵	Adjusted Other Expenses	Average Trade Payables	1.6	1.3
Net capital turnover ratio ⁶	Revenue	Working Capital	3.1	6.7
Net profit ratio ⁷	Net Profit	Revenue	-19.0%	0.6%
Return on capital employed (ROCE) ⁸	Earning before Interest and Taxes	Average Capital Employed	-46.5%	10.6%
Return on Investment (ROI) ⁹	Income generated from Investments	Average Investments	4.5%	3.5%

¹ The change in the Current Ratio is primarily due to increased Trade Receivables and Unbilled Revenue

² The change in the Debt Service Coverage Ratio is primarily due to reduced earnings available for Debt Service.

³ Return on Equity is reduced due to reduction of profits coupled with infusion of additional share capital.

⁴ Trade Receivable Turnover Ratio reduced due to increased Trade Receivable.

⁵ Trade Payable Turnover Ratio increased due to increased Other Expenses.

⁶ Net Capital Turnover Ratio reduced due to increase in Trade Receivable and Unbilled Revenue.

⁷ Net Profit Ratio reduced due to reduced Net Profit.

⁸ ROCE reduced due to reduced Net Profit.

⁹ ROI increased due to better return on FD

33 Subsequent Events

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Standalone Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Standalone Financial Statements.

34 Approval of Financial Statements

The Standalone financial statements were approved for issue by the Board of Directors on 7th May, 2025. Such Financial Statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

35 Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

36 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

37(a) First-time adoption

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March, 2025 and in the preparation of the opening Ind AS Balance Sheet as at 1st April, 2023 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in the Financial Statements prepared in accordance with the Accounting Standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The lease liability is measured as the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date of transition to Ind AS.

The right-of-use asset is measured as an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet immediately before the date of transition to Ind AS.

The following other practical exemptions have been applied -

- elected not to apply provisions of Ind AS 116 on low value assets
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April, 2023 as short-term leases
- the exclusion of initial direct costs for the measurement of the Right-Of-Use Asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

b) Share based payment transaction

Ind AS 101 provides that the entity is not required to apply Ind AS 102 to liabilities arising from share-based payment transactions that were settled before the date of transition to Ind AS.

c) Business Combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date.

The Company elected to apply Ind AS 103 prospectively to business combinations occurring after its transition date. Business combinations occurring prior to the transition date have not been restated.

Notes to Financial Statements (Contd.)

d) Revenue Recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the Company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

e) Deemed cost for Property Plant & Equipment and Intangible Assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the Financial Statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for Intangible Assets covered by Ind AS 38 - "Intangible Assets".

Accordingly, the Company has elected to measure all of its Property, Plant and Equipment and Intangible Assets at their previous GAAP carrying value.

f) Deemed cost for investment in subsidiaries, joint ventures and associates

Under previous GAAP, investment in subsidiaries were stated at cost and provisions made to recognise the decline, other than temporary. Under Ind AS, the Company has considered their previous GAAP carrying amount as their deemed cost.

37b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

(₹ in Lakhs)			
Particulars	Note No.	As at March 31, 2024	As at April 01, 2023
Total equity under previous GAAP		1,459	1,367
Ind AS adjustments:			
Intangible Assets	a	–	(108)
Provisioning of Trade Receivables	b	(29)	(18)
Leases	c	(3)	–
Property, Plant and Equipment	d	(0.14)	–
Revenue recognition	e	(60)	(12)
Deferred Tax	f	11	36
Total equity under Ind AS		1,378	1,265

37c) Reconciliation of Total Comprehensive Income for the year ended March 31, 2024

(₹ in Lakhs)		
Particulars	Note No.	For the Year ended March 31, 2024
Profit/(Loss) after tax under previous GAAP		(48)
Ind AS adjustments:		
Intangible assets	a	108
Share Based Payments	g	125
Revenue Recognition	e	(48)
Provisioning of Trade Receivables	b	(11)
Leases	c	(3)
Property, Plant and Equipment	d	(0.14)
Actuarial Gains and Losses	h	(18)
Deferred Taxes	f	(31)
Profit After Tax as reported under Ind AS		76
Other Comprehensive Income/(Expense)		
Remeasurements of post employment benefit obligations (net of tax)	h	17
Deferred Taxes	f	5
Total Comprehensive Income/(Expense) as reported under Ind AS		98

- a) **Intangible assets:** The Company has elected to measure its intangible assets at deemed cost in accordance with Ind AS 101. Accordingly, expenses that do not meet the recognition criteria for capitalisation as Intangible assets in accordance with Ind AS 38 have been reversed.
- b) **Provisioning of trade receivables:** Under Ind AS, the Company has recognized impairment loss on Trade Receivables based on the Expected Credit Loss model as required by Ind AS 109.
- c) **Leases:** At the date of transition to Ind AS, the Lease Liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at the date of transition to Ind AS. Right-Of-Use Assets were measured retrospectively as if Ind AS 116 had been applied from the lease commencement date but discounted using its incremental borrowing rate at date of transition adjusted by the amount of any prepaid or accrued lease payments.
- d) **Property, Plant and Equipment:** The Company has elected to measure its Property, Plant and Equipments at deemed cost in accordance with Ind AS 101. Depreciation methodology was also aligned with Ind AS 16.
- e) **Revenue Recognition:** In accordance with Ind AS 115, revenue has been recognised in accordance with the five step model.
- f) **Deferred Tax:** Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.
- g) **Share Based Payments:** Under Ind AS, ESOP's have been recognised as per graded vesting and measured at fair value as required under Ind AS 102.
- h) **Actuarial Gains and Losses:** Under Ind AS, the actuarial gains and losses form part of Remeasurement of the Net Defined Benefit Liability / Asset which is recognized in Other Comprehensive Income. Consequently, the tax effect of the same has also been recognized in Other Comprehensive Income under Ind AS instead of Statement of Profit and Loss.

FORM AOC-1

(PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)
STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES
PART A: SUBSIDIARIES

Sl. No.	Name of the Subsidiary	1	2	3	4	5	6	7	8	9	10
1											₹ in Lakhs
2		BLAZECLAN TECHNOLOGIES PTE. LTD (Singapore)	BLAZECLAN TECHNOLOGIES LLC (USA)	BLAZECLAN AMERICAS INC (USA)	BLAZECLAN TECHNOLOGIES CORPORATION (Philippines)	BLAZECLAN TECHNOLOGIES LIMITED (New Zealand)	BLAZECLAN TECHNOLOGIES INC (Canada)	BLAZECLAN EUROPE SRL (Belgium)	BLAZECLAN TECHNOLOGIES PTY. LTD. (Australia)	BLAZECLAN TECHNOLOGIES SDN BHD (Malaysia)	CLOUDLYTICS TECHNOLOGIES PRIVATE LIMITED (India)
3	The date since when subsidiary was acquired	6th December 2013	9th March 2015	5th July 2022	10th November 2022	30th January 2019	8th April 2016	31st March 2015	26th May 2017	8th March 2018	29th September 2014
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Reporting currency - Singaporean Dollar (SGD) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - US Dollar (USD) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - US Dollar (USD) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - Philippine Peso (PHP) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - New Zealand Dollar (NZD) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - Canadian Dollar (CAD) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - Euro (EUR) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - Australian Dollar (AUD) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - Malaysian Ringgit (MYR) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.	Reporting currency - Indian Rupee (INR) All monetary and non-monetary assets and liabilities have generally been translated at the exchange rate prevailing at the close of company's financial year i.e 31st March 2025, except share capital which is translated at cost. Income and expenditure has been translated at the daily average rate of exchange prevailing for the company's financial year.
6	Share Capital	Exchange rate SGD 1 = ₹ 63.71	Exchange rate USD 1 = ₹ 85.48	Exchange rate USD 1 = ₹ 85.48	Exchange rate PHP 1 = ₹ 1.49	Exchange rate NZD 1 = ₹ 48.89	Exchange rate CAD 1 = ₹ 59.67 "	Exchange rate EUR 1 = ₹ 92.09	Exchange rate AUD 1 = ₹ 53.81	Exchange rate MYR 1 = ₹ 19.26	Exchange rate Not Applicable
7	Reserves and Surplus	0.46	0.09	1.64	160.32	0.00	0.00	4.38	0.31	0.00	1.00
8	Total Assets	1,150.95	63.49	61.04	9.00	61.52	(153.24)	(63.87)	350.40	146.16	(134.48)
9	Total Liabilities	3,373.36	215.68	147.04	312.92	141.80	219.94	249.15	2,616.14	818.28	26.05
10	Investments (excluding Investments in subsidiaries)	2,221.96	152.11	84.35	143.60	80.27	373.19	308.64	2,265.43	672.12	159.53
11	Turnover (Note 1)	5,180.81	0.01	438.32	52.13	212.23	223.57	611.64	5,486.23	1,764.27	27.95
12	Profit before Taxation	265.51	(3.24)	56.25	1.91	52.07	(60.24)	(5.74)	420.46	12.15	2.37
13	Provision for Taxation	35.56	—	9.09	1.10	13.53	(51.18)	(3.37)	120.61	1.56	0.62
14	Profit after Taxation	229.95	(3.24)	47.16	0.81	38.54	(9.06)	(2.38)	299.85	10.59	1.75
15	Proposed Dividend (Paid during the year)	—	—	—	—	—	—	—	—	—	—
16	Extent of Shareholding (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Note 1: Turnover includes other income and other operating revenue

Navneet Khandelwal
Director

On Behalf of the Board

Hetal Desai
Director

Girish Sharma
Chief Financial Officer

Deepika Krishna
Manager &
Company Secretary
Place : Bengaluru
Date : 7th May 2025

Place : Bengaluru
Date: 7th May, 2025

Notes to Financial Statements (Contd.)

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures: NA

Sr. No.	Name of associates/Joint Ventures	
1	Latest audited Balance Sheet Date	NA
2	Shares of Associate/Joint Ventures held by the company on the year end	NA
i	Number of shares	NA
ii	Amount of Investment in Associates/Joint Venture	NA
iii	Extent of Holding%	NA
3	Description of how there is significant influence	NA
4	Reason why the associate/joint venture is not consolidated	NA
5	Net worth attributable to shareholding as per latest audited Balance Sheet	NA
6	Profit/Loss for the year	NA
i	Considered in Consolidation	NA
ii	Not Considered in Consolidation	NA

- 1 Names of associates or joint ventures which are yet to commence operations: NIL
2 Names of associates or joint ventures which have been liquidated or sold during the year: NIL

On behalf of the Board

Navneet Khandelwal
Director
Place : Bengaluru
Date: 7th May, 2025

Girish Sharma
Chief Financial Officer
Place : Jhunjhunu
Date : 7th May 2025

Hetal Desai
Director
Place: Bengaluru
Date: 7th May, 2025

Deepika Krishna
Manager & Company Secretary
Place : Bengaluru
Date : 7th May 2025

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. The Directors of your Company ('the Company') submit their Report for the financial year ended 31st March, 2025.

2. BUSINESS REVIEW

During the year under review, the Company continued to provide Information Technology Services through its proprietary platform, Cloudlytics. Cloudlytics is a Software-as-a-Service (SaaS) solution designed to collect and stream data from multiple sources like connected devices, server logs or any other event-driven data points. The platform enables data transformation, creates dashboards to help understand the data's behavioral patterns, and generate actionable insights. The Company remains committed to continuous innovation and delivering value to its stakeholders through advanced technology solutions.

During the year, consequent to acquisition of 100% of the share capital of Blazeclan Technologies Private Limited, the Holding Company ('BTPL'), by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date. Subsequently, the Board of Directors of the Company ('the Board') at the Meeting held on 29th January, 2025, subject to necessary regulatory approvals, approved the Scheme for amalgamation of the Company and BTPL with ITC Infotech under Sections 230 to 232 of the Companies Act, 2013 ('the Act'). Necessary applications have been filed in this regard with the Hon'ble National Company Law Tribunal, Mumbai and Kolkata Benches, which are pending.

3. FINANCIAL SUMMARY

The financial results of the Company, summarised, are as under:

(₹ in Lakhs)

Particulars	2024-25	2023-24
Total Income	27.95	112.46
Total Expenses	25.58	48.69
Profit before Tax	2.37	63.77
Tax Expenses	0.62	—
Profit for the Year	1.75	63.77

The Company adopted Indian Accounting Standards ('Ind AS') from 1st April, 2024 with the date of transition to Ind AS being 1st April, 2023. Details of optional exemptions availed by the Company and principal adjustments, along with related reconciliations, are provided in the Notes to the Financial Statements of the Company.

4. DIRECTORS

During the year under review, Mr. Gurmeet Singh (DIN: 03009229), Mr. Varoon Rajani (DIN: 03008920) and Mr. Veeraj Thaploo (DIN: 03008852) resigned as Non-Executive Directors of the Company with effect from 1st October, 2024. Your Board places on record its appreciation for the contribution made by them during their tenure with the Company.

Messrs. Hetal Prakash Desai (DIN: 10644392), Subhraketan Mitra (DIN: 10692849) and Sharad Jain (DIN: 10644373) were appointed, with your approval, as Non-Executive Directors of the Company with effect from 3rd October, 2024. Mr. Jain subsequently stepped down as a Director of the Company with effect from 15th April, 2025.

The Board at the Meeting held on 14th April, 2025, in accordance with Section 161 of the Companies Act, 2013 ('the Act') read with Article 33 of the Articles of Association of the Company, appointed Mr. Thomas Philip Joshua (DIN: 08824550) as an Additional Director of the Company with effect from 15th April, 2025, to hold such office up to the date of the 11th Annual General Meeting ('AGM') of the Company.

Further, the Board at the Meeting held on 7th May, 2025, has recommended for the approval of the Members, the appointment of Mr. Joshua as a Non-Executive Director of the Company, liable to retire by rotation. Notice under Section 160 of the Act has been received by the Company for appointment of Mr. Joshua, who has given his consent to act as a Director of the Company, if appointed. Appropriate resolution seeking your approval to the appointment of Mr. Joshua is appearing in the Notice convening the 11th AGM of the Company.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act, Mr. Hetal Prakash Desai will retire by rotation at the ensuing AGM, and being eligible, offers himself for re-election. Your Board has recommended his re-election.

5. BOARD MEETINGS

Seven Meetings of the Board were held during the financial year ended 31st March, 2025.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the profit of the Company for the period ended on that date;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. RISK MANAGEMENT

The Company has laid down adequate Risk Management Systems and Procedures, aligned with that of its Holding Company, to ensure that the management controls the applicable risks through means of a properly defined framework. The Company's risk management framework is designed to identify and address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company. Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board.

8. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements, commensurate with its size and scale of operations. During the year, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the financial year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

10. RELATED PARTY TRANSACTIONS

During the financial year ended 31st March, 2025, all contracts or arrangements entered into by the Company with its related parties were in the ordinary course of business and on arm's length basis. The details of material related party transactions of the Company in the prescribed Form No. AOC-2 are enclosed under the **Annexure** to this Report.

11. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

12. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

13. DEPOSITS

The Company has not accepted any deposit from the public / Members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

14. ANNUAL RETURN

As per the provisions of Section 92(3) and Section 134(3)(a) of the Act, the Annual Return in Form No. MGT-7 is available on the Company's website and can be accessed at: <https://cloudlytics.com/>.

15. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

16. PARTICULARS OF EMPLOYEES

The Company does not have any employee and hence the required disclosures are not applicable. The Company is also not required to constitute Internal Complaints Committee in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, no complaint relating to sexual harassment was received.

17. STATUTORY AUDITORS

Messrs. H A M & Co, Chartered Accountants, were re-appointed with your approval as the Auditors of the Company at the 10th AGM for a period of five years i.e., till the conclusion of the 15th AGM, on such remuneration as may be mutually agreed between the Board and the Statutory Auditors of the Company.

There were no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors in their Report on the Financial Statements of the Company for the year ended 31st March, 2025.

18. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business, the Company does not consume substantial energy. Even then, preventive measures have been initiated by the management to control energy wastage in the Company. The Company has not imported any technology and has no technical

collaboration with any party involving sharing of intellectual property. While the foreign exchange earnings of the Company during the year was Nil, the foreign exchange outgo aggregated ₹1.83 lakhs.

20. ACKNOWLEDGEMENT

Your Directors acknowledge the assistance and continued support rendered by all the stakeholders.

Place: Bengaluru

Date: 7th May, 2025

On behalf of the Board

H. Desai
Chairman

T. P. Joshua
Director

**ANNEXURE TO THE REPORT OF THE BOARD OF DIRECTORS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

FORM NO. AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: **None**

2. Details of material contracts or arrangements or transactions at arm's length basis:

a)	Name(s) of the related party and nature of relationship	Blazeclan Technologies Private Limited (Holding Company)
b)	Nature of contracts / arrangements / transactions	Sale of IT Services
c)	Duration of the contracts / arrangements / transactions	Continuing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	- Subcontracting of execution and management of customer contracts - Pricing based on arm's length margin - Periodic invoicing; payment within 90 days - Value of transactions during the year - ₹23.16 lakhs
e)	Date(s) of approval by the Board, if any	N.A.
f)	Amount paid as advances, if any	Nil

Place: Bengaluru

Date: 7th May, 2025

On behalf of the Board

H. Desai
Chairman

T. P. Joshua
Director

INDEPENDENT AUDITORS' REPORT

To the Members of Cloudlytics Technologies Private Limited

Report on the Audit of Financial Statements**Opinion**

We have audited the accompanying Financial Statements of Cloudlytics Technologies Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, and the Statement of Cash Flows for the year then ended, and a summary of material accounting policies and Notes to the Financial Statements, including and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the 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 (the "Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit, the changes in equity and its cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (the "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 (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our opinion is not modified in respect of these matters.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report but does not include the Financial Statements and our auditor's report thereon.

- Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the financial statements

The Company's Board of Directors are 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 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 Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 control that we identify during our audit.

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

Report on Other Legal and Regulatory requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;

- (d) In our opinion, the aforesaid Financial Statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time;
- (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 is 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 over financial reporting 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 over financial reporting;
- (g) 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.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
- The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
 - The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the Notes to the Accounts,
- a) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by

- or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on audit procedures carried out by us, that we have 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 Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Act is not applicable for the year under consideration.
- vi. Based on our examination, which included test checks, the company has used an accounting software(s) for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software(s). 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 has been preserved by the company as per statutory requirements for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For H A M & Co.
Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah
Partner
Membership No. 137026
UDIN : 25137026BMJPZU8310
Place : Mumbai
Date : 7th May, 2025

Annexure "A" to the Independent Auditor's Report on the Financial Statements of Cloudlytics Technologies Private Limited for the year ended 31 March, 2025

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

Report on the Internal Financial Controls over financial reporting 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 Cloudlytics Technologies Private Limited (the "Company") as of 31st March, 2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on our audit. We conducted

our audit in accordance with the Guidance Note 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement in 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 control system over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted

accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of internal financial controls over financial reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management of override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal

financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For H A M & Co.
Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah
Partner
Membership No. 137026
UDIN : 25137026BMJPZU8310
Place : Mumbai
Date : 7th May, 2025

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 to the members of Cloudlytics Technologies Private Limited of even date)

1.		In our opinion and according to the information and explanations given to us, the Company does not have any item of Property, Plant and Equipment Hence, reporting under this Paragraph is not applicable.
2.	(a)	The Company is a service company, accordingly, it does not hold any physical inventories. Accordingly, paragraph 3(ii) of the Order is not applicable.
	(b)	The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate at any point of time during the year from banks or financial institutions on the basis of security of current assets. Hence, reporting under this Paragraph is not applicable.
3.		In our opinion and according to information and explanation given to us, The Company has not made investment in any companies during the year. The Company has not 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 other parties during the year. Accordingly, paragraph 3 (iii) of the Order is not applicable.
4.		In our opinion and according to information and explanation given to us, The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
5.		In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be public deposits during the year. Accordingly, paragraph 3 (v) of the Order is not applicable.
6.		The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the Company and accordingly paragraph 3 (vi) of the order is not applicable.
7.		In our opinion and according to the information and explanations given to us:
	(a)	Amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited by the Company with the appropriate authorities.
	(b)	No undisputed amounts payable in respect of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
	(c)	There are no dues of goods and services tax, service tax, custom duty, excise duty, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute.
8.		In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable.
9.	(a)	In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year, hence this clause is not applicable.
	(b)	In our opinion and according to the information and explanations given to us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender, hence this clause is not applicable.
	(c)	In our opinion and according to the information and explanations given to us, the Company has not obtained any term loans, hence this clause is not applicable.
	(d)	In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilised for long term purposes.
	(e)	The company has not taken any funds from other entities and persons on account of or to meet the obligations of its subsidiaries, associates or joint ventures, hence this clause is not applicable.
	(f)	In our opinion and according to the information and explanations given to us, the company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence this clause is not applicable.
10.	(a)	In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x) (a) of the Order is not applicable.
	(b)	In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3 (x) (b) of the Order is not applicable.

11.	(a)	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable.
	(b)	Since there is no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year, paragraph 3 (xi) (b) of the Order is not applicable.
	(c)	To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.
12.		The Company is not a Nidhi Company and accordingly, Paragraphs 3 (xii) of the Order is not applicable.
13.		According to the information and explanations given to us, transactions with the related parties are in compliance with section 188 of the Companies Act, 2013 where applicable, the details of such transactions have been disclosed in the notes to the Financial Statements, as required by the applicable Accounting Standards. Section 177 of the Companies Act, 2013 is not applicable to the company and hence, not commented upon.
14.	(a)	As per provision of section 138 of the Companies Act, 2013, appointment of internal auditor during the current financial year is not mandatory for the Company, hence this Company has not appointed any internal auditor.
	(b)	This clause is not applicable to the company.
15.		In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3 (xv) of the Order is not applicable.
16.	(a)	In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
	(b)	In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities, hence this clause is not applicable.
	(c)	In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable.
	(d)	In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable.
17.		The Company has not incurred cash losses during the financial year as well as during the immediately preceding financial year.
18.		There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable.
19.		In our opinion and according to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans, there are no 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.
20.	(a)	In our opinion and according to the information and explanations given to us, provisions of section 135 of Companies Act, 2013 is not applicable to the Company.
	(b)	This Clause is not applicable to the company.

For H A M & Co.
Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah
Partner
Membership No. 137026
UDIN : 25137026BMJPZU8310
Place : Mumbai
Date : 7th May, 2025

BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note No.	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
I ASSETS				
1 Non-current Assets				
(a) Intangible Assets	2	–	–	19.33
(b) Income Tax Assets (Net)	6	–	11.21	10.27
Sub-Total		–	11.21	29.60
2 Current Assets				
(a) Financial Assets				
(i) Trade Receivables	4	0.28	–	–
(ii) Cash and Cash Equivalents	5	0.15	2.81	0.10
(iii) Others	3	23.16	4.78	–
(b) Other Current Assets	7	2.46	–	0.43
Sub-Total		26.05	7.59	0.53
TOTAL		26.05	18.80	30.13
II EQUITY AND LIABILITIES				
1 Equity				
(a) Equity Share Capital	8 (a)	1.00	1.00	1.00
(b) Other Equity		(134.48)	(136.23)	(200.00)
Sub-Total		(133.48)	(135.23)	(199.00)
2 Current Liabilities				
(a) Financial Liabilities				
- Trade Payables	9			
- Total outstanding dues of Micro Enterprises and Small Enterprises		2.91	152.39	226.05
- Total outstanding dues other than Micro Enterprises and Small Enterprises		120.49	0.23	3.08
(b) Other Current Liabilities	10	35.51	1.41	–
(c) Current Tax Liabilities (Net)	11	0.62	–	–
Sub-Total		159.53	154.03	229.13
TOTAL		26.05	18.80	30.13

The accompanying notes are an integral part of the Financial Statements
This is the Balance Sheet referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W
CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date: 7th May 2025

On behalf of Cloudlytics Technologies Private Limited

Subhraketan Mitra
Director

Thomas Joshua
Director

Place: Bengaluru
Date: 7th May 2025

Place: Bengaluru
Date: 7th May 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note No.	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
I Revenue from Operations	12	27.56	112.15
II Other Income	13	0.39	0.31
III Total Income (I+II)		<u>27.95</u>	<u>112.46</u>
IV Expenses			
Employee Benefits Expense	14	–	0.27
Depreciation and Amortization Expense	2	–	19.33
Other Expenses	15	25.58	29.09
Total Expenses		<u>25.58</u>	<u>48.69</u>
V Profit/(Loss) Before Tax (III - IV)		2.37	63.77
VI Tax Expenses	16		
Current Tax		0.62	–
Deferred Tax Charge / (Credit)		–	–
Total Tax Expenses		<u>0.62</u>	<u>–</u>
VII Profit/(Loss) for the Year (V-VI)		<u>1.75</u>	<u>63.77</u>
VIII Other Comprehensive Income/(Loss)		–	–
IX Total Comprehensive Income/(Loss) for the Year (VII+VIII)		<u>1.75</u>	<u>63.77</u>
X Earnings Per Share (in ₹) (Face value ₹ 10 each)	19		
Basic		17.50	637.70
Diluted		17.50	637.70

The accompanying notes are an integral part of the Financial Statements

This is the Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W
CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date: 7th May 2025

On behalf of Cloudlytics Technologies Private Limited

Subhraketan Mitra
Director

Thomas Joshua
Director

Place: Bengaluru
Date: 7th May 2025

Place: Bengaluru
Date: 7th May 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the beginning of the reporting year	Changes in Equity Share Capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	1.00	–	1.00
For the year ended 31st March, 2024	1.00	–	1.00

B. Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings
Balance as at 1st April, 2023	(200.00)
- Profit/(Loss) for the year	63.77
Balance as at 31st March, 2024	(136.23)
- Profit/(Loss) for the year	1.75
Balance as at 31st March, 2025	(134.48)

Retained Earnings: This represents the cumulative profits of the Company. This can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes are an integral part of the Financial Statements

This is the Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W
CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date: 7th May 2025

On behalf of Cloudlytics Technologies Private Limited

Subhraketan Mitra
Director

Thomas Joshua
Director

Place: Bengaluru
Date: 7th May 2025

Place: Bengaluru
Date: 7th May 2025

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
A CASH FLOW FROM OPERATING ACTIVITIES :		
PROFIT BEFORE TAX	2.37	63.77
ADJUSTMENTS FOR :		
Depreciation and Amortisation Expense	—	19.34
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2.37	83.11
ADJUSTMENTS FOR :		
Trade Receivables and Other Assets	(21.12)	(4.36)
Trade Payables and Other Current Liabilities	4.88	(75.10)
CASH GENERATED FROM OPERATIONS	(13.87)	3.65
Less: Income Tax Paid/ (Credits) (Net)	(11.21)	0.94
NET CASH FROM/(USED IN) OPERATING ACTIVITIES	(2.66)	2.71
B CASH FLOW FROM INVESTING ACTIVITIES :		
NET CASH FROM/(USED IN) INVESTING ACTIVITIES	—	—
C CASH FLOW FROM FINANCING ACTIVITIES :		
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	—	—
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(2.66)	2.71
OPENING CASH AND CASH EQUIVALENTS	2.81	0.10
CLOSING CASH AND CASH EQUIVALENTS	0.15	2.81

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7- "Statement of Cash Flows"
The accompanying notes form an integral part of the Financial Statements

This is the Cash Flow Statement referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W
CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date: 7th May 2025

On behalf of Cloudlytics Technologies Private Limited

Subhraketan Mitra
Director

Place: Bengaluru
Date: 7th May 2025

Thomas Joshua
Director

Place: Bengaluru
Date: 7th May 2025

Notes to the Special Purpose Financial Statements

1. COMPANY INFORMATION

Cloudlytics Technologies Private Limited ("the Company") [CIN: U72900PN2014PTC152678] is a wholly owned subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") providing information technology services to enterprise clients. The Company is incorporated and domiciled in India and has its registered office at Pune, Maharashtra, India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024.

1 MATERIAL ACCOUNTING POLICIES

a) Statement of Compliance

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The Financial Statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 31 (First-time Adoption).

b) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies. The functional currency of the Company is the Indian rupee (₹). These financial statements are presented in ₹ Lakhs.

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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

c) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Other Intangible Assets

Other Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination, at fair value on the date of acquisition.
- for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.
- Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred.

Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets.

Intangible assets represents purchased / internally developed software having finite useful lives. Such assets are amortized over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

Amortization expenses and impairment losses and reversal of impairment losses are included in the 'Depreciation and amortization expense' in the Statement of Profit and Loss.

e) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

f) Foreign Currency Transactions

The presentation currency of the Company is the Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

g) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, investments, fixed deposits, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through Other Comprehensive Income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has

Notes to the Special Purpose Financial Statements (Contd.)

transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss as other income only when the Company's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

h) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent

between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

i) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

j) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

k) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

l) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors (BOD). The Company is currently operating in a single segment i.e. Information Technology. Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements.

m) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

n) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	As at 31st March, 2025	As at 1st April, 2024	Charge for the Year	Withdrawals / Adjustments	As at 31st March, 2025	As at 31st March, 2024
INTANGIBLE ASSETS									
Capitalised Software	19.33	–	19.33	–	19.33	–	19.33	–	–
TOTAL	19.33	–	19.33	–	19.33	–	19.33	–	–

(₹ in Lakhs)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals / Adjustments	As at 31st March, 2024	As at 1st April, 2023	Charge for the Year	Withdrawals / Adjustments	As at 31st March, 2024	As at 31st March, 2023
INTANGIBLE ASSETS									
Capitalised Software	19.33	–	–	19.33	–	19.33	–	–	19.33
TOTAL	19.33	–	–	19.33	–	19.33	–	–	19.33

Notes to the Special Purpose Financial Statements (Contd.)

Note No.

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
3 OTHER CURRENT FINANCIAL ASSETS			
Unsecured Considered Good, Unless Otherwise Stated			
Unbilled Revenue - time and material basis & fixed price support contracts	23.16	4.78	-
Total	23.16	4.78	-
4 TRADE RECEIVABLES			
Unsecured, Considered Good	0.28	-	-
Less: Expected Credit Loss Allowance	-	-	-
Total	0.28	-	-

(₹ in Lakhs)

Trade Receivables as at 31st March, 2025	Outstanding for following periods						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	-	0.28	-	-	-	-	0.28
Net	-	0.28	-	-	-	-	0.28

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
5 CASH AND CASH EQUIVALENTS			
Balances with Banks :			
Current Accounts	0.15	2.81	0.10
Total	0.15	2.81	0.10
6 INCOME TAX ASSETS (NET)			
Advance Tax (Net of Provision for Income Tax)	-	11.21	10.27
Total	-	11.21	10.27
7 OTHER CURRENT ASSETS			
From Statutory Authorities	2.46	-	-
Other Advances (includes Unexpired Expenses)	-	-	0.43
Total	2.46	-	0.43
8(a) EQUITY SHARE CAPITAL			
Authorised:			
10,000 (2024 - 10,000) Equity Shares of ₹ 10 each	1.00	1.00	1.00
Issued, subscribed and fully paid-up :			
10,000 (2024 - 10,000) Equity Shares of ₹ 10 each	1.00	1.00	1.00

8 (b) Shares held by Promoters

Particulars	Promoter Name	As at 31 March, 2025			As at 31 March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each, fully paid	Blazeclan Technologies Pvt Ltd	10,000	100%	0.01%	9,999	99.99%	5%
Equity shares of ₹ 10 each, fully paid	Veeraj Thaploo	-	0%	-0.01%	1	0.01%	0%

9 FINANCIAL LIABILITIES

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
Trade Payables	123.41	152.62	229.13
Ageing schedule			(₹ in Lakhs)

Trade Payable as at 31st March, 2025	Particulars outstanding for the following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total (₹)
Micro Enterprises & Small Enterprises - Others	2.88	-	0.03	-	-	-	-	2.91
Inter Company	0.27	-	120.02	-	-	-	-	120.29
Others	0.06	-	0.01	0.13	-	-	-	0.20
Total	3.21	-	120.06	0.13	-	-	-	123.41

Ageing schedule

(₹ in Lakhs)

Trade Payable as at 31st March, 2024	Particulars outstanding for the following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 Years	More than 3 years	Total (₹)
Micro Enterprises & Small Enterprises	-	-	2.96	24.87	110.53	14.03	-	152.39
Others	-	0.23	-	-	-	-	-	0.23
Total	-	0.23	2.96	24.87	110.53	14.03	-	152.62

Notes to the Special Purpose Financial Statements (Contd.)

Note No.	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)	As at 31st March, 2023 (₹ in Lakhs)
10 OTHER CURRENT LIABILITIES			
Statutory Dues	0.29	1.41	-
Contract Liability	35.22	-	-
Total	35.51	1.41	-
11 CURRENT TAX LIABILITIES (NET)			
Current Taxation (Net of Advance Tax)	0.62	-	-
Total	0.62	-	-
	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)	
12 REVENUE FROM OPERATIONS			
Sale of Services			
Domestic	27.56	112.15	
Total	27.56	112.15	
13 OTHER INCOME			
Interest Income	0.39	0.31	
Total	0.39	0.31	
Interest income comprises Interest from:			
Statutory authorities	0.39	0.31	
	0.39	0.31	
14 EMPLOYEE BENEFITS EXPENSE			
Staff Welfare Expenses	-	0.27	
Total	-	0.27	
15 OTHER EXPENSES			
Rates and Taxes	-	0.06	
Travelling and Conveyance	-	0.01	
Software and Related Expenses	4.54	2.96	
Business Development Expenses	18.95	16.10	
Legal, Professional and Consultancy Expenses	1.25	8.98	
Auditor's Remuneration and Expenses	0.75	0.25	
Printing and Stationery	-	0.70	
Bank Charges	0.01	0.01	
Loss on Exchange (Net)	0.08	0.02	
Total	25.58	29.09	
16 TAX EXPENSES			
16(a) Tax Expense Recognised in Statement of Profit and Loss			
Current Tax	0.62	-	
	0.62	-	
Deferred Tax Charge/(Credit)	-	-	
Total	0.62	-	
16(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:			
Profit/(Loss) Before Tax	2.37	63.77	
Income Tax Expense calculated at 26%	0.62	16.58	
Effects of:			
-Other differences	-	(16.58)	
Income Tax expenses recognised in the Statement of Profit and Loss	0.62	-	
17 Commitments and Contingencies			
a) There are no contracts remaining to be executed on capital account.			
b) There are no claims against the Company not acknowledged as debts.			
18 Micro Enterprises and Small Enterprises			
The following details relating to Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.			

Notes to the Special Purpose Financial Statements (Contd.)

Sr No.	Particulars	As at 31st Mar, 2025	As at 31st March, 2024	As at 31st March, 2023
(a)	The principal amount and the interest due thereon remaining unpaid to any Principal amount due Interest amount due thereon	2.91 —	152.39 —	226.05 —
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	—	—	—
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	—	—	—
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	—	—	—
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	—	—	—

For the year ended
31st March, 2025For the year ended
31st March, 2024

19 Earnings per share (Basic and Diluted)

(a) Profit/(Loss) after Tax	₹ in Lakhs	1.75	63.77
(b) Weighted average number of Equity Shares (Basic)	No.	10,000	10,000
(c) Weighted average number of Equity Shares (Diluted)	No.	10,000	10,000
(d) Earnings Per Share (Basic) (Face value of ₹ 10 per share)	₹	<u>17.50</u>	<u>637.70</u>
(e) Earnings Per Share (Diluted) (Face value of ₹ 10 per share)	₹	<u>17.50</u>	<u>637.70</u>

20 Auditor's Remuneration and Expenses (Net of Input tax credit)

Audit Fees	0.75	0.25
Total	<u>0.75</u>	<u>0.25</u>

21 Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity.

The Company is not exposed to any externally imposed capital requirements.

22 Categories of Financial Instruments

(₹ in Lakhs)

	As at 31st March, 2025		As at 31st March, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Measured at amortised cost				
Cash and Cash Equivalents	0.15	0.15	2.81	2.81
Trade Receivables	0.28	0.28	—	—
Other Financial Assets	23.16	23.16	4.78	4.78
Total	23.59	23.59	7.59	7.59
Financial Liabilities				
Measured at amortised cost				
Trade Payables	123.40	123.40	152.62	152.62
Total	123.40	123.40	152.62	152.62

23 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

Notes to the Special Purpose Financial Statements (Contd.)

i) **Foreign Currency Risk**

The Company undertakes all transactions denominated in functional currency - INR, hence there is no foreign currency risk

ii) **Interest Rate Risk**

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) **Price Risk**

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) **Liquidity Risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(₹ in Lakhs)

Particulars	As at 31st March 2025						
	Contractual Cash flows*						
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total
Trade Payables	123.40	123.40	-	-	-	-	123.40
Total	123.40	123.40	-	-	-	-	123.40

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

(₹ in Lakhs)

Particulars	As at 31st March 2024						
	Contractual Cash flows*						
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total
Trade Payables	152.62	152.62	-	-	-	-	152.62
Total	152.62	152.62	-	-	-	-	152.62

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible.

The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

There is no movement of the expected credit loss provision made by the Company with respect to trade receivables.

24 **RELATED PARTY DISCLOSURES**(i) **Ultimate Holding Company**

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) **Holding Company**

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Limited (India)

(iii) **Directors**

Gurmeet Singh (until 30th September, 2024)

Veeraj Thaploo (until 30th September, 2024)

Hetal Desai (w.e.f 1st October, 2024)

Subhraketan Mitra (w.e.f 1st October, 2024)

Sharad Jain (w.e.f 1st October, 2024 until 14th April, 2025)

Thomas Joshua (w.e.f 15th April, 2025)

Notes to the Special Purpose Financial Statements (Contd.)

(iv) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

₹ Lacs

Sl. No.	Description	Blazeclan Technologies Private Limited (India)	
		2024-2025	2023-24
1	Sale of services	23.16	100.10

(v) DISCLOSURE OF OUTSTANDING BALANCES

₹ Lacs

Description	Blazeclan Technologies Private Limited (India)	
	31st March, 2025	31st March, 2024
Balances as at		
i) Trade Receivables (including Unbilled Receivables)	23.16	4.77
ii) Trade Payables	120.29	153.13

(vi) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

25 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in a single geographical segment namely India.

Particulars

For the year ended
31st March, 2025
(₹ in Lakhs)

For the year ended
31st March, 2024
(₹ in Lakhs)

Segment Revenue

India	27.56	112.15
Total	27.56	112.15

26 Ratios

Particulars	Numerator	Denominator	31st March, 2025	31st March, 2024
Current Ratio ¹	Current Assets	Current Liabilities	0.16	0.05
Debt-Equity Ratio	Total Debt	Shareholder's Equity	NA	NA
Debt Service Coverage Ratio	Earnings available for Debt Service	Debt Service	NA	NA
Return on Equity ²	Net Profits after Taxes	Average Shareholder's Equity	-1.30%	-38.16%
Trade Receivables turnover ratio ³	Revenue	Average Trade Receivable	98.43	NA
Trade Payables turnover ratio ⁴	Adjusted Other Expenses	Average Trade Payables	0.19	0.15
Net Capital turnover ratio ⁵	Revenue	Working Capital	(0.21)	(0.77)
Net profit ratio ⁶	Net Profit	Revenue	6.35%	56.86%
Return on capital employed (ROCE) ⁷	Earning before Interest and Taxes	Average Capital Employed	-1.76%	-38.16%
Return on Investment(ROI)	Income generated from Investments	Average Investments	NA	NA

¹ The change in the Current ratio is primarily due to increase in Unbilled Revenue.

² The change in Return on Equity is primarily due to increase in Shareholder's Equity

³ The change in Trade receivables turnover ratio is primarily due to increase in Trade Receivables.

⁴ The change in Trade payables turnover ratio is primarily due to decrease in Trade payables.

⁵ The change in Net Capital turnover ratio is primarily due to decrease in revenue during the year.

⁶ The change in Net Profit Ratio is due to decrease in profits for the year.

⁷ The change in Return on capital employed is due to increase in Average Capital Employed.

27 Subsequent Events

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Standalone Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Financial Statements.

28 Approval of Financial Statements

The Financial Statements were approved for issue by the Board of Directors on 7th May, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

29 Comparatives

Comparative figures have been adjusted to conform to changes in presentation for the current financial year.

30 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

Notes to the Special Purpose Financial Statements (Contd.)

31 (a) First-time adoption

Transition to Ind AS

These are the Company's first Financial Statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March, 2025 and 31st March, 2024 and in the preparation of the opening Ind AS Balance Sheet as at 1st April, 2023 (the Company's date of transition). In preparing its opening Ind AS Balance Sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

(i) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the Company can apply the transitional provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

(ii) Deemed cost for property plant & equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its Property, Plant and Equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the Company has elected to measure all of its Property, Plant and Equipment and Intangible Assets at the carrying value under their previous GAAP.

31 (b) Reconciliation of Total Equity as at 31st March, 2024 and 1st April, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	(₹ in Lakhs)	
		As at 31st March, 2024	As at 1st April, 2023
Total Equity under previous GAAP		(136.23)	(143.59)
Ind AS adjustments:			
Intangible Assets	i	—	(56.41)
Total Equity under Ind AS		<u>(136.23)</u>	<u>(200.00)</u>

31 (c) Reconciliation of total comprehensive income for the year ended 31st March, 2024

Particulars	Note No.	(₹ in Lakhs)	
		For the year ended 31st March, 2024	
Profit/(Loss) after tax under previous GAAP		7.36	
Ind AS adjustments:			
Write off of Intangible assets	i	56.41	
Total comprehensive income as reported under Ind AS		<u>63.77</u>	

- i Intangible assets : The Company has elected to measure its intangible assets at deemed cost in accordance with Ind AS 101. Accordingly, expenses that do not meet the recognition criteria for capitalisation as Intangible assets in accordance with Ind AS 38 have been reversed.

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended 31st March, 2025.

Corporate Information and Principal Activities

The Company was incorporated on 6th December, 2013 in Singapore. The Company is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Company continued to deliver Cloud Consulting Services and Solutions to its clients in South East Asia. The Company worked with its hyperscaler partners and cloud data partners to deliver solutions for customers in Financial Services, Banks and Insurance companies, amongst others. The Company remains committed to continuous innovation and delivering value to its stakeholders through advanced technology solutions.

Financial Results

The Company's financial performance for the year is summarised as under:

(In SGD)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	8,178,634	8,346,730
Profit Before Tax	436,479	293,477
Profit for the Year	380,580	289,073

Directors

The Directors of the Company in office at the end of the financial year i.e. 31st March, 2025 and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Navneet Khandelwal	-	Chairman
Mr. Vishal Kumar	-	Director
Mr. Varoon Rajani	-	Director

Auditors

The Company has engaged Messrs. Lee & Jonathan Pac (Registration Number: 201528744E) as its Statutory Auditors for audit of the Financial Statements for the financial year 2024-25.

The Company has also engaged Messrs. H A M & Co, India (Registration Number: 136368W) for conduct of audit of the Special Purpose Ind AS Financial Statements of the Company for the said financial year. Their Report is annexed to the Financial Statements of the Company.

On behalf of Blazeclan Technologies Pte. Ltd.

Date: 7th May, 2025

H. Desai
Director

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN TECHNOLOGIES PTE LTD (SINGAPORE),

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Technologies Pte Ltd. ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

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

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

Management is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose 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 special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For H A M & Co.

Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah

Partner
Membership No. 137026
UDIN : 25137026BMJQAK7859
Place : Mumbai
Date : 7th May, 2025

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note No.	As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	6,306	401,735	—	—
(b) Deferred Tax Assets (Net)	6	216,469	13,791,260	8,161	504,000
Sub-Total		222,775	14,192,995	8,161	504,000
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	1,370,068	87,286,678	2,234,559	138,050,136
(ii) Cash and Cash Equivalents	5	1,483,730	94,528,461	1,410,773	87,156,309
(iii) Others	3	2,070,991	131,814,398	825,781	51,005,037
(b) Other Current Assets	7	147,309	9,513,463	520,410	32,162,961
Sub-Total		5,072,098	323,143,000	4,991,523	308,374,443
TOTAL		<u>5,294,873</u>	<u>337,335,995</u>	<u>4,999,684</u>	<u>308,878,443</u>
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	8	1,000	45,542	1,000	45,542
(b) Other Equity		1,806,264	115,094,893	1,425,684	88,093,450
Sub-Total		1,807,264	115,140,435	1,426,684	88,138,992
2 Non-current Liabilities					
(a) Financial Liabilities					
- Others	9 (b)	1,169,824	74,529,510	—	—
(b) Provisions	10 (a)	81,891	5,217,276	—	—
Sub-Total		1,251,715	79,746,786	—	—
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables	9 (a)	1,127,923	71,859,951	1,052,526	65,028,491
(ii) Others	9 (c)	15,826	1,008,241	99,490	6,146,387
(b) Other Current Liabilities	11	823,936	52,492,979	2,420,984	149,564,573
(c) Provisions	10 (b)	6,809	433,801	—	—
(d) Current Tax Liabilities (Net)	12	261,400	16,653,802	—	—
Sub-Total		2,235,894	142,448,774	3,573,000	220,739,451
TOTAL		<u>5,294,873</u>	<u>337,335,995</u>	<u>4,999,684</u>	<u>308,878,443</u>

The accompanying notes are an integral part of the Financial Statements
This is the Special Purpose Balance Sheet referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES PTE. LTD

CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date : 7th May, 2025

Varoon Rajani
Director
Place: Singapore
Date : 7th May, 2025

Navneet Khandelwal
Director
Place: Bengaluru
Date : 7th May, 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note No.	For the year ended 31st March, 2025 (SGD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (SGD)	For the year ended 31st March, 2024 (₹)
I Revenue from Operations	13	8,176,276	517,930,878	8,346,730	515,415,792
II Other Income	14	2,358	149,640	-	-
III Total Income (I+II)		<u>8,178,634</u>	<u>518,080,518</u>	<u>8,346,730</u>	<u>515,415,792</u>
IV Expenses					
Employee Benefits Expense	15	3,779,637	239,386,138	2,142,876	132,331,730
Depreciation and Amortization Expense	2	2,875	182,089	1,778	109,771
Other Expenses	16	3,959,643	251,961,696	5,908,599	363,655,990
Total Expenses		<u>7,742,155</u>	<u>491,529,923</u>	<u>8,053,253</u>	<u>496,097,491</u>
V Profit/(Loss) Before Tax (III - IV)		<u>436,479</u>	<u>26,550,595</u>	<u>293,477</u>	<u>19,318,301</u>
VI Tax Expenses	17				
Current Tax		264,207	16,719,508	-	-
Deferred Tax Charge / (Credit)		(208,308)	(13,163,996)	4,404	272,000
Total Tax Expenses		<u>55,899</u>	<u>3,555,512</u>	<u>4,404</u>	<u>272,000</u>
VII Profit/(Loss) for the Year (V-VI)		<u>380,580</u>	<u>22,995,083</u>	<u>289,073</u>	<u>19,046,301</u>
VIII Other Comprehensive Income/(Expense)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		-	4,006,360	-	(1,126,365)
Total Other Comprehensive Income/(Expense)		<u>-</u>	<u>4,006,360</u>	<u>-</u>	<u>(1,126,365)</u>
IX Total Comprehensive Income/(Expense) for the Year (VII+VIII)		<u>380,580</u>	<u>27,001,442</u>	<u>289,073</u>	<u>17,919,936</u>
X Earnings Per Share	19				
Basic		381	22,995	289	19,046
Diluted		381	22,995	289	19,046

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES PTE. LTD

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May, 2025

Varoon Rajani

Director

Place: Singapore

Date : 7th May, 2025

Navneet Khandelwal

Director

Place: Bengaluru

Date : 7th May, 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting year (SGD)	Changes in Equity Share Capital during the year (SGD)	Balance at the end of the reporting year (SGD)	Balance at the beginning of the reporting year (₹)	Changes in Equity Share Capital during the year (₹)	Balance at the end of the reporting year (₹)
For the year ended 31st March, 2025	1,000	-	1,000	45,542	-	45,542
For the year ended 31st March, 2024	1,000	-	1,000	45,542	-	45,542

B. Other Equity

Particulars	Retained Earnings (SGD)	Retained Earnings (₹)
Balance as at 1st April, 2023	1,136,612	70,173,514
- Profit/(Loss) for the year	289,073	19,046,301
- Other Comprehensive Income / (Expense) (Net of Tax)	-	(1,126,365)
Total Comprehensive Income / (Expense)	289,073	17,919,936
Balance as at 31st March, 2024	1,425,685	88,093,450
- Profit/(Loss) for the year	380,580	22,995,083
- Other Comprehensive Income / (Expense) (Net of Tax)	-	4,006,360
Total Comprehensive Income / (Expense)	380,580	27,001,443
Balance as at 31st March, 2025	1,806,264	115,094,893

Retained Earnings: This represents the cumulative profits of the company.

The accompanying notes are an integral part of the Financial Statements.

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES PTE. LTD

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May, 2025

Varoon Rajani

Director

Place: Singapore

Date : 7th May, 2025

Navneet Khandelwal

Director

Place: Bengaluru

Date : 7th May, 2025

SPECIAL PURPOSE CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(SGD)	(₹)	(SGD)	(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	436,479	26,550,595	293,476	19,318,301
ADJUSTMENTS FOR :				
- Depreciation and Amortisation Expense	2,875	182,089	1,778	109,771
- Unrealised Loss / (Gain) on Exchange [net]	13,808	873,329	(14,089)	(869,981)
- Provision for Doubtful Receivables	(33,173)	(2,049,000)	(25,890)	(1,598,863)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	419,989	25,557,013	255,275	16,959,228
ADJUSTMENTS FOR :				
- Trade Receivables, Loans and Advances and Other Assets	12,114	(2,175,636)	(327,721)	(21,178,211)
- Trade Payables, Other Liabilities and Provisions	(346,791)	(15,197,693)	802,211	48,641,079
CASH GENERATED FROM OPERATIONS	85,312	8,183,685	729,765	44,422,096
Less: Income tax paid / (credited) (Net)	2,807	188,971	15,380	272,000
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	82,505	7,994,714	714,385	44,150,096
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant and Equipment	(9,181)	(599,275)	—	—
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(9,181)	(599,275)	—	—
C. NET CASH FROM / (USED IN) FINANCING ACTIVITIES	—	—	—	—
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	73,324	7,395,439	714,385	44,150,096
OPENING CASH AND CASH EQUIVALENTS	1,410,773	87,156,309	696,388	43,006,213
CLOSING CASH AND CASH EQUIVALENTS	1,484,097	94,551,748	1,410,773	87,156,309
CASH AND CASH EQUIVALENTS COMPRISE :				
Cash and Cash Equivalents as above	1,484,097	94,551,748	1,410,773	87,156,309
Unrealised (Loss) / Gain on Foreign Currency Cash and Cash Equivalents	(367)	(23,287)	—	—
Cash and Cash Equivalents (Note 5)	1,483,730	94,528,461	1,410,773	87,156,309

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7- "Statement of Cash Flows"

The accompanying notes form an integral part of the Financial Statements

This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES PTE. LTD

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May, 2025

Varoon Rajani

Director

Place: Singapore

Date : 7th May, 2025

Navneet Khandelwal

Director

Place: Bengaluru

Date : 7th May, 2025

Notes to the Special Purpose Financial Statements

1. COMPANY INFORMATION

Blazeclan Technologies Pte. Ltd. ("the Company") is a Company formed with the registration number 201332946H on Dec 6, 2013. The registered office of the Company is located at 7 Temasek Boulevard #12-07 Suntec Tower One Singapore 038987. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of ITC Infotech India Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. The ultimate holding company is ITC Limited, a company incorporated and listed in India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 30 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in SGD. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following is the key judgement and estimate applied in the preparation of the financial statements:

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Financial Statements.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Office Equipment	5 Years
Furniture and Fixtures	10 Years
Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the SGD.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial Instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Notes to the Special Purpose Financial Statements (Contd.)

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets: Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent

between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under Projected Unit Credit method. This benefit is unfunded.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude (INR 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

n) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

o) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

p) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

(SGD)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2025	Charge for the Year	Withdrawals / Adjustments	FCTR	As at 31st March, 2025
PROPERTY, PLANT AND EQUIPMENT									
Furniture and Fixtures	8,992	-	8,992	-	-	-	8,992	-	-
Office Equipment	1,124	-	1,124	-	-	-	1,124	-	-
Computers, Servers and Networks	7,611	9,181	7,611	-	9,181	2,875	7,611	-	6,306
TOTAL	17,727	9,181	17,727	-	9,181	2,875	17,727	-	6,306

(₹)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2025	Charge for the Year	Withdrawals / Adjustments	FCTR	As at 31st March, 2025
PROPERTY, PLANT AND EQUIPMENT									
Furniture and Fixtures	555,518	-	586,926	31,408	-	-	586,926	31,408	-
Office Equipment	69,440	-	73,366	3,926	-	-	73,366	3,926	-
Computers, Servers and Networks	470,201	599,275	496,785	12,243	584,934	182,089	496,785	27,694	401,735
TOTAL	1,095,159	599,275	1,157,077	47,577	584,934	182,089	1,157,077	63,028	401,735

(SGD)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2024	Charge for the Year	Withdrawals / Adjustments	FCTR	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT									
Furniture and Fixtures	8,992	-	-	-	8,992	245	-	-	245
Office Equipment	1,124	-	-	-	1,124	-	-	-	-
Computers, Servers and Networks	7,611	-	-	-	7,611	1,533	-	-	1,533
TOTAL	17,727	-	-	-	17,727	1,778	-	-	1,778

(₹)

DESCRIPTION	GROSS BLOCK			DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2024	Charge for the Year	Withdrawals / Adjustments	FCTR	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT									
Furniture and Fixtures	555,311	-	-	207	555,518	15,130	-	207	555,518
Office Equipment	69,414	-	-	26	69,440	-	-	26	69,440
Computers, Servers and Networks	470,026	-	-	175	470,201	94,641	-	175	470,201
TOTAL	1,094,751	-	-	408	1,095,159	109,771	-	408	1,095,159

Notes to the Special Purpose Financial Statements (Contd.)

Note No.	As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
3	OTHER CURRENT FINANCIAL ASSETS			
Unsecured Considered Good, Unless Otherwise Stated				
Unbilled Revenue - time and material basis & fixed price support contracts	1,382,066	87,922,964	712,128	43,983,660
Security Deposits (includes deposits for Company offices etc.)	61,005	3,886,641	53,577	3,309,957
Advances (includes advance to employees)	627,920	40,004,793	60,076	3,711,420
Total	2,070,991	131,814,398	825,781	51,005,037
4	TRADE RECEIVABLES			
Unsecured, Considered Good	1,384,893	88,231,195	2,282,557	141,014,285
Less: Expected Credit Loss Allowance	(14,825)	(944,517)	(47,998)	(2,964,149)
Total	1,370,068	87,286,678	2,234,559	138,050,136

Trade Receivables as at 31st March, 2025	Outstanding for following periods							Total (SGD)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	470,472	371,169	211,002	231,244	30,800	70,206	1,384,893	88,231,195	
Less : Expected Credit Loss Allowance								(14,825)	(944,517)
Net	470,472	371,169	211,002	231,244	30,800	70,206	1,370,068	87,286,678	

Trade Receivables as at 31st March, 2024	Outstanding for following periods							Total (SGD)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	–	2,079,581	75,885	57,537	69,554	–	2,282,557	141,014,285	
Less : Expected Credit Loss Allowance								(47,998)	(2,964,149)
Net	–	2,079,581	75,885	57,537	69,554	–	2,234,559	138,050,136	

	As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
5	CASH AND CASH EQUIVALENTS			
Balances with Banks :				
Current Accounts	1,483,257	94,498,345	1,410,773	87,156,309
Cash in hand	473	30,116	–	–
Total	1,483,730	94,528,461	1,410,773	87,156,309
6	DEFERRED TAX ASSETS (NET)			
Deferred Tax Assets	216,469	13,791,260	8,161	504,000
Total	216,469	13,791,260	8,161	504,000
Movement in Deferred Tax				
Particulars	Opening Balance (SGD)	Recognised in profit or loss (SGD)	Closing Balance (SGD)	Closing Balance (₹)
FY 2024-25				
Deferred Tax Assets :				
On provision for employees’ separation, etc.	–	213,949	213,949	13,630,695
On provision for doubtful receivables	8,161	(5,641)	2,520	160,565
Deferred Tax Assets (Net)	8,161	208,308	216,469	13,791,260
FY 2023-24				
Deferred Tax Assets :				
On provision for doubtful receivables	12,565	(4,404)	8,161	504,000
Deferred Tax Assets (Net)	12,565	(4,404)	8,161	504,000
7	OTHER CURRENT ASSETS			
Unbilled Revenue - percentage of completion	110,105	7,143,341	404,410	24,996,606
Other Advances (includes Unexpired Expenses)	37,204	2,370,122	116,000	7,166,355
Total	147,309	9,513,463	520,410	32,162,961

Notes to the Special Purpose Financial Statements (Contd.)

Note No.		As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
8(a)	EQUITY SHARE CAPITAL				
	Authorised:				
	1,000 (2024 - 1,000) Equity Shares of SGD 1 each	1,000	45,542	1,000	45,542
	Issued, Subscribed and Paid-up:				
	1,000 (2024 - 1,000) Equity Shares of SGD 1 each, fully paid	1,000	45,542	1,000	45,542
	[All equity shares are held by the Holding Company.				
	The Equity Shares of the Company, having par value of SGD 1 per share, rank pari passu in all respects including entitlement to dividend.]				

8 (b) Shares held by Promoters

Particulars	Promoter Name	As at 31 March, 2025			As at 31 March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of SGD 1 each, fully paid	Blazeclan Technologies Private Limited	1,000	100%	30%	700	70%	0%
Equity shares of SGD 1 each, fully paid	Veeraj Thaploo	–	0%	-8%	80	8%	0%
Equity shares of SGD 1 each, fully paid	Gurmeet Singh	–	0%	-8%	80	8%	0%
Equity shares of SGD 1 each, fully paid	Varoon Rajani	–	0%	-8%	80	8%	0%
Equity shares of SGD 1 each, fully paid	Deepak Kagliwal	–	0%	-8%	60	6%	0%

9 FINANCIAL LIABILITIES

	As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
9 (a) Trade Payables	1,127,923	71,859,951	1,052,526	65,028,491
Ageing schedule				

Trade Payable as at 31st March, 2025	Particulars outstanding for the following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total (SGD)
Others	164,235	296,764	202,456	–	–	–	–	663,456
Inter Company	463,955	–	512	–	–	–	–	464,467
Total	628,190	296,764	202,968	–	–	–	–	1,127,923

Trade Payable as at 31st March, 2024	Particulars outstanding for the following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total (SGD)
Others	–	121,480	74,846	–	284,896	15,641	–	496,863
Inter Company	–	555,663	–	–	–	–	–	555,663
Total	–	677,143	74,846	–	284,896	15,641	–	1,052,526

Note No.		As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
9(b)	Non- Current Financial Liabilities - Others				
	Employee Payable	1169,824	74,529,510	–	–
	Total	1169,824	74,529,510	–	–
9(c)	Current Financial Liabilities - Others				
	Employee Payable	15,826	1,008,241	51,863	3,204,049
	Other Liabilities	–	–	47,627	2,942,338
	Total	15,826	1,008,241	99,490	6,146,387
10	PROVISIONS				
10 (a)	Non- Current Provision				
	Provision for Employee Benefits*				
	Compensated Absences	81,891	5,217,276	–	–
	Total	81,891	5,217,276	–	–
10 (b)	Current Provision				
	Provision for Employee Benefits*				
	Compensated Absences	6,809	433,801	–	–
	Total	6,809	433,801	–	–
	* For details, refer to Note 15				
11	OTHER CURRENT LIABILITIES				
	Statutory Dues	17,568	1,119,297	193,557	11,957,762
	Contract Liability	806,368	51,373,682	2,227,427	137,606,811
	Total	823,936	52,492,979	2,420,984	149,564,573

Notes to the Special Purpose Financial Statements (Contd.)

Note No.	As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
12 CURRENT TAX LIABILITIES				
Current Taxation (Net of Advance Tax)	261,400	16,653,802	—	—
Total	261,400	16,653,802	—	—
Note No.	For the year ended 31st March, 2025 (SGD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (SGD)	For the year ended 31st March, 2024 (₹)
13 REVENUE FROM OPERATIONS				
Sale of Services				
- Domestic	7,022,447	444,834,160	5,457,651	337,013,003
- Exports	1,059,346	67,104,803	2,790,145	172,293,187
Resale of Services (including Support Charges)				
- Domestic	94,483	5,991,915	98,934	6,109,602
Total	8,176,276	517,930,878	8,346,730	515,415,792
14 OTHER INCOME				
Miscellaneous Income	2,358	149,640	—	—
Total	2,358	149,640	—	—
15 EMPLOYEE BENEFITS EXPENSE				
Salaries and Bonus	3,689,561	233,679,351	2,076,363	128,224,267
Contribution to Provident and Other Funds	75,427	4,779,084	61,785	3,815,502
Staff Welfare Expenses	14,649	927,703	4,728	291,961
Total	3,779,637	239,386,138	2,142,876	132,331,730
16 OTHER EXPENSES				
Rent	63,188	4,005,484	70,042	4,325,366
Rates and Taxes	6,430	407,914	430	26,554
Insurance	20,628	1,307,250	25,591	1,580,351
Travelling and Conveyance	125,869	7,996,149	177,352	10,930,288
Recruitment Expenses	59,296	3,765,000	—	—
Communication	2,494	158,463	1,907	117,777
Outsourcing Charges	3,284,068	209,042,770	5,280,085	324,872,303
Software and Related Expenses	237,019	15,026,954	295,011	18,216,818
Business Development Expenses	65,283	4,145,096	67,037	4,139,287
Bank Charges	923	58,919	6,541	403,961
Legal, Professional and Consultancy Expenses	60,753	3,859,489	24,029	1,479,625
Doubtful and Bad Receivables	(33,173)	(2,049,000)	(25,890)	(1,598,863)
Auditor's Remuneration and Expenses	12,650	801,455	9,000	555,788
Training and Development	883	55,708	—	—
Loss on Exchange (Net)	29,375	1,859,446	(22,535)	(1,393,266)
Miscellaneous Expenses	23,956	1,520,598	—	—
Total	3,959,643	251,961,696	5,908,599	363,655,990
17 TAX EXPENSES				
17 (a) Tax Expense Recognised in Statement of Profit and Loss				
Current Tax	262,827	16,719,508	—	—
Charge / (Credits) related to previous years	1,380	72,316	—	—
	264,207	16,719,508	—	—
Deferred Tax Charge / (Credit)	(208,308)	(13,163,996)	4,404	272,000
Total	55,899	3,555,512	4,404	272,000
17 (b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:				
Profit before tax	436,479	26,550,595	293,477	19,318,301
Income Tax Expense calculated at 17%	74,202	4,513,601	49,891	3,284,111
Effects of:				
- Other differences	(19,683)	(1,030,405)	(45,487)	(3,012,111)
- Adjustments recognised in the current year in relation to the current tax of prior years	1,380	72,316	—	—
Income Tax Expenses recognised in Statement of Profit and Loss	55,899	3,555,512	4,404	272,000
18 Commitments and Contingencies				
a) There are no contracts remaining to be executed on capital account.				
b) There are no claims against the Company not acknowledged as debts.				
19 Earnings per share (Basic and Diluted)				
(a) Profit After Tax	380,580	22,995,083	289,073	19,046,301
(b) Weighted average number of Equity Shares	1,000	1,000	1,000	1,000
(c) Earnings Per Share (Face value of SGD 1 per share)	381	22,995	289	19,046
20 Auditor's Remuneration and Expenses				
(Net of Input tax credit)				
Audit Fees	12,650	801,455	9,000	555,788
Total	12,650	801,455	9,000	555,788

Notes to the Special Purpose Financial Statements (Contd.)

21 Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity.

The Company is not exposed to any externally imposed capital requirements.

22 Categories of Financial Instruments

Particulars	As at 31st March 2025 SGD		As at 31st March 2025 ₹		As at 31st March 2024 SGD		As at 31st March 2024 ₹	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	1,483,730	1,483,730	94,528,461	94,528,461	1,410,773	1,410,773	87,156,309	87,156,309
Trade Receivables	1,370,068	1,370,068	87,286,678	87,286,678	2,234,559	2,234,559	138,050,136	138,050,136
Other Financial Assets	2,070,991	2,070,991	131,814,398	131,814,398	825,781	825,781	51,005,037	51,005,037
	4,924,789	4,924,789	313,629,537	313,629,537	4,471,113	4,471,113	276,211,482	276,211,482
Financial Liabilities								
Measured at amortised cost								
Trade Payables	1,127,923	1,127,923	71,859,951	71,859,951	1,052,526	1,052,526	65,028,491	65,028,491
Other Financial Liabilities	1,185,650	770,257	75,537,751	49,073,086	99,490	99,490	6,146,387	6,146,387
	2,313,573	1,898,180	147,397,702	120,933,037	1,152,016	1,152,016	71,174,878	71,174,878

23 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities, which are not in the Company's functional currency (SGD). A significant portion of these transactions are in US Dollar (USD).

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

As at 31st March 2025	USD	Others	Total (₹)
Financial Assets	764,514	–	48,707,187
Financial Liabilities	11,377	1,170,311	75,285,365

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (SGD)	Total (₹)
Trade Payables	1,127,923	1,127,923	–	–	–	–	1,127,923	71,859,951
Other Financial Liabilities	1,185,650	15,826	–	–	–	1,169,824	1,185,650	75,537,751
Total	2,313,573	1,143,748	–	–	–	1,169,824	2,313,573	147,397,702

Notes to the Special Purpose Financial Statements (Contd.)

Particulars	As at 31st March 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (SGD)	Total (₹)
Trade Payables	1,052,526	1,052,526	–	–	–	–	1,052,526	65,028,491
Other Financial Liabilities	99,490	99,490	–	–	–	–	99,490	6,146,387
Total	1,152,016	1,152,016	–	–	–	–	1,152,016	71,174,878

The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

	As at 31st March, 2025 (SGD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (SGD)	As at 31st March, 2024 (₹)
Opening Balance	47,998	2,964,149	73,888	4,563,012
Expected credit loss provisions made during the year	(33,173)	(2,049,000)	(25,890)	(1,598,863)
Effects of foreign exchange fluctuation	–	29,368	–	–
Closing Balance	14,825	944,517	47,998	2,964,149

For age wise breakup of receivables, refer to Note 4.

24 **SEGMENT REPORTING**

The Company is engaged in Information and Technology Enabled Services. The Company's operations comprise of only one segment. i.e. providing services. Geographical Information is below:

Particulars	For the year ended 31st March, 2025 (SGD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (SGD)	For the year ended 31st March, 2024 (₹)
Segment Revenue				
India	269,209	17,053,174	121,416	7,497,514
Singapore	7,116,930	450,826,075	5,556,585	343,122,605
North America	134,091	8,494,094	26,868	1,659,085
Rest of the World	656,046	41,557,535	2,641,861	163,136,589
Total	8,176,276	517,930,878	8,346,730	515,415,792

25 **RELATED PARTY DISCLOSURES**(i) **Ultimate Holding Company**

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) **Holding Company**

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Limited (India)

(iii) **Fellow Subsidiary Companies:**

Blazeclan Technologies LLC (USA)

Blazeclan Technologies SDN BHD (Malaysia)

BLAZECLAN EUROPE SRL (Belgium)

Blazeclan Technologies INC (Canada)

Blazeclan Americas Inc (USA)

Blazeclan Technologies Corporation (Philippines)

Blazeclan Technologies Pty. Ltd. (Australia)

(iv) **Directors**

Varoon Rajani

Veera Thaploo (until 30th September, 2024)

Gurmeet Singh (until 30th September, 2024)

Navneet Khandelwal (w.e.f 1st October, 2024)

Vishal Kumar (w.e.f 1st October, 2024)

Notes to the Special Purpose Financial Statements (Contd.)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(SGD)

Sl. No.	Description	Expenses recovered		Purchase of services		Sale of services	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Blazeclan Technologies Private Limited (India)	22,600	154,960	2,245,295	4,958,397	269,209	121,416
2	Blazeclan Technologies SDN BHD (Malaysia)	69,270	9,700	-	-	-	-
3	BLAZECLAN EUROPE SRL (Belgium)	19,400	19,400	-	-	-	-
4	Blazeclan Technologies INC (Canada)	9,700	9,700	-	-	-	-
5	Blazeclan Americas Inc (USA)	9,700	4,850	-	-	-	-
6	Blazeclan Technologies LLC (USA)	-	4,850	-	-	-	-
7	Blazeclan Technologies Pty. Ltd. (Australia)	19,400	19,400	-	-	-	-

(vi) DISCLOSURE OF OUTSTANDING BALANCES

(SGD)

Sl. No.	Description	Trade Receivables		Trade Payables		Advance	
		As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024
1	Blazeclan Technologies Private Limited (India)	390,625	125,266	464,467	555,663	600,000	-
2	Blazeclan Technologies SDN BHD (Malaysia)	3,802	17,917	-	-	-	-
3	BLAZECLAN EUROPE SRL (Belgium)	38,200	34,200	-	-	-	-
4	Blazeclan Technologies INC (Canada)	96,215	86,662	-	-	-	-
5	Blazeclan Americas Inc (USA)	-	4,700	-	-	-	-
6	Blazeclan Technologies LLC (USA)	12,400	12,400	-	-	-	-
7	Blazeclan Technologies Corporation (Philippines)	217,412	259,715	-	-	-	-
8	Blazeclan Technologies Pty. Ltd. (Australia)	53,600	34,200	-	-	-	-

(vii) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

(SGD)

Description	2024-25	2023-24
Employee Benefit expenses	1,401,318	205,412

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above.

(viii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

26 Subsequent Events

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

27 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 7th May, 2025.

28 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

29 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

30 First-time adoption

30 (a) Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases

Notes to the Special Purpose Financial Statements (Contd.)

b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

30 (b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	SGD	₹	SGD	₹
		As at March 31, 2024	As at March 31, 2024	As at April 01, 2023	As at April 01, 2023
Total equity under previous GAAP		1,593,367	98,448,610	1,273,377	78,619,547
Ind AS adjustments:					
Provisioning of trade receivables	a	(47,998)	(2,964,149)	(73,888)	(4,563,013)
Revenue recognition	b	(127,846)	(7,895,011)	(75,442)	(4,659,020)
Deferred Taxes	c	8,161	504,000	12,566	776,000
Total equity under Ind AS		1,425,684	88,093,450	1,136,612	70,173,514

30 (c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	SGD	₹
		For the Year ended March 31, 2024	For the Year ended March 31, 2024
Profit/(Loss) after tax under previous GAAP		319,990	20,955,428
Ind AS adjustments:			
Revenue Recognition	b	(52,403)	(3,235,991)
Provisioning of trade receivables	a	25,890	1,598,864
Deferred Taxes	c	(4,405)	(272,000)
Profit after tax as reported under Ind AS		289,072	19,046,301
Other comprehensive income			
Remeasurements of post employment benefit obligations (net of tax)		–	(1,126,365)
Total comprehensive income as reported under Ind AS		289,072	17,919,936

- a Provisioning of trade receivables: Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.
- b Revenue Recognition : In accordance with Ind AS 115, revenue has been recognised in accordance with the five step model.
- c Deferred Tax : Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended 31st March, 2025.

Corporate Information and Principal Activities

The Company was incorporated on 8th March, 2018 in Kuala Lumpur, Malaysia. The Company is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Company continued to deliver Cloud led and Cloud-enabled transformation services to its clients. By leveraging its strategic partnerships with leading hyperscalers, the Company deepened its focus to be a partner of choice for digital transformation.

Financial Results

The Company's financial performance for the year is summarised as under:

(In MYR)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	9,312,525	13,641,236
Profit Before Tax	51,088	591,014
Profit for the Year	43,676	455,829

Directors

The Directors of the Company in office at the end of the financial year i.e. 31st March, 2025 and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Hetal Desai	- Chairman
Ms. Amita Bothra	- Director
Ms. Youn Kim Wong	- Director

Auditors

The Company has engaged Messrs. WSJ & Co. (Registration Number: AF 1532) as its Statutory Auditors for audit of the Financial Statements for the financial year 2024-25.

The Company has also engaged Messrs. H A M & Co, India (Registration Number: 136368W) for conduct of audit of the Special Purpose Ind AS Financial Statements of the Company for the said financial year. Their Report is annexed to the Financial Statements of the Company.

On behalf of Blazeclan Technologies SDN. BHD.

Date: 7th May, 2025

H. Desai
Chairman

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN TECHNOLOGIES SDN BHD (MALAYSIA),

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Technologies SDN BHD ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

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

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

Management is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose 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 special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For H A M & Co.

Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah

Partner
Membership No. 137026
UDIN : 25137026BMJQAH5645
Place : Mumbai
Date : 7th May, 2025

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note No.	As at 31st March, 2025 (MYR)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (MYR)	As at 31st March, 2024 (₹)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	111	2,138	666	11,758
(b) Deferred Tax Assets (Net)	6	15,755	303,488	984	18,000
(c) Income Tax Assets (Net)	7	47,344	911,972	10,778	190,169
Sub-Total		63,210	1,217,598	12,428	219,927
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	2,298,249	44,281,551	1,942,248	34,264,572
(ii) Cash and Cash Equivalents	5	537,392	10,351,512	948,832	16,741,006
(iii) Others	3	890,730	16,999,887	166,941	2,950,892
(b) Other Current Assets	8	457,888	8,977,875	37,027	653,301
Sub-Total		4,184,259	80,610,825	3,095,048	54,609,771
TOTAL		4,247,469	81,828,423	3,107,476	54,829,698
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	9(a)	1	17	1	17
(b) Other Equity		758,196	14,616,292	714,520	12,607,798
Sub-Total		758,197	14,616,309	714,521	12,607,815
2 Non-current Liabilities					
Financial Liabilities					
- Others	10 (b)	10,707	206,250	-	-
Sub-Total		10,707	206,250	-	-
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables	10 (a)	2,462,884	47,441,295	2,221,166	39,190,870
(ii) Others	10 (c)	4,164	80,233	46,048	812,466
(b) Other Current Liabilities	11	1,011,517	19,484,336	125,741	2,218,547
Sub-Total		3,478,565	67,005,864	2,392,955	42,221,883
TOTAL		4,247,469	81,828,423	3,107,476	54,829,698

The accompanying notes are an integral part of the Financial Statements.

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of Blazeclan Technologies SDN BHD, Malaysia

CA Hardik H. Shah
Partner
Membership Number: 137026

Hetal Desai
Director

Amita Bothra
Director

Place : Bengaluru
Date : 7th May 2025

Place: Bengaluru
Date: 7th May 2025

Place: Bengaluru
Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note No.	For the year ended 31st March, 2025 (MYR)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (MYR)	For the year ended 31st March, 2024 (₹)
I Revenue from Operations	12	9,312,525	176,427,084	13,641,236	247,470,137
II Total Income		<u>9,312,525</u>	<u>176,427,084</u>	<u>13,641,236</u>	<u>247,470,137</u>
III Expenses					
Employee Benefits Expense	13	590,348	11,212,496	1,547,236	28,055,869
Depreciation and Amortization Expense	2	555	10,523	666	12,984
Other Expenses	14	8,670,534	163,988,740	11,502,320	203,894,837
Total Expenses		<u>9,261,437</u>	<u>175,211,759</u>	<u>13,050,222</u>	<u>231,963,690</u>
IV Profit/(Loss) Before Tax (II - III)		<u>51,088</u>	<u>1,215,325</u>	<u>591,014</u>	<u>15,506,447</u>
V Tax Expenses	15				
Current Tax		22,184	436,167	135,792	2,395,874
Deferred Tax Charge / (Credit)		(14,772)	(279,958)	(607)	(11,000)
Total Tax Expenses		<u>7,412</u>	<u>156,209</u>	<u>135,185</u>	<u>2,384,874</u>
VI Profit/(Loss) for the Year (IV-V)		<u>43,676</u>	<u>1,059,116</u>	<u>455,829</u>	<u>13,121,573</u>
VII Other Comprehensive Income/(Expense)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		-	949,378	-	(5,298,318)
Total Other Comprehensive Income/(Expense)		-	<u>949,378</u>	-	<u>(5,298,318)</u>
VIII Total Comprehensive Income/(Expense) for the Year (VI+VII)		<u>43,676</u>	<u>2,008,494</u>	<u>455,829</u>	<u>7,823,255</u>
IX Earnings Per Share					
Basic	17	43,676	1,059,116	455,829	13,121,573
Diluted		43,676	1,059,116	455,829	13,121,573

The accompanying notes are an integral part of the Financial Statements.

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of Blazeclan Technologies SDN BHD, Malaysia

CA Hardik H. Shah
Partner
Membership Number: 137026

Hetal Desai
Director

Amita Bothra
Director

Place : Bengaluru
Date : 7th May 2025

Place: Bengaluru
Date: 7th May 2025

Place: Bengaluru
Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

Balance at 31st March 2024 (MYR)	Changes in Equity Share Capital during the year (MYR)	Balance at 31st March 2025 (MYR)	Balance at 31st March 2024 (₹)	Changes in Equity Share Capital during the year (₹)	Balance at 31st March 2025 (₹)
1	-	1	17	-	17

Balance at 31st March 2023 (MYR)	Changes in Equity Share Capital during the year (MYR)	Balance at 31st March 2024 (MYR)	Balance at 31st March 2023 (₹)	Changes in Equity Share Capital during the year (₹)	Balance at 31st March 2024 (₹)
1	-	1	17	-	17

B. Other Equity

Particulars	Retained Earnings (MYR)	Retained Earnings (₹)
Balance as at 1st April, 2024	714,520	12,607,798
- Profit/(Loss) for the year	43,676	1,059,116
- Other Comprehensive Income/(Expense)	-	949,378
Total Comprehensive Income/(Expense)	43,676	2,008,494
Balance as at 31st March, 2025	758,196	14,616,292

Particulars	Retained Earnings (MYR)	Retained Earnings (₹)
Balance as at 1st April, 2023	258,691	4,784,543
- Profit/(Loss) for the year	455,829	13,121,573
- Other Comprehensive Income/(Expense)	-	(5,298,318)
Total Comprehensive Income/(Expense)	455,829	7,823,255
Balance as at 31st March, 2024	714,520	12,607,798

Retained Earnings: This represents the cumulative profits of the company.

The accompanying notes are an integral part of the Financial Statements.

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of Blazeclan Technologies SDN BHD, Malaysia

CA Hardik H. Shah

Partner

Membership Number: 137026

Hetal Desai

Director

Amita Bothra

Director

Place : Bengaluru

Date : 7th May 2025

Place: Bengaluru

Date: 7th May 2025

Place: Bengaluru

Date: 7th May 2025

SPECIAL PURPOSE CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(MYR)	(₹)	(MYR)	(₹)
A. CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	51,088	1,215,325	591,014	15,506,447
ADJUSTMENTS FOR :				
Depreciation and Amortisation Expense	555	10,523	666	12,984
Provision for Doubtful Receivables	14,363	272,790	4,033	73,129
Unrealised Loss / (Gain) on Exchange [net]	73,643	1,390,085	(90)	(1,640)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	139,649	2,888,723	595,623	15,590,920
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	(1,588,656)	(33,104,949)	633,001	8,431,049
Trade Payables, Other Liabilities and Provisions	1,096,317	24,990,231	(870,025)	(18,373,756)
CASH GENERATED FROM OPERATIONS	(352,690)	(5,225,995)	358,598	5,648,213
Less: Income Tax Paid/(Credits) (Net)	58,750	1,163,499	177,120	3,153,218
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	(411,440)	(6,389,494)	181,478	2,494,996
B. NET CASH FROM / (USED IN) INVESTING ACTIVITIES	-	-	-	-
C. NET CASH FROM / (USED IN) FINANCING ACTIVITIES	-	-	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(411,440)	(6,389,494)	181,478	2,494,996
OPENING CASH AND CASH EQUIVALENTS	948,832	16,741,006	767,354	14,246,011
CLOSING CASH AND CASH EQUIVALENTS	537,392	10,351,512	948,832	16,741,006

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"

The accompanying notes form an integral part of the Financial Statements

This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of Blazeclan Technologies SDN BHD, Malaysia

CA Hardik H. Shah

Partner

Membership Number: 137026

Hetal Desai

Director

Amita Bothra

Director

Place : Bengaluru

Date : 7th May 2025

Place: Bengaluru

Date: 7th May 2025

Date: 7th May 2025

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS

1. COMPANY INFORMATION

Blazeclan Technologies SDN BHD ("the Company") is a Company formed with the registration number 201801009351 (1271365-W) on March 8, 2018. The registered office of the Company is located at Level 5, Menara City One CP 5.01, No.3, Jalan Munshi Abdullah Kuala Lumpur, Wilayah Persekutuan, 50100, Malaysia. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. The ultimate holding company is ITC Limited, a company incorporated and listed in India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 28 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in MYR. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation /

enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the MYR. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) **Revenue from Sale of Services**

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin. Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer. Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

j) **Employee Benefits**

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

k) **Leases**

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude (INR 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

l) **Taxes on Income**

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) **Dividend Distribution**

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

n) **Operating Segments**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

o) **Provisions**

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

p) **Claims**

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note 2

PROPERTY, PLANT AND EQUIPMENT - FY 2024-25

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION					NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge for the Year	Withdrawals / Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT											
Computers, Servers and Networks	3,332	-	-	-	3,332	2,666	555	-	-	3,221	666
TOTAL	3,332	-	-	-	3,332	2,666	555	-	-	3,221	666

(MYR)

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	As at 1st April, 2024	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge for the Year	Withdrawals / Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT											
Computers, Servers and Networks	58,797	-	-	5,394	64,191	47,039	10,523	-	4,491	2,138	11,758
TOTAL	58,797	-	-	5,394	64,191	47,039	10,523	-	4,491	2,138	11,758

(₹)

Note 2

PROPERTY, PLANT AND EQUIPMENT - FY 2023-24

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK		
	As at 1st April, 2023	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge for the Year	Withdrawals / Adjustments	FCTR	As at 31st March, 2024	As at 31st March, 2023
PROPERTY, PLANT AND EQUIPMENT											
Computers, Servers and Networks	3,332	-	-	-	3,332	2,000	666	-	-	666	1,332
TOTAL	3,332	-	-	-	3,332	2,000	666	-	-	666	1,332

(MYR)

DESCRIPTION	GROSS BLOCK				DEPRECIATION AND AMORTISATION					NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals / Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge for the Year	Withdrawals / Adjust- ments	FCTR	As at 31st March, 2024	As at 31st March, 2023
PROPERTY, PLANT AND EQUIPMENT											
Computers, Servers and Networks	61,859	-	-	(3,063)	58,796	37,112	12,984	-	(3,058)	47,038	24,747
TOTAL	61,859	-	-	(3,063)	58,796	37,112	12,984	-	(3,058)	47,038	24,747

(₹)

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note No.	As at 31st March, 2025 (MYR)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (MYR)	As at 31st March, 2024 (₹)
3 OTHER CURRENT FINANCIAL ASSETS				
Unbilled Revenue - time and material basis & fixed price support contracts	880,288	16,798,739	162,141	2,866,202
Security Deposits (includes deposits for Company accommodations, offices etc.)	5,400	104,018	4,800	84,690
Advances (includes advance to employees)	5,042	97,130	–	–
Total	890,730	16,999,887	166,941	2,950,892
4 TRADE RECEIVABLES				
Unsecured, Considered Good	2,318,905	44,679,440	1,948,542	34,379,669
Less: Expected Credit Loss Allowance	(20,656)	(397,889)	(6,294)	(115,097)
Total	2,298,249	44,281,551	1,942,248	34,264,572

Trade Receivables as at 31st March, 2025	Outstanding for following periods							Total (MYR)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	725,760	698,903	885,366	8,876	–	–		2,318,905	44,679,440
Less : Expected Credit Loss Allowance								(20,656)	(397,889)
Net	725,760	698,903	885,366	8,876	–	–		2,298,249	44,281,551

Trade Receivables as at 31st March, 2024	Outstanding for following periods							Total (MYR)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	–	1,939,125	9,417	–	–	–		1,948,542	34,379,669
Less : Expected Credit Loss Allowance								(6,294)	(115,097)
Net	–	1,939,125	9,417	–	–	–		1,942,248	34,264,572

	As at 31st March, 2025 (MYR)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (MYR)	As at 31st March, 2024 (₹)

5 CASH AND CASH EQUIVALENTS

Balances with Banks :

Current Accounts

Total	537,392	10,351,512	948,832	16,741,006

6 DEFERRED TAX ASSETS (NET)

Deferred Tax Assets

Total	15,755	303,488	984	18,000

Movement in Deferred Tax

Particulars	Opening Balance (MYR)	Recognised in profit or loss (MYR)	Closing Balance (MYR)	Closing Balance (₹)

FY 2024-25

Deferred Tax Assets :

On provision for employees' separation; etc.

	–	1,607	1,607	30,953

On provision for doubtful receivables

	984	2,153	3,137	60,435

Other timing differences (includes provision for expenses)

	–	11,011	11,011	212,100

Deferred Tax Assets (Net)	984	14,771	15,755	303,488

Particulars	Opening Balance (MYR)	Recognised in profit or loss (MYR)	Closing Balance (MYR)	Closing Balance (₹)

FY 2023-24

Deferred Tax Assets :

On provision for doubtful receivables and advances	377	607	984	18,000

Deferred Tax Assets (Net)	377	607	984	18,000

7 INCOME TAX ASSETS (NET)

Advance Tax (Net of Provision for Income Tax)

Total	47,344	911,972	10,778	190,169

8 OTHER CURRENT ASSETS

Unbilled Revenue - percentage of completion

	457,402	8,968,509	37,027	653,301

Other Advances (includes Unexpired Expenses)

	486	9,366	–	–

Total	457,888	8,977,875	37,027	653,301

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note No.	As at 31st March, 2025 (MYR)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (MYR)	As at 31st March, 2024 (₹)
9(a) EQUITY SHARE CAPITAL				
Authorised:				
1 (2024 - 1) Equity Share of MYR 1 each	1	17	1	17
Issued, Subscribed and Paid-up:				
1 (2024 - 1) Equity Share of MYR 1 each, fully paid	1	17	1	17
[All equity shares are held by the Holding Company.				
The Equity Shares of the Company, having par value of MYR 1 per share, rank pari passu in all respects including entitlement to dividend.				

9 (b) Shares held by Promoters

Particulars	Promoter Name	As at 31 March, 2025			As at 31 March, 2024		
		No. of shares as at end of the year	% of total shares	% change during the year	No. of shares as at end of the year	% of total shares	% change during the year
Equity shares of MYR 1 each, fully paid	Blazeclan Technologies Private Limited (India)	1	100%	-	1	100%	-

FINANCIAL LIABILITIES

10 (a) Trade Payables	2,462,884	47,441,295	2,221,166	39,190,870

Ageing Schedule

Trade Payable as at 31st March, 2025	Particulars outstanding for the following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total (MYR)
Inter Company	1,675,000	472,574	277,570	-	-	-	-	2,425,144
Others	-	37,740	-	-	-	-	-	37,740
Total	1,675,000	510,314	277,570	-	-	-	-	2,462,884

Ageing Schedule

Trade Payable as at 31st March, 2024	Particulars outstanding for the following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total (MYR)
Inter Company	-	434,999	306,326	1,430,319	33,723	-	-	2,205,367
Others	-	15,799	-	-	-	-	-	15,799
Total	-	450,798	306,326	1,430,319	33,723	-	-	2,221,166

Note No.	As at 31st March, 2025 (MYR)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (MYR)	As at 31st March, 2024 (₹)
10(b) Non- Current Financial Liabilities - Others				
Employee Payable	10,707	206,250	-	-
Total	10,707	206,250	-	-
10(c) Current Financial Liabilities - Others				
Employee Payable	4,164	80,233	46,048	812,466
Total	4,164	80,233	46,048	812,466
11 OTHER CURRENT LIABILITIES				
Statutory Dues	53,760	1,035,553	125,741	2,218,546
Contract Liability	957,757	18,448,783	-	1
Total	1,011,517	19,484,336	125,741	2,218,547

Note No.	For the year ended 31st March, 2025 (MYR)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (MYR)	For the year ended 31st March, 2024 (₹)
12 REVENUE FROM OPERATIONS				
Sale of Services	9,312,525	176,427,084	13,641,236	247,470,137
Total	9,312,525	176,427,084	13,641,236	247,470,137
13 EMPLOYEE BENEFITS EXPENSE				
Salaries and Bonus	544,430	10,340,394	1,464,214	26,550,434
Contribution to Provident and Other Funds	13,217	251,029	38,126	691,340
Staff Welfare Expenses	32,701	621,073	44,896	814,095
Total	590,348	11,212,496	1,547,236	28,055,869

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

Note No.	For the year ended 31st March, 2025 (MYR)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (MYR)	For the year ended 31st March, 2024 (₹)
14 OTHER EXPENSES				
Rent	34,200	647,561	30,600	554,867
Rates and Taxes	4,522	85,737	193	3,500
Insurance	3,300	62,677	2,176	39,449
Travelling and Conveyance	70,143	1,323,745	73,284	1,310,518
Outsourcing Charges	7,966,792	153,712,542	11,259,453	199,531,147
Software and Related Expenses	536	10,046	5,966	105,868
Business Development Expenses	176,118	3,342,652	48,463	878,767
Bank Charges	2,698	51,093	2,257	40,928
Legal, Professional and Consultancy Expenses	81,900	1,546,213	60,126	1,070,711
Doubtful and Bad Receivables	14,363	272,790	4,033	73,129
Auditor's Remuneration and Expenses	15,492	293,321	15,567	282,275
Training and Development	234	4,425	688	12,467
Printing and Stationery	327	6,207	-	-
Loss on Exchange (Net)	131,863	2,504,816	(51,850)	(940,190)
Miscellaneous Expenses	6,579	124,915	51,364	931,400
Total	8,670,534	163,988,740	11,502,320	203,894,837
15 TAX EXPENSES				
15 (a) Tax Expense Recognised in Statement of Profit and Loss				
Current Tax	22,184	436,167	135,792	2,395,874
Charge / (Credits) related to previous years	-	-	-	-
	22,184	436,167	135,792	2,395,874
Deferred Tax Charge / (Credit)	(14,772)	(279,958)	(607)	(11,000)
Charge / (Credits) related to previous years	-	-	-	-
	(14,772)	(279,958)	(607)	(11,000)
Total	7,412	156,209	135,185	2,384,874
15(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:				
Profit before tax	51,088	1,215,325	591,014	15,506,447
Income tax expense calculated at 15%	7,663	182,299	88,652	2,325,967
Effects of:				
- Other differences	(251)	(26,090)	46,533	58,907
Income Tax expenses recognised in Statement of Profit and Loss	7,412	156,209	135,185	2,384,874
16 Commitments and Contingencies				
a) There are no contracts remaining to be executed on capital account.				
b) There are no claims against the Company not acknowledged as debts.				
17 Earnings per share (Basic and Diluted)	For the year ended 31st March, 2025 (MYR)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (MYR)	For the year ended 31st March, 2024 (₹)
(a) Profit / (Loss) after Tax	43,676	1,059,116	455,829	13,121,573
(b) Weighted average number of Equity Shares (Basic and Diluted)	1	1	1	1
(c) Earnings Per Share (Basic and Diluted) (Face value of MYR 1 per share)	43,676	1,059,116	455,829	13,121,573
18 Auditor's Remuneration and Expenses (Net of Input tax credit)				
Audit Fees	14,766	279,575	13,600	246,608
Other services	726	13,746	1,967	35,667
Total	15,492	293,321	15,567	282,275
19 Capital Management				
The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.				
The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity.				
The Company is not exposed to any externally imposed capital requirements.				
20 Categories of Financial Instruments				

Particulars	As at 31st March 2025 Amounts in MYR		As at 31st March 2025 Amounts in ₹		As at 31st March 2024 Amounts in MYR		As at 31st March 2024 Amounts in ₹	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	537,392	537,392	10,351,512	10,351,512	948,832	948,832	16,741,006	16,741,006
Trade Receivables	2,298,249	2,298,249	44,281,551	44,281,551	1,942,248	1,942,248	34,264,572	34,264,572
Other Financial Assets	890,730	890,730	16,999,887	16,999,887	166,941	166,941	2,950,892	2,950,892
Total	3,726,371	3,726,371	71,632,950	71,632,950	3,058,021	3,058,021	53,956,470	53,956,470

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

Particulars	As at 31st March 2025 Amounts in MYR		As at 31st March 2025 Amounts in ₹		As at 31st March 2024 Amounts in MYR		As at 31st March 2024 Amounts in ₹	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Trade Payables	2,462,884	2,462,884	47,441,295	47,441,295	2,221,166	2,221,166	39,190,870	39,190,870
Other Financial Liabilities	14,871	11,070	286,482	213,245	46,048	46,048	812,466	812,466
Total	2,477,755	2,473,954	47,727,777	47,654,540	2,267,214	2,267,214	40,003,336	40,003,336

21 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities [which are not in the Company's functional currency (MYR)]. A significant portion of these transactions are in US Dollar (USD).

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

As at 31st March 2025	USD	Others	Total
Financial Assets	1,049,685	-	1,049,685
Financial Liabilities	-	19,310	19,310

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

	As at 31st March 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Beyond 3 years	Total (MYR)	Total (INR)
Trade Payables	2,462,884	2,462,884	-	-	-	-	2,462,884	47,441,295
Other Financial Liabilities	14,871	4,164	-	-	-	10,707	14,871	286,482
Total	2,477,755	2,467,048	-	-	-	10,707	2,477,755	47,727,777

	As at 31st March 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Beyond 3 years	Total (MYR)	Total (INR)
Trade Payables	2,221,166	2,221,166	-	-	-	-	2,221,166	39,190,870
Other Financial Liabilities	46,048	46,048	-	-	-	-	46,048	812,466
Total	2,267,214	2,267,214	-	-	-	-	2,267,214	40,003,336

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

	As at 31st March, 2025 (MYR)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (MYR)	As at 31st March, 2024 (₹)
Opening Balance	6,294	115,097	2,261	41,968
Effects of foreign exchange fluctuation	-	10,002	-	-
Add: Expected credit loss provisions made during the year	14,363	272,790	4,033	73,129
Closing Balance	20,657	397,889	6,294	115,097

For age wise breakup of receivables, refer to Note 4.

22 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in multiple geographical segments as given below:

Particulars	For the year ended 31st March, 2025 (MYR)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (MYR)	For the year ended 31st March, 2024 (₹)
Segment Revenue				
Singapore	22,680	428,108	-	-
Malaysia	3,286,488	62,046,646	11,882,967	31,882,515
Rest of the World	6,003,357	113,952,330	1,758,269	215,587,622
Total	9,312,525	176,427,084	13,641,236	247,470,137

23 RELATED PARTY DISCLOSURES

(i) Ultimate Holding Company

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) Holding Company

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Limited (India)

(iii) Fellow Subsidiary Companies:

Blazeclan Technologies Corporation (Philippines)

Blazeclan Technologies Pte Limited (Singapore)

(iv) Directors

Kaushik Mohanraj (until 30th September, 2024)

Amita Bothra (w.e.f 25th February, 2025)

Hetal Desai (w.e.f 1st October, 2024)

Youn Kim Wong (w.e.f 1st October, 2024)

Amartya Mukherjee (w.e.f 1st October, 2024 until 24th February, 2025)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(MYR)

Sl. No.	Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies Pte Limited (Singapore)	
		2024-25	2023-24	2024-25	2023-24
1	Purchase of services	8,060,690	10,795,057	-	-
2	Expense reimbursement	-	-	214,125	32,010

(vi) DISCLOSURE OF OUTSTANDING BALANCES

(MYR)

Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies Pte Limited (Singapore)		Blazeclan Technologies Corporation (Philippines)	
	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024
Balances as at						
i) Trade Receivables	-	-	-	-	9,416	9,416
ii) Trade Payables	2,411,790	2,142,761	13,355	62,606	-	-

NOTES TO THE SPECIAL PURPOSE STANDALONE FINANCIAL STATEMENTS (Contd.)

(vii) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

Description	2024-25	2023-24
Employee Benefits	241,295	423,386

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above.

(viii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

24 Subsequent Events

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

25 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 7th May, 2025.

26 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year

27 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

28 First-time adoption

28 (a) Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

(a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases

(b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

28 (b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	MYR	₹	MYR	₹
		As at March 31, 2024	As at March 31, 2024	As at April 01, 2023	As at April 01, 2023
Total equity under previous GAAP		708,747	12,503,928	526,564	9,757,631
Ind AS adjustments:					
Provisioning of trade receivables	b	(6,294)	(115,097)	(2,261)	(41,967)
Revenue recognition	a	11,083	200,967	(265,989)	(4,938,120)
Deferred Taxes	c	984	18,000	377	7,000
Total equity under Ind AS		714,520	12,607,798	258,691	4,784,544

28 (c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	MYR	₹
		For the Year ended March 31, 2024	For the Year ended March 31, 2024
Profit/(Loss) after tax under previous GAAP			
Ind AS adjustments:		182,183	8,044,615
Revenue Recognition	a	277,072	5,139,087
Provisioning of trade receivables	b	(4,033)	(73,129)
Deferred Taxes	c	607	11,000
Profit after tax as reported under Ind AS		455,829	13,121,573
Other comprehensive income			
Remeasurements of post employment benefit obligations (net of tax)		–	(5,298,318)
Total comprehensive income as reported under Ind AS		455,829	7,823,255

a Revenue Recognition : In accordance with Ind AS 115, revenue has been recognised in accordance with the five step model.

b Provisioning of trade receivables: Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.

c Deferred Tax : Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended 31st March, 2025.

Corporate Information and Principal Activities

The Company was incorporated on 26th May, 2017 in St Leonards, Australia. The Company is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Company continued to deliver Information Technology Services and Solutions to its clients in Financial Services, Retail and Telecom sectors. By leveraging its strategic partnerships with leading hyperscalers, the Company continues to strengthen its position as a Cloud Managed Services and Transformation partner for its clients. The Company remains committed to continuous innovation and delivering value to its stakeholders through advanced technology solutions.

Financial Results

The Company's financial performance for the year is summarised as under:

(In AUD)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	9,869,020	10,865,182
Profit Before Tax	698,312	1,134,104
Profit for the Year	488,818	702,265

On behalf of Blazeclan Technologies Pty. Ltd.

H. Desai

Director

Directors

The Directors of the Company in office at the end of the financial year i.e. 31st March, 2025 and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Navneet Khandelwal	- Chairman
Mr. Hetal Desai	- Director
Mr. Varoon Rajani	- Director
Mr. Kanapathipillai Sathiamoorthy	- Director

Auditors

The Company has engaged Messrs. KPMG Australia (ABN Number: 51194660183) as its Statutory Auditors for audit of the Financial Statements for the financial year 2024-25.

The Company has also engaged Messrs. H A M & Co, India (Registration Number: 136368W) for conduct of audit of the Special Purpose Ind AS Financial Statements of the Company for the said financial year. Their Report is annexed to the Financial Statements of the Company.

Date: 7th May, 2025

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN TECHNOLOGIES PTY LTD (AUSTRALIA),

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Technologies Pty Ltd. ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Special Purpose 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 special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For **H A M & Co.**

Chartered Accountants

Firm Registration No 136368W

CA Hardik H. Shah

Partner

Membership No. 137026

UDIN: 25137026BMJQAE5379

Place : Mumbai

Date : 7th May 2025

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note	As at 31st March, 2025 (AUD) (₹)		As at 31st March, 2024 (AUD) (₹)	
I ASSETS					
1 Non-current Assets					
(a) Financial Assets					
- Investments	3	1	50	1	50
(b) Deferred Tax Assets (Net)	8	208,943	11,243,220	409,793	22,370,869
(c) Income Tax Assets (Net)	9	378,182	20,349,947	122,961	6,684,999
Sub-Total		587,126	31,593,217	532,755	29,055,918
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	5	2,066,088	111,174,846	710,893	38,581,788
(ii) Cash and Cash Equivalents	6	225,530	12,135,747	5,968,217	324,478,258
(iii) Others Bank Balances	7	528,965	28,463,581	-	-
(iv) Others	4	1,366,394	73,525,642	1,009,028	54,858,465
(b) Other Current Assets	10	87,746	4,720,993	-	-
Sub-Total		4,274,723	230,020,809	7,688,138	417,918,511
TOTAL		4,861,849	261,614,026	8,220,893	446,974,429
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	11(a)	640	30,875	1,000	48,243
(b) Other Equity		651,144	35,039,688	6,264,691	340,747,038
Sub-Total		651,784	35,070,563	6,265,691	340,795,281
2 Non-current Liabilities					
(a) Financial Liabilities					
- Others	12(b)	8,363	450,001	-	-
(b) Provisions	13(a)	236,211	12,710,514	436,533	23,733,269
Sub-Total		244,574	13,160,515	436,533	23,733,269
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables	12(a)	2,685,217	144,491,431	677,232	36,698,913
(ii) Other	12(c)	545,490	29,352,785	338,686	18,413,523
(b) Other Current Liabilities	14	706,695	38,027,263	502,751	27,333,443
(c) Provisions	13(b)	28,089	1,511,469	-	-
Sub-Total		3,965,491	213,382,948	1,518,669	82,445,879
TOTAL		4,861,849	261,614,026	8,220,893	446,974,429

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of Blazeclan Technologies Pty Ltd.

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

Navneet Khandelwal

Director

Place : Bengaluru

Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		(AUD)	(₹)	(AUD)	(₹)
I Revenue from Operations	15	9,851,479	547,645,433	10,361,502	566,438,233
II Other Income	16	17,541	977,155	503,680	27,526,087
III Total Income (I + II)		<u>9,869,020</u>	<u>548,622,588</u>	<u>10,865,182</u>	<u>593,964,320</u>
IV Expenses					
Employee Benefits Expense	17	4,295,632	238,981,153	4,636,923	253,407,626
Finance Costs	18	–	–	20,192	1,103,517
Depreciation and Amortisation Expense	2	–	–	20,528	1,121,861
Other Expenses	19	4,875,076	267,595,268	5,053,435	275,171,119
Total Expenses		<u>9,170,708</u>	<u>506,576,421</u>	<u>9,731,078</u>	<u>530,804,123</u>
V Profit Before Tax (III-IV)		698,312	42,046,167	1,134,104	63,160,197
VI Tax Expenses	20				
Current Tax		8,644	475,771	620,968	33,760,612
Deferred Tax Charge / (Credit)		200,850	11,584,977	(189,129)	(10,225,890)
Total Tax Expenses		<u>209,494</u>	<u>12,060,748</u>	<u>431,839</u>	<u>23,534,722</u>
VII Profit for the year (V-VI)		<u>488,818</u>	<u>29,985,419</u>	<u>702,265</u>	<u>39,625,475</u>
VIII Other Comprehensive Income / (Expense)					
Items that will not be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		–	18,600,168	–	(4,878,917)
Total Other Comprehensive Income / (Expense)		–	18,600,168	–	(4,878,917)
IX Total Comprehensive Income for the year (VII+VIII)		<u>488,818</u>	<u>48,585,587</u>	<u>702,265</u>	<u>34,746,558</u>
X Earnings Per Share (Face value AUD 1 each)	22				
Basic		723	44,325	702	39,625
Diluted		723	44,325	702	39,625

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of Blazeclan Technologies Pty Ltd.

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

Navneet Khandelwal

Director

Place : Bengaluru

Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting year (AUD)	Changes in Equity Share Capital during the year (AUD)	Balance at the end of the reporting year (AUD)	Balance at the beginning of the reporting year (₹)	Changes in Equity Share Capital during the year (₹)	Balance at the end of the reporting year (₹)
For the year ended 31st March, 2025	1,000	(360)	640	48,243	(17,368)	30,875
For the year ended 31st March, 2024	1,000	–	1,000	48,243	–	48,243

B. Other Equity

Particulars	Retained Earning (AUD)	Retained Earning (₹)
Balance as at 1st April, 2023	5,562,426	306,000,480
- Profit/(Loss) for the Year	702,265	39,625,475
- Other Comprehensive Income/(Expense) (Net of Tax)	–	(4,878,917)
Total Comprehensive Income/(Expense)	702,265	34,746,558
Balance as at 31st March, 2024	6,264,691	340,747,038
- Profit/(Loss) for the Year	488,818	29,985,419
- Other Comprehensive Income/(Expense) (Net of Tax)	–	18,600,168
Total Comprehensive Income/(Expense)	488,818	48,585,587
- Securities Premium on buy back of shares	(6,102,365)	(354,292,937)
Balance as at 31st March, 2025	651,144	35,039,688

Retained Earnings -This represents the cumulative profits of the company.

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of Blazeclan Technologies Pty Ltd.

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

Navneet Khandelwal

Director

Place : Bengaluru

Date: 7th May 2025

SPECIAL PURPOSE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(AUD)	(₹)	(AUD)	(₹)
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	698,312	42,046,167	1,134,104	63,160,197
ADJUSTMENTS FOR :				
Provision for Doubtful Receivables	(51,126)	(2,867,998)	(932)	(50,958)
Depreciation and Amortisation Expense	–	–	20,528	1,121,861
Interest Income	(6,144)	(3,38,155)	–	–
Dividend Income	–	–	(501,790)	(27,422,812)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	641,042	38,840,014	651,909	36,808,288
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	(1,749,181)	(74,513,061)	371,389	16,782,642
Trade Payables, Other Liabilities and Provisions	1,720,687	91,620,304	968,729	51,732,485
CASH GENERATED FROM OPERATIONS	612,548	55,947,257	1,992,028	105,323,415
Less: Income Tax Paid/ (Credits) (Net)	263,865	14,598,047	874,488	47,631,393
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	348,683	41,349,210	1,117,539	57,692,022
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant and Equipment	–	–	(20,528)	(1,121,861)
Investment in Bank Deposits (original maturity more than 3 months)	(528,965)	(28,463,582)	–	–
Interest income	6,144	338,155	–	–
Dividend Income	–	–	501,790	27,422,812
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(522,821)	(28,125,427)	481,262	26,300,951
C CASH FLOW FROM FINANCING ACTIVITIES :				
Buyback of shares	(5,568,549)	(325,566,294)	–	–
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	(5,568,549)	(325,566,294)	–	–
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(5,742,687)	(312,342,511)	1,598,802	83,992,973
OPENING CASH AND CASH EQUIVALENTS	5,968,217	324,478,258	4,369,415	240,485,285
CLOSING CASH AND CASH EQUIVALENTS	225,530	12,135,747	5,968,217	324,478,258

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"
The accompanying notes are an integral part of the Financial Statements
This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of Blazeclan Technologies Pty Ltd.

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

Navneet Khandelwal

Director

Place: Bengaluru

Date: 7th May 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

COMPANY INFORMATION

Blazeclan Technologies Pty. Ltd. ("the Company") is a Company formed with the registration number ACN: 619 364 359 and ABN - 12619364359 on May 26, 2017. The registered office of the Company is located at Unit 39 , 19-23 Herbert Street, St. Leonards NSW 2065. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. The ultimate holding company is ITC Limited, a company incorporated and listed in India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 33 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in AUD. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following is the key judgement applied in the preparation of the financial statements:

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Financial Statements.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the AUD. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss as other income only when the Company's right to receive payments is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be measured reliably.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Investment in Subsidiaries

Investment in subsidiaries is carried at cost less impairment, if any, in the financial statements.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under Projected Unit Credit method. This benefit is unfunded.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude (INR 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

n) Operating Segments

Operating segments are reported in a manner consistent with the internal

reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

o) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

p) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

2. PROPERTY, PLANT AND EQUIPMENT - FY 2024-25

(AUD)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	20,528	-	20,528	-	-	20,528	-	20,528	-	-	-	-
TOTAL	20,528	-	20,528	-	-	20,528	-	20,528	-	-	-	-

(₹)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	As at 31st March, 2025
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	1,104,612	-	1,104,612	-	-	1,104,612	-	1,104,612	-	-	-	-
TOTAL	1,104,612	-	1,104,612	-	-	1,104,612	-	11,04,612	-	-	-	-

2. PROPERTY, PLANT AND EQUIPMENT FY 2023-24

(AUD)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	-	20,528	-	-	20,528	-	20,528	-	-	20,528	-	-
TOTAL	-	20,528	-	-	20,528	-	20,528	-	-	20,528	-	-

(₹)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	-	1,121,861	-	(17,249)	1,104,612	-	1,121,861	-	(17,249)	1,104,612	-	-
TOTAL	-	1,121,861	-	(17,249)	1,104,612	-	1,121,861	-	(17,249)	1,104,612	-	-

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

3. INVESTMENTS

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Non-Current				
In Subsidiaries				
Investments in Equity Instruments- (At Cost) Unquoted				
Blazeclan Technologies Limited (New Zealand)	1	50	1	50
Total	1	50	1	50

4. OTHER CURRENT FINANCIAL ASSETS

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Unsecured Considered Good, Unless Otherwise Stated				
Unbilled Revenue - time and material basis & fixed price support contracts	1,355,334	72,930,503	952,420	51,780,870
Security Deposits (includes deposits for Company offices, etc.)	11,060	595,139	9,500	516,493
Advances (includes advance to employees)	-	-	47,108	2,561,102
Total	1,366,394	73,525,642	1,009,028	54,858,465

5. TRADE RECEIVABLE

Trade Receivables as at 31st March, 2025	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Undisputed Trade Receivables - considered good	2,137,263	115,004,785	838,914	45,624,727
Less : Expected Credit Loss Allowance	(71,175)	(3,829,939)	(128,021)	(7,042,939)
Total	2,066,088	111,174,846	710,893	38,581,788

Trade Receivables as at 31st March, 2025	Outstanding for following periods							Total (AUD)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	12,12,817	7,07,422	1,43,067	60,169	13,788	-		21,37,263	11,50,04,785
Less : Expected Credit Loss Allowance	-	-	-	-	-	-		(71,175)	(38,29,939)
Net	12,12,817	7,07,422	1,43,067	60,169	13,788	-		20,66,088	11,11,74,846

Trade Receivables as at 31st March, 2024	Outstanding for following periods							Total (AUD)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	-	7,35,172	88,854	14,888	-	-		8,38,914	4,56,24,727
Less : Expected Credit Loss Allowance	-	-	-	-	-	-		(1,28,021)	(70,42,939)
Net	-	7,35,172	88,854	14,888	-	-		7,10,893	3,85,81,788

6. CASH AND CASH EQUIVALENTS

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Balance with Bank:				
Current Account	225,530	12,135,747	5,967,817	324,456,511
Cash in hand	-	-	400	21,747
Total	225,530	12,135,747	5,968,217	324,478,258

7. OTHER BANK BALANCES

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
On Deposit Accounts*	528,965	28,463,581	-	-
Total	528,965	28,463,581	-	-

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

8. DEFERRED TAX ASSETS (NET)

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Deferred Tax Assets	208,943	11,243,220	4,09,793	22,370,869
Total	208,943	11,243,220	4,09,793	22,370,869

Movement in Deferred Tax

Particulars	Opening Balance (AUD)	Recognised in profit or Loss (AUD)	Closing Balance (AUD)	Closing Balance (₹)
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	164,646	(47,433)	117,213	6,306,951
On provision for doubtful receivables	36,690	(15,345)	21,345	1,148,601
Other timing differences (includes provision for expenses)	208,457	(138,072)	70,385	3,787,668
Deferred Tax Assets (Net)	409,793	(200,850)	208,943	11,243,220

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

Movement in Deferred Tax

Particulars	Opening Balance (AUD)	Recognised in profit or Loss (AUD)	Closing Balance (AUD)	Closing Balance (₹)
FY 2023-24				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	97,067	67,579	164,646	8,951,370
On provision for doubtful receivables	36,970	(280)	36,690	1,994,751
Other timing differences (includes provision for expenses)	86,627	121,830	208,457	11,424,748
Deferred Tax Assets (Net)	220,664	189,129	409,793	22,370,869

9. INCOME TAX ASSETS (NET)

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Advance Tax (Net of Provision for Income Tax)	378,182	20,349,947	122,961	6,684,999
Total	378,182	20,349,947	122,961	6,684,999

10. OTHER CURRENT ASSETS

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Other Advances (includes Unexpired Expenses)	87,746	4,720,993	-	-
Total	87,746	4,720,993	-	-

11(a) EQUITY SHARE CAPITAL

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Authorised				
1,000 (2024 - 1000) Equity Shares of AUD 1 each fully paid	1,000	48,243	1,000	48,243
Issued and Subscribed :				
640 (2024 - 1,000) Equity Shares of AUD 1 each, fully paid [The Equity Shares of the Company, having par value of AUD 1 per share, rank pari passu in all respects including entitlement to dividend. During the year, the Company bought back 360 shares from XL Cloud Pty. Ltd. The Holding Company also purchased 40 shares from XL Cloud Pty. Ltd.]	640	30,875	1,000	48,243

11(b) SHARES HELD BY PROMOTERS

Particulars	Shareholder	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity Shares of AUD 1 each, fully paid up	Blazeclan Technologies Private Limited (India)	640	100%	40%	600	60%	0%
Equity Shares of AUD 1 each, fully paid up	XL Cloud Pty Ltd.	-	0%	-40%	400	40%	0%

12. FINANCIAL LIABILITIES

12.(a) Trade payables

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Trade Payables	2,685,217	144,491,431	677,232	36,698,913

Ageing Schedule

Trade Payable as at 31st March, 2025	Outstanding for following periods								
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (AUD)	Total (₹)
Inter Company	1,484,696	26,939	821,489	63,430	-	-	-	2,396,554	128,958,571
Others	114,074	156,435	18,154	-	-	-	-	288,663	15,532,860
Total	1,598,770	183,374	839,643	63,430	-	-	-	2,685,217	144,491,431

Ageing Schedule

Trade Payable as at 31st March, 2024	Outstanding for following periods								
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (AUD)	Total (₹)
Inter Company	-	344,184	16,251	-	-	-	-	360,435	19,596,022
Others	-	316,797	-	-	-	-	-	316,797	17,102,891
Total	-	660,981	16,251	-	-	-	-	677,232	36,698,913

12.(b) Non-Current Financial Liabilities - Others

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Employee Payable	8,363	450,001	-	-
Total	8,363	450,001	-	-

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

12.(c) Current Financial Liabilities - Others

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Employee Payables	11,313	608,775	332,611	18,083,310
Other Liabilities	534,177	28,744,010	6,075	330,213
Total	545,490	29,352,785	338,686	18,413,523

13. PROVISIONS

13(a) Non-current Provisions

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Provisions for Employee Benefits				
Compensated Absences	236,211	12,710,514	436,533	23,733,269
Total	236,211	12,710,514	436,533	23,733,269

13(b) Current Provisions

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Provisions for Employee Benefits				
Compensated Absences	28,089	1,511,469	-	-
Total	28,089	1,511,469	-	-

14. OTHER CURRENT LIABILITIES

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Statutory Dues	474,725	25,544,935	502,751	27,333,443
Contract Liability	231,970	12,482,328	-	-
Total	706,695	38,027,263	502,751	27,333,443

15. REVENUE FROM OPERATIONS

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Sale of Services	9,662,068	5,37,222,119	10,229,545	558,996,649
Resale of Services (including Support Charges)	189,411	10,423,314	131,957	7,441,584
Total	9,851,479	547,645,433	10,361,502	566,438,233

16. OTHER INCOME

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Interest Income	6,144	338,155	-	-
Dividend Income	-	-	501,790	27,422,812
Miscellaneous Income	11,397	639,000	1,890	103,275
Total	17,541	977,155	503,680	27,526,087

Interest income comprises Interest from:

Deposits	6,144	338,155	-	-
Total	6,144	338,155	-	-

17. EMPLOYEE BENEFITS EXPENSES

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Salaries and Bonus	3,668,223	204,058,916	4,006,940	218,979,050
Contribution to Provident and other Funds	586,424	32,623,223	596,803	32,615,281
Staff Welfare Expenses	40,985	2,299,014	33,180	1,813,295
Total	4,295,632	238,981,153	4,636,923	253,407,626

18. FINANCE COST

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Interest Expense				
On Borrowings, Statutory Dues, etc	-	-	20,192	1,103,517
Total	-	-	20,192	1,103,517

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

19. OTHER EXPENSES

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Rent	65,048	3,612,738	66,660	3,642,951
Insurance	19,233	1,066,174	16,286	890,002
Travelling and Conveyance	41,039	2,277,533	40,198	2,196,800
Recruitment Expenses	769	42,320	-	-
Communication	5,106	283,632	6,880	376,017
Power and Fuel	2,480	138,041	4,430	242,075
Outsourcing Charges	4,604,661	252,565,740	4,550,281	247,673,808
Software and Related Expenses	12,805	719,000	61,589	3,365,811
Business Development Expenses	42,333	2,359,718	140,374	7,671,431
Repairs and Maintenance				
- Others	230	13,000	-	-
Bank Charges	727	40,891	-	-
Legal, Professional and Consultancy Expenses	58,359	3,262,078	86,688	4,737,521
Doubtful and Bad Receivables	(51,126)	(2,867,998)	(932)	(50,958)
Auditor's Remuneration and Expenses	55,000	3,054,218	50,351	2,751,700
Training and Development	957	52,586	5,913	323,138
Printing and Stationery	297	16,399	242	13,237
Loss on Exchange (Net)	6,809	386,808	-	-
Miscellaneous Expenses	10,349	572,390	24,474	1,337,586
Total	4,875,076	267,595,268	50,53,435	275,171,119

20. TAX EXPENSES

20(a) Tax Expenses Recognised in Statement of Profit and Loss

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Current Tax	8,644	475,771	449,369	24,430,747
Charge / (Credits) related to previous years	-	-	171,600	9,329,865
	8,644	475,771	620,968	33,760,612
Deferred Tax Charge / (Credit)	200,850	11,584,977	(189,129)	(10,225,890)
Charge / (Credits) related to previous years	-	-	-	-
	200,850	11,584,977	(189,129)	(10,225,890)
Total	209,494	12,060,748	431,839	23,534,722

20(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Profit before tax	698,312	42,046,167	1,134,104	63,160,197
Income tax expense calculated at 30%	209,494	12,613,850	340,231	18,948,059
Effects of :				
- Other differences	-	(553,102)	(79,992)	(4,743,201)
- Adjustments recognised in the current year in relation to the current tax of prior years	-	-	171,600	9,329,865
Income Tax expenses recognised in Statement of Profit and Loss	209,494	12,060,748	431,839	23,534,723

21. Commitments and Contingencies

- a) There are no contracts remaining to be executed on capital account.
b) There are no claims against the Company not acknowledged as debts.

22. EARNINGS PER SHARE (BASIC AND DILUTED)

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
(a) Profit/(Loss) after Tax	488,818	29,985,419	702,265	39,625,475
(b) Weighted average number of Equity Shares	676	676	1,000	1,000
(c) Earnings Per Share	723	44,325	702	39,625
(Face value of AUD 1 per share)				

23. AUDITORS REMUNERATION AND EXPENSES (Net of Input tax credit)

	For the year ended 31st March, 2025 (AUD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (AUD)	For the year ended 31st March, 2024 (₹)
Audit Fees	55,000	3,054,218	50,351	2,751,700
Total	55,000	3,054,218	50,351	2,751,700

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

24 CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity.

The Company is not exposed to any externally imposed capital requirements.

25. CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(AUD)		(₹)		(AUD)		(₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	225,530	225,530	12,135,747	12,135,747	5,968,217	5,968,217	324,478,258	3,244,78,258
Investment in Fixed deposits	528,965	528,965	28,463,581	28,463,581	-	-	-	-
Trade Receivables	2,066,088	2,066,088	111,174,846	111,174,846	710,893	7,10,893	38,581,788	38,581,788
Other Financial Assets	1,366,394	1,366,394	73,525,642	73,525,642	1,009,028	1,009,028	54,858,465	54,858,465
Total	4,186,977	4,186,977	225,299,816	225,299,816	7,688,138	7,688,138	417,918,511	417,918,511

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(AUD)		(₹)		(AUD)		(₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities								
Measured at amortised cost								
Trade Payables	2,685,217	2,685,217	144,491,431	144,491,431	677,232	677,232	36,698,913	36,698,913
Other Financial Liabilities	553,853	550,883	29,802,786	29,642,995	338,686	338,686	18,413,523	18,413,523
Total	3,239,069	3,236,100	174,294,217	174,134,426	1,015,918	1,015,918	55,112,436	55,112,436

26. Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities, including net investments in foreign operations which are not in the Company's functional currency (AUD).

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

As at 31st March 2025	Others	Total (AUD)	Total (INR)
Financial Assets	1	1	50
Financial Liabilities	71,793	71,793	3,863,169

ii) Interest Rate Risk

Interest rate risk refers to 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 investments in fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March, 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (AUD)	Total (₹)
Trade Payables	2,685,217	2,685,217	-	-	-	-	2,685,217	144,491,431
Other Financial Liabilities	553,853	545,490	-	-	-	8,363	553,853	29,802,785
Total	3,239,069	3,230,707	-	-	-	8,363	3,239,069	174,294,216

Particulars	As at 31st March, 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (AUD)	Total (₹)
Trade Payables	677,232	677,232	-	-	-	-	677,232	36,698,913
Other Financial Liabilities	338,686	338,686	-	-	-	-	338,686	18,413,523
Total	1,015,918	1,015,918	-	-	-	-	1,015,918	55,112,436

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

	As at 31st March, 2025 (AUD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)
Opening Balance	128,021	7,042,939	122,943	6,766,554
Add : Expected credit loss provisions made during the year	(51,126)	(2,867,998)	(932)	(50,958)
Less: Utilisation for Impairment / De-recognition	(5,720)	(332,103)	6,010	326,750
Effects of foreign exchange fluctuation	-	(12,899)	-	593
Closing Balance	71,175	3,829,939	128,021	7,042,939

For age wise breakup of receivables, refer to Note 4.

Investments in fixed deposits are with highly rated banks and are held at amortised cost. Thus, counter party risk attached to such assets is considered to be insignificant.

27 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in multiple geographical segments as given below:

	For the year ended 31st March 2025 (AUD)	For the year ended 31st March 2025 (₹)	For the year ended 31st March 2025 (AUD)	For the year ended 31st March 2025 (₹)
Segment Revenue				
Singapore	2,455,656	136,510,381	2,014,558	110,095,460
Australia	7,312,217	406,515,169	8,319,382	454,606,299
North America	67,999	3,780,070	27,562	1,736,474
India	15,607	839,813	-	-
Total	9,851,479	547,645,433	10,361,502	566,438,233

28 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f 1st October, 2024)

(ii) HOLDING COMPANY:

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Ltd (India)

(iii) Subsidiary Companies:

Blazeclan Technologies Ltd (New Zealand)

(iv) Fellow Subsidiary Companies - having Transactions:

Blazeclan Technologies INC (Canada)

Blazeclan Technologies Pte Ltd (Singapore)

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

(v) Directors

Varoon Rajani

Amit Bassi (until 30th June, 2024)

Navneet Khandelwal (w.e.f 29th January, 2025)

Hetal Desai (w.e.f 29th January, 2025)

Kanamathipillai Sathiamoorthy (w.e.f 11th July, 2024)

(vi) Other Related Parties

XL Cloud Pty Ltd (Holding 40% shares of the Company) (Upto 30th June, 2024)

(vii) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(AUD)

Sl. No	Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies (New Zealand)		Blazeclan Technologies INC (Canada)		Blazeclan Technologies Pte. Ltd. (Singapore)		XL Cloud Pty Ltd	
		FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
1	Purchase of services	4,319,063	3,124,620	-	19,155	1,14,700	1,63,313	-	-	-	603,750
2	Reimbursement of Expenses	-	-	-	-	-	-	21,800	21,355	-	-
3	Dividend received	-	-	-	501,790	-	-	-	-	-	-
4	Buyback of shares (including Securities Premium)	-	-	-	-	-	-	-	-	6,102,725	-
5	Sale of services	15,607	-	-	-	-	-	-	-	-	-
6	Investment in share capital of New Zealand	-	-	-	1	-	-	-	-	-	-

(viii) DISCLOSURE OF OUTSTANDING BALANCES

(AUD)

Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies (New Zealand)		Blazeclan Technologies INC (Canada)		Blazeclan Technologies Pte. Ltd. (Singapore)		XL Cloud Pty Ltd	
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
Balance as at 31st March										
- Trade Receivable	15,607	-	-	-	-	-	-	-	-	-
- Trade Payable	2,313,124	232,683	20,000	-	-	88,845	63,430	38,907	-	150,000
- Other Payable	-	-	-	-	-	-	-	-	534,177	-

(ix) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

(AUD)

Description	2024-25	2023-24
Employee Benefit Expense	2,48,018	5,27,668

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above.

(x) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

29 Subsequent Events

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

30 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 7th May, 2025.

31 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

32 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

33 (a) First-time adoption

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

(a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

(b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

33 b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	As at 31st March, 2024 (AUD)	As at 31st March, 2024 (₹)	As at 1st April, 2023 (AUD)	As at 1st April, 2023 (₹)
Total equity under previous GAAP		63,15,798	34,35,02,169	53,42,501	293,896,157
Ind AS adjustments:					
Provisioning of trade receivables	a	(71,149)	(3,936,131)	(122,942)	(6,766,553)
Revenue recognition	b	-	-	122,203	6,725,876
Deferred Taxes	c	20,042	1,181,000	220,664	12,145,000
Total equity under Ind AS		6,264,691	340,747,038	5,562,426	306,000,480

33 c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	For the Year ended March 31, 2024 (AUD)	For the Year ended March 31, 2024 (₹)
Profit/(Loss) after tax under previous GAAP		973,297	54,484,929
Ind AS adjustments:			
Provisioning of trade receivables	a	51,793	2,830,422
Revenue recognition	b	(122,203)	(6,725,876)
Deferred Taxes	c	(200,622)	(10,964,000)
Profit after tax as reported under Ind AS		702,265	39,625,475
Other comprehensive income			
Remeasurements of post employment benefit obligations (net of tax)		-	(4,878,917)
Total comprehensive income as reported under Ind AS		702,265	34,746,558

- a Provisioning of trade receivables: Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.
- b Revenue Recognition : In accordance with Ind AS 115, revenue has been recognised in accordance with the five step model.
- c Deferred Tax : Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended 31st March, 2025.

Corporate Information and Principal Activities

The Company was incorporated on 30th January, 2019 in Auckland, New Zealand. The Company is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Company is a wholly owned subsidiary of Blazeclan Technologies Pty. Ltd. incorporated in Australia, and a step-down subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Company continued to deliver Information Technology Services and Solutions to its clients in Financial Services, Retail and Telecom sectors. By leveraging its strategic partnerships with leading hyperscalers, the Company accelerated its growth and strengthened its position as a Cloud Managed Services and Transformation partner for its clients. The Company remains committed to continuous innovation and delivering value to its stakeholders through advanced technology solutions.

Financial Results

The Company's financial performance for the year is summarised as under:
(In NZD)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	417,541	340,570
Profit Before Tax	92,763	96,350
Profit for the Year	67,467	38,246

Directors

The Directors of the Company in office at the end of the financial year i.e. 31st March, 2025 and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Vishal Kumar	- Chairman
Ms. Amita Bothra	- Director
Mr. Kanapathipillai Sathiamoorthy	- Director

Auditors

The Company, as per local laws, is not required to audit its Financial Statements for the financial year ended 31st March, 2025. However, as a measure of good governance, the Company has engaged Messrs. H A M & Co, India (Registration No. 136368W), as the Auditors to conduct audit for the year under review. Their Report is annexed to the Financial Statements of the Company.

On behalf of Blazeclan Technologies Limited

Date: 7th May, 2025

V. Kumar
Chairman

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN TECHNOLOGIES LIMITED (NEW ZEALAND),

Report on the Special Purpose Financial Statements**Opinion**

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Technologies Limited ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

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

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

Management is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose 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 a special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For H A M & Co.
Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah
Partner

Place : Mumbai
Date : 7th May, 2025

Membership No. 137026
UDIN: 25137026BMJQAI8708

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note No.	As at 31st March, 2025 (NZD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (NZD)	As at 31st March, 2024 (₹)
I ASSETS					
1 Non-Current Assets					
- Deferred Tax Assets (Net)	5	11,671	570,573	14,937	746,848
Sub-Total		11,671	570,573	14,937	746,848
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	3	48,645	2,378,119	19,745	975,022
(ii) Cash and Cash Equivalents	4	117,760	5,756,993	151,374	7,543,486
(iii) Others	2	106,731	5,217,194	-	-
(b) Other Current Assets	6	5,238	256,715	-	-
Sub-Total		278,374	13,609,021	171,119	8,518,508
TOTAL		290,045	14,179,594	186,056	9,265,356
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	7 (a)	1	50	1	50
(b) Other Equity		125,847	6,152,350	58,380	2,720,225
Sub-Total		125,848	6,152,400	58,381	2,720,275
2 Non-current Liabilities					
- Provisions	9 (a)	8,825	431,432	-	-
Sub-Total		8,825	431,432	-	-
3 Current Liabilities					
(a) Borrowings	8 (b)	-	-	36,819	2,017,426
(b) Financial Liabilities					
- Trade Payables	8 (a)	126,048	6,162,172	-	-
(c) Other Current Liabilities	10	26,347	1,288,048	22,261	1,109,350
(d) Provisions	9 (b)	1,175	57,443	-	-
(e) Current Tax Liabilities (Net)	11	1,802	88,099	68,595	3,418,305
Sub-Total		155,372	7,595,762	127,675	6,545,081
TOTAL		290,045	14,179,594	186,056	9,265,356

The accompanying notes are an integral part of the Financial Statements
This is the Balance Sheet referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of Blazeclan Technologies Limited (New Zealand)

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Bengaluru
Date : 7th May 2025

Amita Bothra
Director
Place: Bengaluru
Date: 7th May 2025

Vishal Kumar
Director
Place: Dubai
Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note No.	For the year ended 31st March, 2025 (NZD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (NZD)	For the year ended 31st March, 2024 (₹)
I Revenue from Operations	12	417,541	21,223,403	339,766	17,200,729
II Other Income	13	–	25	804	40,703
III Total Income (I+II)		<u>417,541</u>	<u>21,223,428</u>	<u>340,570</u>	<u>17,241,432</u>
IV Expenses					
Employee Benefits Expense	14	168,444	8,542,733	148,398	7,512,709
Finance Costs	15	–	–	535	27,089
Other Expenses	16	156,334	7,473,387	95,287	4,823,969
Total Expenses		<u>324,778</u>	<u>16,016,120</u>	<u>244,220</u>	<u>12,363,767</u>
V Profit/(Loss) Before Tax (III - IV)		<u>92,763</u>	<u>5,207,308</u>	<u>96,350</u>	<u>4,877,665</u>
VI Tax Expenses	17				
Current Tax		22,029	1,178,501	70,146	3,495,606
Deferred Tax Charge / (Credit)		3,267	174,474	(12,042)	(597,848)
Total Tax Expenses		<u>25,296</u>	<u>1,352,975</u>	<u>58,104</u>	<u>2,897,758</u>
VII Profit/(Loss) for the Year (V-VI)		<u>67,467</u>	<u>3,854,333</u>	<u>38,246</u>	<u>1,979,907</u>
VIII Other Comprehensive Income/(Loss)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		–	(422,208)	–	(975,791)
Total Other Comprehensive Income/(Loss)		<u>–</u>	<u>(422,208)</u>	<u>–</u>	<u>(975,791)</u>
IX Total Comprehensive Income/(Loss) for the Year (VII+VIII)		<u>67,467</u>	<u>3,432,125</u>	<u>38,246</u>	<u>1,004,116</u>
X Earnings Per Share	19				
Basic		67,467	3,854,333	38,246	1,979,907
Diluted		67,467	3,854,333	38,246	1,979,907

The accompanying notes are an integral part of the Financial Statements

This is the Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W
CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Bengaluru
Date : 7th May 2025

On behalf of Blazeclan Technologies Limited (New Zealand)

Amita Bothra
Director

Vishal Kumar
Director

Place: Bengaluru
Date: 7th May 2025

Place: Dubai
Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

Balance at 31st March 2024 (NZD)	Changes in Equity Share Capital during the year (NZD)	Balance at 31st March 2025 (NZD)	Balance at 31st March 2024 (₹)	Changes in Equity Share Capital during the year (₹)	Balance at 31st March 2025 (₹)
1	–	1	50	–	50
Balance at 31st March 2023 (NZD)	Changes in Equity Share Capital during the year (NZD)	Balance at 31st March 2024 (NZD)	Balance at 31st March 2023 (₹)	Changes in Equity Share Capital during the year (₹)	Balance at 31st March 2024 (₹)
–	1	1	–	50	50

B. Other Equity

Particulars	Retained Earnings (NZD)	Retained Earnings (₹)	Particulars	Retained Earnings (NZD)	Retained Earnings (₹)
Balance as at 1st April, 2024	58,380	2,720,225	Balance as at 1st April, 2023	566,082	29,138,921
- Profit/(Loss) for the year	67,467	3,854,333	- Profit/(Loss) for the year	38,246	1,979,907
- Other comprehensive income/(loss)	–	(422,208)	- Other comprehensive income/(loss)	–	(975,791)
Total Comprehensive Income/(Loss)	<u>67,467</u>	<u>3,432,125</u>	Total Comprehensive Income/(Loss)	<u>38,246</u>	<u>1,004,116</u>
Balance as at 31st March, 2025	<u>125,847</u>	<u>6,152,350</u>	- Dividend paid	(545,948)	(27,422,812)
			Balance as at 31st March, 2024	<u>58,380</u>	<u>2,720,225</u>

Retained Earnings: This represents the cumulative profits of the company. The accompanying notes are an integral part of the Financial Statements
This is the Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W
CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Bengaluru
Date : 7th May 2025

On behalf of Blazeclan Technologies Limited (New Zealand)

Amita Bothra
Director

Vishal Kumar
Director

Place: Bengaluru
Date: 7th May 2025

Place: Dubai
Date: 7th May 2025

SPECIAL PURPOSE CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025 (NZD) (₹)		For the year ended 31st March, 2024 (NZD) (₹)	
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	92,763	5,207,308	96,350	4,877,665
ADJUSTMENTS FOR :				
Provision for Doubtful Receivables	(21,664)	(1,114,875)	43,014	2,177,584
Interest Income	—	(25)	(804)	(40,703)
Finance Costs	—	—	535	27,089
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	71,099	4,092,408	139,095	7,041,635
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	(119,205)	(6,184,339)	(6,732)	(1,244,465)
Trade Payables, Other Liabilities and Provisions	73,341	6,829,744	(21,869)	(1,161,166)
CASH GENERATED FROM OPERATIONS	25,235	4,737,813	110,494	4,636,004
Less: Income Tax Paid/(Credits) (Net)	22,030	4,506,905	(36,812)	(1,897,382)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	3,205	230,908	147,306	6,533,386
B CASH FLOW FROM INVESTING ACTIVITIES :				
Interest Received on Bank Deposits	—	25	804	40,703
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	—	25	804	40,703
C CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from issue of Share Capital	—	—	1	50
Dividend on Equity Shares paid	—	—	(545,948)	(27,422,812)
Repayments of Borrowings	(36,819)	(2,017,426)	(2,858)	(24,885)
Finance Costs	—	—	(535)	(27,089)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	(36,819)	(2,017,426)	(549,340)	(27,474,736)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(33,614)	(1,786,493)	(401,230)	(20,900,647)
OPENING CASH AND CASH EQUIVALENTS	151,374	7,543,486	552,604	28,444,133
CLOSING CASH AND CASH EQUIVALENTS	117,760	5,756,993	151,374	7,543,486

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"

The accompanying notes form an integral part of the Financial Statements

This is the Cash Flow Statement referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Bengaluru
Date : 7th May 2025

On behalf of Blazeclan Technologies Limited (New Zealand)

Amita Bothra
Director

Place: Bengaluru
Date: 7th May 2025

Vishal Kumar
Director

Place: Dubai
Date: 7th May 2025

Notes to the Special Purpose Financial Statements

COMPANY INFORMATION

Blazeclan Technologies Limited ("the Company") is a Company formed with the registration number NZBN: 9429047239982 on January 30, 2019. The registered office of the Company is located at Eclipse Accounting, Level 3, 117 St Georges Bay Rd, Parnell, Auckland, 1010, New Zealand. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of Blazeclan Technologies Pty. Ltd. ("the Holding Company") incorporated in Australia and providing information technology services to enterprise clients. Blazeclan Technologies Pty. Ltd., Australia is a wholly owned subsidiary of Blazeclan Technologies Pvt. Ltd., India (BTPL India). During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the BTPL India in an all cash deal on 1st October, 2024. The ultimate holding company is ITC Limited, a company incorporated and listed in India.

1. MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Pty. Ltd., incorporated in Australia and having its registered office at Unit 39, 19-23 Herbert Street, St. Leonards NSW 2065. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 29 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in NZD. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following is the key judgement and estimate applied in the preparation of the financial statements:

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Financial Statements.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Foreign Currency Transactions

The presentation currency of the Company is the NZD.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

f) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification. Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;

Notes to the Special Purpose Financial Statements (Contd.)

- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

g) Revenue from Sale of Services

"The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin. Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with Ind AS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

h) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under Projected Unit Credit method. This benefit is unfunded.

i) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

j) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

k) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

l) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

m) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

n) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

	As at 31st March, 2025 (NZD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (NZD)	As at 31st March, 2024 (₹)
2 OTHER CURRENT FINANCIAL ASSETS				
Unbilled Revenue - time and material basis & fixed price support contracts	98,052	4,792,898	—	—
Other Current asset	8,679	424,296	—	—
Total	106,731	5,217,194	—	—
3 TRADE RECEIVABLES				
Unsecured, Considered Good	80,328	3,927,021	73,092	36,42,427
Less: Expected Credit Loss Allowance	(31,683)	(1,548,902)	(53,347)	(2,667,405)
Total	48,645	2,378,119	19,745	975,022

Trade Receivables as at 31st March, 2025	Outstanding for following periods						Total (NZD)	Total (₹)
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years		
Undisputed Trade Receivables - considered good	23,000	25,929	6,247	25,152	—	—	80,328	3,927,021
Less : Expected Credit Loss Allowance	—	—	—	—	—	—	(31,683)	(1,548,902)
Net	23,000	25,929	6,247	25,152	—	—	48,645	2,378,119

Notes to the Special Purpose Financial Statements (Contd.)

Trade Receivables as at 31st March, 2024	Outstanding for following periods							
	Not Due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total (NZD)	Total (₹)
Undisputed Trade Receivables - considered good	–	20,000	53,092	–	–	–	73,092	3,642,427
Less : Expected Credit Loss Allowance							(53,347)	(2,667,405)
Net	–	20,000	53,092	–	–	–	19,745	975,022

	As at 31st March, 2025 (NZD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (NZD)	As at 31st March, 2024 (₹)
4 CASH AND CASH EQUIVALENTS				
Balances with Banks :				
Current Accounts	117,760	5,756,993	151,374	7,543,486
Total	117,760	5,756,993	151,374	7,543,486
5 DEFERRED TAX ASSETS (NET)				
Deferred Tax Assets	11,671	570,573	14,937	746,848
Total	11,671	570,573	14,937	746,848
Movement in Deferred Tax				
Particulars	Opening Balance	Recognised in profit or loss	Closing Balance	Closing Balance
	(NZD)	(NZD)	(NZD)	(₹)
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation and retirement etc.	–	2,800	2,800	136,892
On provision for doubtful receivables and advances	14,937	(6,066)	8,871	433,681
Deferred Tax Assets (Net)	14,937	(3,266)	11,671	570,573
FY 2023-24				
Deferred Tax Assets :				
On provision for doubtful receivables and advances	2,895	12,042	14,937	746,848
Deferred Tax Assets (Net)	2,895	12,042	14,937	746,848
	As at 31st March, 2025 (NZD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (NZD)	As at 31st March, 2024 (₹)
6 OTHER CURRENT ASSETS				
Unbilled Revenue - percentage of completion	5,238	256,715	–	–
Total	5,238	256,715	–	–
	As at 31st March, 2025 (NZD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (NZD)	As at 31st March, 2024 (₹)

7(a) EQUITY SHARE CAPITAL

Authorised:

1 (2024 - 1) Equity Share of NZD 1 each

1

50

1

50

Issued and subscribed :

1 (2024 - 1) Equity Share of NZD 1 each, fully paid

1

50

1

50

[All equity shares are held by the Holding Company. The Equity Shares of the Company, having par value of NZD 1 per share, rank pari passu in all respects including entitlement to dividend.]

7(b) Shares held by Promoters

Particulars	Promoter Name	As at 31 March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of NZD 1 each, fully paid	Blazeclan Technologies Pty Limited (Australia)	1	100%	–	1	100%	NA

8 FINANCIAL LIABILITIES

8(a) Trade Payables	1,26,048	61,62,172	–	–

Ageing schedule

Trade Payable as at 31st March, 2025	Particulars outstanding for the following periods								
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total (NZD)	Total (₹)
Inter Company	–	–	126,048	–	–	–	–	126,048	6,162,172
Total	–	–	126,048	–	–	–	–	126,048	6,162,172

Notes to the Special Purpose Financial Statements (Contd.)

	As at 31st March, 2025 (NZD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (NZD)	As at 31st March, 2024 (₹)
8(b)Current Borrowings				
Borrowings	–	–	36,819	2,017,426
Total	–	–	36,819	2,017,426
9 PROVISIONS				
9(a)Non- Current Provisions				
Provision for Employee Benefits				
Compensated Absences	8,825	431,432	–	–
Total	8,825	431,432	–	–
9(b)Current Provisions				
Provision for Employee Benefits				
Compensated Absences	1,175	57,443	–	–
Total	1,175	57,443	–	–
10 OTHER CURRENT LIABILITIES				
Statutory Dues	26,347	1,288,048	22,261	1,109,350
Total	26,347	1,288,048	22,261	1,109,350
11 CURRENT TAX LIABILITIES				
Current Taxation (Net of Advance Tax)	1,802	88,099	68,595	3,418,305
Total	1,802	88,099	68,595	3,418,305
	For the year ended 31st March, 2025 (NZD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (NZD)	For the year ended 31st March, 2024 (₹)
12 REVENUE FROM OPERATIONS				
Sale of Services	417,541	21,223,403	339,766	17,200,729
Total	417,541	21,223,403	339,766	17,200,729
13 OTHER INCOME				
Interest Income	–	25	804	40,703
Total	–	25	804	40,703
Interest income comprises Interest from:				
Deposits	–	25	804	40,703
	–	25	804	40,703
14 EMPLOYEE BENEFITS EXPENSE				
Salaries and Bonus	165,650	8,399,336	144,881	7,334,661
Contribution to Provident and Other Funds	2,464	126,840	3,517	178,048
Staff Welfare Expenses	330	16,557	–	–
Total	168,444	8,542,733	148,398	7,512,709
15 FINANCE COSTS				
Interest Expense				
On Borrowings; etc	–	–	535	27,089
Total	–	–	535	27,089
16 OTHER EXPENSES				
Insurance	132	6,765	223	11,269
Travelling and Conveyance	–	–	3,527	178,534
Outsourcing Charges	173,625	8,365,988	1,906	96,563
Bank Charges	177	9,037	156	7,917
Legal, Professional and Consultancy Expenses	4,064	206,472	10,909	552,278
Doubtful and Bad Receivables	(21,664)	(1,114,875)	43,014	2,177,584
Miscellaneous Expenses	–	–	35,552	1,799,824
Total	156,334	7,473,387	95,287	4,823,969
17 TAX EXPENSES				
17(a)Tax Expense Recognised in Statement of Profit and Loss				
Current Tax	22,029	1,178,501	70,146	3,495,606
Charge / (Credits) related to previous years	–	–	–	–
	22,029	1,178,501	70,146	3,495,606
Deferred Tax Charge / (Credit)	3,267	174,474	(12,042)	(597,848)
Charge / (Credits) related to previous years	–	–	–	–
	3,267	174,474	(12,042)	(597,848)
Total	25,296	1,352,975	58,104	2,897,758

Notes to the Special Purpose Financial Statements (Contd.)

	For the year ended 31st March, 2025 (NZD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (NZD)	For the year ended 31st March, 2024 (₹)
17(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:				
Profit before tax	92,763	5,207,308	96,350	4,877,665
Income tax expense calculated at 28%	25,974	1,458,046	26,978	1,365,746
Effects of:				
-Other differences	(678)	(105,072)	31,126	1,532,012
Income Tax expenses recognised in Statement of Profit and Loss	25,296	1,352,974	58,104	2,897,758

18 Commitments and Contingencies

- a) There are no contracts remaining to be executed on capital account.
b) There are no claims against the Company not acknowledged as debts.

19 Earnings per share (Basic & Diluted)

Particulars	For the year ended 31st March, 2025 (NZD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (NZD)	For the year ended 31st March, 2024 (₹)
(a) Profit after Tax	67,467	3,854,333	38,246	1,979,907
(b) Weighted average number of Equity Shares	1	1	1	1
(c) Earnings Per Share	67,467	3,854,333	38,246	1,979,907
(Face value of NZD 1 per share)				

20 Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals with a judicious use of borrowing facilities to fund working capital needs that arise from time to time.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity

The Company is not exposed to any externally imposed capital requirements.

21 Categories of Financial Instruments

Particulars	As at 31st March 2025 (NZD)		As at 31st March 2025 (₹)		As at 31st March 2024 (NZD)		As at 31st March 2024 (₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	117,760	117,760	5,756,993	5,756,993	151,374	151,374	7,543,486	7,543,486
Trade Receivables	48,645	48,645	2,378,119	2,378,119	19,745	19,745	975,022	975,022
Other Financial Assets	106,731	106,731	5,217,194	5,217,194	-	-	-	-
Total	273,136	273,136	13,352,306	13,352,306	171,119	171,119	8,518,508	8,518,508
Financial Liabilities								
Measured at amortised cost								
Borrowings	-	-	-	-	36,819	36,819	2,017,426	2,017,426
Trade Payables	126,048	126,048	6,162,172	6,162,172	-	-	-	-
Total	126,048	126,048	6,162,172	6,162,172	36,819	36,819	2,017,426	2,017,426

22 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in functional currency - NZD, hence there is no foreign currency risk

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

Notes to the Special Purpose Financial Statements (Contd.)

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (NZD)	Total (₹)
Trade Payables	126,048	126,048	–	–	–	–	126,048	6,162,172
Total	126,048	126,048	–	–	–	–	126,048	6,162,172

Particulars	As at 31st March 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (NZD)	Total (₹)
Borrowings	36,819	36,819	–	–	–	–	36,819	2,017,426
Total	36,819	36,819	–	–	–	–	36,819	2,017,426

*The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

Particulars	As at 31st March, 2025 (NZD)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (NZD)	As at 31st March, 2024 (₹)
Opening Balance	53,347	2,667,405	10,333	531,864
Add: Expected credit loss provisions made during the year	29	1,505	43,014	2,177,584
Less: Expected credit loss provision written back during the year	(21,693)	(1,116,380)	–	–
Effects of foreign exchange fluctuation	–	(3,628)	–	(42,043)
Closing Balance	31,683	1,548,902	53,347	2,667,405

For age wise breakup of receivables, refer to Note 3.

23 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in multiple geographical segments as given below:

Particulars	For the year ended 31st March, 2025 (NZD)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (NZD)	For the year ended 31st March, 2024 (₹)
Segment Revenue				
Australia	–	–	20,000	1,012,503
New Zealand	359,489	18,272,622	313,520	15,872,013
India	58,052	2,950,781	–	–
North America	–	–	6,246	316,213
Total	417,541	21,223,403	339,766	17,200,729

24 RELATED PARTY DISCLOSURES

(i) Ultimate Holding Company

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) Holding Company

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Limited (India) (Holding Company of Blazeclan Technologies Pty Limited (Australia))

Blazeclan Technologies Pty Limited (Australia)

Notes to the Special Purpose Financial Statements (Contd.)

(iii) Key Managerial Personnel (KMP)

Directors

Amit Bassi (until 30th June, 2024)

Vishal Kumar (w.e.f 1st October, 2024)

Amita Bothra (w.e.f 30th January, 2025)

Kanapathipillai Sathiamoorthy (w.e.f 11th July, 2024)

Amartya Mukherjee (until 29th January, 2025)

(iv) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(NZD)

Sl. No.	Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies Pty Limited (Australia)	
		FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
1	Purchase of services	176,048	2,192	-	-
2	Sale of services	58,052	-	-	20,000
3	Dividend paid	-	-	-	545,948
4	Subscription of share capital	-	-	-	1

(v) DISCLOSURE OF OUTSTANDING BALANCES

(NZD)

Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies Pty Limited (Australia)	
	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024
Balances as at				
i) Trade Receivables	58,052	-	25,929	-
ii) Trade Payables	126,048	-	-	-

(vii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

25 Subsequent Events

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

26 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 7th May, 2025.

27 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current Financial Year.

28 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024. These amendments do not have a material impact on the financial statements of the Company.

29 First-time adoption

29(a) Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

(a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases

(b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

Notes to the Special Purpose Financial Statements (Contd.)

29 b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note no.	NZD	₹	NZD	₹
		As at	As at	As at	As at
		March 31, 2024	March 31, 2024	April 01, 2023	April 01, 2023
Total equity under previous GAAP		58,566	2,735,920	573,521	29,521,785
Ind AS adjustments:					
Provisioning of trade receivables	a	(256)	(21,695)	(10,333)	(531,863)
Deferred Taxes	b	70	6,000	2,895	149,000
Total equity under Ind AS		58,380	2,720,225	566,082	29,138,921

29 c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	NZD	₹
		For the Year ended March 31, 2024	For the Year ended March 31, 2024
Profit/(Loss) after tax under previous GAAP		30,993	1,612,738
Ind AS adjustments:			
Provisioning of trade receivables	a	10,078	510,169
Deferred Taxes	b	(2,825)	(143,000)
Profit after tax as reported under Ind AS		38,246	1,979,907
Other comprehensive income			
Remeasurements of post employment benefit obligations (net of tax)		–	(975,791)
Total comprehensive income as reported under Ind AS		38,246	1,004,116

- a Provisioning of trade receivables: Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.
- b Deferred Tax : Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended 31st March, 2025.

Corporate Information and Principal Activities

The Company was incorporated on 31st March, 2015 in Saint-Gilles, Belgium. The Company is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Company serviced its customers, helping them with Cloud adoptions by leveraging its strategic partnerships with leading hyperscalers. The Company continued to invest in and enhance its cloud capabilities and strengthened its position as a digital transformation partner for its clients. The Company remains committed to continuous innovation and delivering value to its stakeholders through advanced technology solutions.

Financial Results

The Company's financial performance for the year is summarised as under:

(In EUR)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	669,880	769,008
Profit / (Loss) Before Tax	(14,846)	(147,209)
Profit / (Loss) for the Year	(11,137)	(167,375)

On behalf of Blazeclan Europe SRL

A. Roy

Chairman

Directors

The Directors of the Company in office at the end of the financial year i.e. 31st March, 2025 and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Anindya Roy	- Director
Mr. Subhraketan Mitra	- Director
Mr. Varoon Rajani	- Director

Auditors

The Company has engaged Messrs. BST Réviseurs d'Entreprises SRL (Registration Number: B158) as its Statutory Auditors for audit of the Financial Statements for the financial year 2024-25.

The Company has also engaged Messrs. H A M & Co, India (Registration Number: 136368W) for conduct of audit of the Special Purpose Ind AS Financial Statements of the Company for the said financial year. Their Report is annexed to the Financial Statements of the Company.

Date: 7th May, 2025

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN EUROPE SRL (BELGIUM)

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Europe SRL ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

The Company's management 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

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

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

Auditor's Responsibilities for the Audit of the Special Purpose 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 a special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For **H A M & Co.**
Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah
Partner
Membership No. 137026
UDIN: 25137026BMJQAF6770

Place: Mumbai

Date: 7th May, 2025

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

		As at 31st March, 2025		As at 31st March, 2024	
	Note	(Amount in €)	(Amount in ₹)	(Amount in €)	(Amount in ₹)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	3,292	303,273	4,092	364,277
(b) Deferred Tax Assets (Net)	6	13,325	1,227,046	4,976	446,000
(c) Income Tax Assets (Net)	7	–	–	11,893	1,071,508
Sub-Total		16,617	1,530,319	20,961	1,881,785
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	19,935	1,835,318	43,402	3,920,105
(ii) Cash and Cash Equivalents	5	79,910	7,358,868	160,542	14,465,475
(iii) Others	3	136,904	12,607,475	21,423	1,930,281
(b) Other Current Assets	8	17,186	1,582,628	18,885	1,701,582
Sub-Total		253,935	23,384,289	244,252	22,017,443
TOTAL		270,552	24,914,608	265,213	23,899,228
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	9	6,200	437,720	6,200	437,720
(b) Other Equity		(70,802)	(6,387,467)	(59,665)	(5,244,584)
Sub-Total		(64,602)	(5,949,747)	(53,465)	(4,806,864)
2 Non-current Liabilities					
(a) Financial Liabilities					
- Others	10(b)	34,477	3,175,001	–	–
(b) Provisions	11(a)	11,118	1,023,857	–	–
Sub-Total		45,595	4,198,858	–	–
3 Current Liabilities					
(a) Borrowings	10(c)	–	–	40,000	3,604,152
(b) Financial Liabilities					
(i) Trade Payables	10(a)	283,337	26,092,491	260,628	23,483,575
(ii) Other	10(d)	37	3,413	6,062	538,202
(c) Other Current Liabilities	12	464	42,769	11,988	1,080,163
(d) Provisions	11(b)	1,082	99,641	–	–
(e) Current Tax Liabilities (Net)	13	4,639	427,183	–	–
Sub-Total		289,559	26,665,497	318,678	28,706,092
TOTAL		270,552	24,914,608	265,213	23,899,228

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For **H A M & Co.**

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of **BLAZECLAN EUROPE SRL**

Subhraketan Mitra

Director

Place : Bengaluru

Date: 7th May 2025

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

		For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	Note	(Amount in €)	(Amount in ₹)	(Amount in €)	(Amount in ₹)
I Revenue from Operations	14	668,762	61,062,974	767,418	68,796,772
II Other Income	15	1,118	101,523	1,590	142,485
III Total Income (I + II)		<u>669,880</u>	<u>61,164,497</u>	<u>769,008</u>	<u>68,939,257</u>
IV Expenses					
Employee Benefits Expense	16	260,184	23,744,840	208,699	18,709,231
Finance Costs	17	4,163	379,213	2,591	232,312
Depreciation and Amortisation Expense	2	2,120	192,476	3,694	331,112
Other Expenses	18	418,259	37,422,424	701,233	63,079,381
Total Expenses		<u>684,726</u>	<u>61,738,953</u>	<u>916,217</u>	<u>82,352,036</u>
V Profit/(Loss) Before Tax (III - IV)		<u>(14,846)</u>	<u>(574,456)</u>	<u>(147,209)</u>	<u>(13,412,779)</u>
VI Tax Expenses	19				
Current Tax		4,639	421,113	24,918	2,245,192
Deferred Tax Charge/(Credit)		(8,348)	(757,836)	(4,752)	(426,000)
Total Tax Expenses		<u>(3,709)</u>	<u>(336,723)</u>	<u>20,166</u>	<u>1,819,192</u>
VII Profit/(Loss) for the Year (V-VI)		<u>(11,137)</u>	<u>(237,734)</u>	<u>(167,375)</u>	<u>(15,231,971)</u>
VIII Other Comprehensive Income/(Expense)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		-	(905,149)	-	(1,055,600)
Total Other Comprehensive Income/(Expense)		-	(905,149)	-	(1,055,600)
IX Total Comprehensive Income/(Expense) for the year (VI+VII)		<u>(11,137)</u>	<u>(1,142,883)</u>	<u>(167,375)</u>	<u>(16,287,571)</u>
X Earnings Per Share	21				
Basic		(11)	(238)	(167)	(15,232)
Diluted		(11)	(238)	(167)	(15,232)

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of BLAZECLAN EUROPE SRL

Subhraketan Mitra

Director

Place : Bengaluru

Date: 7th May 2025

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

A. Equity Share Capital

Balance at 1st April, 2024 (Amount in €)	Changes in Equity Share Capital during the year (Amount in €)	Balance at 31st March, 2025 (Amount in €)	Balance at 1st April, 2024 (Amount in ₹) Unaudited	Changes in Equity Share Capital during the year (Amount in ₹) Unaudited	Balance at 31st March, 2025 (Amount in ₹) Unaudited
6,200	-	6,200	437,720	-	437,720

Balance at 1st April, 2023 (Amount in €)	Changes in Equity Share Capital during the year (Amount in €)	Balance at 31st March, 2024 (Amount in €)	Balance at 1st April, 2023 (Amount in ₹) Unaudited	Changes in Equity Share Capital during the year (Amount in ₹) Unaudited	Balance at 31st March, 2024 (Amount in ₹) Unaudited
6,200	-	6,200	437,720	-	437,720

B. Other Equity

Particulars	Retained Earnings (Amount in €)
Balance as at 1st April, 2023	107,710
- Profit/(Loss) for the Year	(167,375)
Balance as at 1st April, 2024	(59,665)
- Profit/(Loss) for the Year	(11,137)
Balance as at 31st March, 2025	(70,802)

Particulars	Retained Earnings (Amount in ₹)
Balance as at 1st April, 2023	11,042,987
- Profit / (Loss) for the year	(15,231,971)
- Other Comprehensive Income/(Loss) (Net of Tax)	(1,055,600)
Total Comprehensive Income / (Loss)	(16,287,571)
Balance as at 31st March, 2024	(5,244,584)
- Profit / (Loss) for the year	(237,734)
- Other Comprehensive Income/(Loss) (Net of Tax)	(905,149)
Total Comprehensive Income / (Loss)	(1,142,883)
Balance as at 31st March, 2025	(6,387,467)

Retained Earnings -This represents the cumulative profits of the company.

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For **H A M & Co.**

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of **BLAZECLAN EUROPE SRL**

Subhraketan Mitra

Director

Place : Bengaluru

Date: 7th May 2025

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(Amount in €)	(Amount in ₹)	(Amount in €)	(Amount in ₹)
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	(14,846)	(574,456)	(147,209)	(13,412,779)
ADJUSTMENTS FOR :				
Depreciation and Amortisation Expense	2,120	192,476	3,694	331,112
Finance Costs	4,163	379,213	2,591	232,312
Unrealised Loss / (Gain) on Exchange [net]	1,097	99,601	-	-
Provision for Doubtful Receivables	(14,172)	(1,296,068)	19,002	1,703,489
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(21,638)	(1,199,234)	(121,922)	(11,145,866)
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	(79,645)	(8,406,215)	75,160	5,572,547
Trade Payables, Other Liabilities and Provisions	54,603	5,584,342	68,444	7,642,255
CASH GENERATED FROM OPERATIONS	(46,680)	(4,010,256)	21,682	2,561,173
Less: Income Tax Paid/ (Credits) (Net)	(11,893)	(1,054,367)	48,625	4,371,409
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	(34,787)	(2,955,889)	(26,943)	(1,810,236)
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant and Equipment	(1,470)	(137,235)	(2,436)	(219,459)
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(1,470)	(137,235)	(2,436)	(219,459)
C CASH FLOW FROM FINANCING ACTIVITIES :				
Proceeds from Borrowings	20,000	1,802,076	40,000	3,604,152
Repayments of Borrowings	(60,000)	(5,406,228)	-	-
Interest Paid on Borrowings	(4,163)	(379,213)	(2,591)	(232,312)
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	(44,163)	(3,983,365)	37,409	3,371,840
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(80,420)	(7,076,489)	8,030	1,342,145
OPENING CASH AND CASH EQUIVALENTS	160,542	14,465,475	152,512	13,615,567
CLOSING CASH AND CASH EQUIVALENTS	80,122	7,388,986	160,542	14,957,713
CASH AND CASH EQUIVALENTS COMPRISE :				
Cash and Cash Equivalents as above	80,122	7,388,986	160,542	14,957,713
Unrealised Gain / (Loss) on Foreign Currency Cash and Cash Equivalents	(212)	(19,267)	-	-
Cash and Cash Equivalents (Note 5)	79,910	7,369,719	160,542	14,957,713

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For **H A M & Co.**

Chartered Accountants

Firm Registration Number : 136368W

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

On behalf of **BLAZECLAN EUROPE SRL**

Subhraketan Mitra

Director

Place : Bengaluru

Date: 7th May 2025

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

COMPANY INFORMATION

Blazeclan Europe SRL ("the Company") is a Company formed with the registration number 0627.727.481 on March 31, 2015. The registered office of the Company is located at Rue Antoine Bréart 101 1060 Saint-Gilles. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. The ultimate holding company is ITC Limited, a company incorporated and listed in India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 32 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in EURO. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following is the key judgement and estimate applied in the preparation of the financial statements:

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Financial Statements.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Computers, Servers and Networks	3 - 6 Years
Furniture and Fixtures	10 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the EURO. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest
- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective

obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

"Revenue is recognised from services performed on other" time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under Projected Unit Credit method. This benefit is unfunded.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude (INR 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

n) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

o) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of cost of that asset. All other borrowing costs are charged to the Statement of Profit and Loss.

p) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

q) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

2. PROPERTY, PLANT AND EQUIPMENT

(€)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT												
Furniture and Fixtures	365	-	365	-	-	365	-	365	-	-	-	-
Computers, Servers and Networks	14,742	1,470	7,043	-	9,169	10,650	2,120	6,893	-	5,877	3,292	4,092
TOTAL	15,107	1,470	7,408	-	9,169	11,015	2,120	7,258	-	5,877	3,292	4,092

(₹)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT												
Furniture and Fixtures	32,888	-	34,068	1,180	-	32,888	-	34,068	1,180	-	-	-
Computers, Servers and Networks	1,328,276	137,235	657,072	36,020	844,459	963,999	192,476	647,786	32,497	541,186	303,273	364,277
TOTAL	1,361,164	137,235	691,140	37,200	844,459	996,887	192,476	681,854	33,677	541,186	303,273	364,277

2. PROPERTY, PLANT AND EQUIPMENT

(€)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
PROPERTY, PLANT AND EQUIPMENT												
Furniture and Fixtures	365	-	-	-	365	365	-	-	-	365	-	-
Computers, Servers and Networks	12,306	2,436	-	-	14,742	6,956	3,694	-	-	10,650	4,092	5,350
TOTAL	12,671	2,436	-	-	15,107	7,321	3,694	-	-	11,015	4,092	5,350

(₹)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
PROPERTY, PLANT AND EQUIPMENT												
Furniture and Fixtures	32,586	-	-	302	32,888	32,586	-	-	302	32,888	-	-
Computers, Servers and Networks	1,098,626	219,459	-	10,191	1,328,276	620,957	331,112	-	11,930	963,999	364,277	477,669
TOTAL	1,131,212	219,459	-	10,493	1,361,164	653,543	331,112	-	12,232	996,887	364,277	477,669

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

3. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Non-Current				
Unbilled Revenue - time and material basis & fixed price support contracts	131,441	12,104,387	10,936	985,375
Security Deposits (includes deposits for Company offices; etc.)	5,463	5,03,088	5,463	492,237
Advances (includes advance to employees)	-	-	5,024	452,669
Total	136,904	12,607,475	21,423	19,30,281

4. TRADE RECEIVABLE

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Unsecured, Considered Good	26,555	2,444,997	63,310	5,704,434
Less : Expected Credit Loss Allowance	(6,620)	(609,679)	(19,908)	(1,784,329)
Total	19,935	1,835,318	43,402	3,920,105

Trade Receivables as at 31st March, 2025	Outstanding for following periods							Total (€)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	751	3,686	2,561	19,557	-	-		26,555	2,444,997
Less : Expected Credit Loss Allowance			-					(6,620)	(609,679)
Net	751	3,686	2,561	19,557	-	-		19,935	1,835,318

Trade Receivables as at 31st March, 2024	Outstanding for following periods							Total (€)	Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	-	43,991	12,566	-	6,753	-		63,310	5,704,434
Less : Expected Credit Loss Allowance			-					(19,908)	(1,784,329)
Net	-	43,991	12,566	-	6,753	-		43,402	3,920,105

5. CASH AND CASH EQUIVALENTS

	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Balance with Bank:				
Current Account	79,910	7,358,868	160,542	14,465,475
Total	79,910	7,358,868	160,542	14,465,475

6. DEFERRED TAX ASSETS (NET)

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Deferred Tax Assets	13,325	1,227,046	4,976	446,000
Total	13,325	1,227,046	4,976	446,000

Movement in Deferred Tax

Particulars	Opening Balance (€)	Recognised in profit or loss (€)	Closing Balance (€)	Closing Balance (₹)
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation	-	11,670	11,670	1,074,667
On provision for doubtful receivables	4,976	(3,321)	1,655	152,403
Total Deferred Tax Assets (Net)	4,976	8,349	13,325	1,227,070

Particulars	Opening Balance (€)	Recognised in profit or loss (€)	Closing Balance (€)	Closing Balance (₹)
FY 2023-24				
Deferred Tax Assets :				
On provision for doubtful receivables	224	4,752	4,976	446,000
Total Deferred Tax Assets (Net)	224	4,752	4,976	446,000

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

7. INCOME TAX ASSETS (NET)

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Advance Tax (Net of Provision for Income Tax)	-	-	11,893	1,071,508
Total	-	-	11,893	1,071,508

8. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Unbilled Revenue - percentage of completion	-	-	16,120	1,452,472
From Statutory Authorities	8,989	827,726	-	-
Other Advances (includes Unexpired Expenses)	8,197	754,902	-	-
Total	17,186	1,582,628	16,120	1,452,472

9(a) EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Authorised				
18,600 (2024 - 18600) Equity Shares of € 18.6 each	18,600	1,313,160	18,600	1,313,160
Issued and Subscribed :				
1,000 (2024 - 1,000) Equity Shares of € 6.2 each [All equity shares are held by the Holding Company. The Equity Shares of the Company, having par value of € 6.2 per share, rank pari passu in all respects including entitlement to dividend.]	6,200	437,720	6,200	437,720

9(b) SHARES HELD BY PROMOTERS

Particulars	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity Shares of € 6.2 each, fully paid up	Blazeclan Technologies Private Limited (India)	1,000	100%	32.00%	680	68%	0%
Equity Shares of € 6.2 each, fully paid up	Jerome Coenraets	-	0%	-32.00%	320	32%	0%

10. FINANCIAL LIABILITIES

10.(a) Trade payables

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Trade Payables	283,337	26,092,491	260,628	23,483,575

Ageing Schedule

Trade Payable & Accrued Expenses as at 31st March, 2025	Outstanding for following periods								
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (€)	Total (₹)
Inter Company	-	-	28,626	73,346	114,471	-	-	216,443	19,932,226
Others	-	5,138	29,869	31,255	632	-	-	66,894	6,160,265
Total	-	5,138	58,495	104,601	115,103	-	-	283,337	26,092,491

Ageing Schedule

Trade Payable & Accrued Expenses as at 31st March, 2024	Outstanding for following periods								
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (€)	Total (₹)
Inter Company	-	7,442	173,448	12,897	10,861	15,783	-	220,431	19,861,677
Others	-	16,171	23,739	37	170	80	-	40,197	3,621,898
Total	-	23,613	197,187	12,934	11,031	15,863	-	260,628	23,483,575

10.(b) Non-Current Financial Liabilities - Others

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Employee Payable	34,477	3,175,001	-	-
Total	34,477	3,175,001	-	-

10.(c) Current Borrowings

Particulars	As at 31st March, 2025 (Amount €)	As at 31st March, 2025 (Amount ₹)	As at 31st March, 2024 (Amount €)	As at 31st March, 2024 (Amount ₹)
Borrowings	-	-	40,000	3,604,152
Total	-	-	40,000	3,604,152

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

10.(d) Current Financial Liabilities - Others

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Employee Payable	37	3,413	-	-
Other Liabilities	-	-	6,062	538,202
Total	37	3,413	6,062	538,202

11. PROVISIONS

11(a) Non-current Provisions

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Provisions for Employee Benefits				
Compensated Absences	11,118	1,023,857	-	-
Total	11,118	1,023,857	-	-

11(b) Current Provisions

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Provisions for Employee Benefits				
Compensated Absences	1,082	99,641	-	-
Total	1,082	99,641	-	-

12. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Statutory Dues	-	-	-	-
Contract Liability	464	42,769	11,988	1,080,163
Total	464	42,769	11,988	1,080,163

[Out of last year's amount of €11,988 (5,400 € in FY 2023), revenue recognised in current year is €11,944 (5,355 € in FY 2024)]

13. CURRENT TAX LIABILITIES

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Current Taxation (Net of Advance Tax)	4,639	427,183	-	-
Total	4,639	427,183	-	-

14. REVENUE FROM OPERATIONS

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Sale of Services	668,762	61,062,974	767,418	68,796,772
Total	668,762	61,062,974	767,418	68,796,772

15. OTHER INCOME

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Miscellaneous Income	1,118	101,523	1,590	142,485
Total	1,118	101,523	1,590	142,485

16. EMPLOYEE BENEFITS EXPENSES

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Salaries and Bonus	240,565	21,957,372	181,574	16,277,556
Contribution to Provident and other Funds	9,269	843,730	11,550	1,035,397
Staff Welfare Expenses	10,350	943,738	15,575	1,396,278
Total	260,184	23,744,840	208,699	18,709,231

17. FINANCE COST

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Interest Expense				
On Borrowings	4,163	379,213	2,591	232,312
Total	4,163	379,213	2,591	232,312

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

18. OTHER EXPENSES

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Rent	56,382	5,149,444	70,811	6,347,986
Rates & Taxes	208	18,844	5,719	512,669
Insurance	831	75,591	2,694	241,531
Travelling and Conveyance	24,000	2,186,669	27,995	2,509,651
Recruitment Expenses	5,000	453,908	6,055	542,791
Communication	1,968	179,305	5,023	450,303
Outsourcing Charges	268,324	23,751,127	405,068	36,529,086
Software and Related Expenses	11,787	1,071,257	4,226	378,805
Business Development Expenses	6,907	628,456	77,041	6,906,477
Bank Charges	2,047	186,648	3,472	311,260
Legal, Professional and Consultancy Expenses	35,262	3,218,434	38,667	3,466,340
Doubtful and Bad Receivables	(14,172)	(1,296,068)	19,002	1,703,489
Auditors' Remuneration and Expenses	6,000	544,689	-	-
Printing and Stationery	130	11,915	154	13,806
Loss on Exchange (Net)	7,706	704,604	2,099	188,126
Miscellaneous Expenses	5,879	537,601	33,207	2,977,061
Total	418,259	37,422,424	701,233	63,079,381

19. TAX EXPENSES

19(a) Tax Expenses Recognised in Statement of Profit and Loss

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
Current Tax	4,639	421,113	-	-
Charge / (Credits) related to previous years	-	-	24,918	2,245,192
	4,639	421,113	24,918	2,245,192
Deferred Tax Charge / (Credit)	(8,348)	(757,836)	(4,752)	(426,000)
Charge / (Credits) related to previous years	-	-	-	-
	(8,348)	(757,836)	(4,752)	(426,000)
Total	(3,709)	(336,723)	20,166	1,819,192

19(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

Profit before tax	(14,846)	(574,456)	(147,209)	(13,412,779)
Income tax expense calculated at 25%	(3,709)	(143,223)	(36,802)	(3,353,195)
Effects of :				
- Other differences	-	(193,500)	32,050	2,927,195
- Adjustments recognised in the current year in relation to the current tax of prior years	-	-	24,918	2,245,192
Income Tax expenses recognised in Statement of Profit and Loss	(3,709)	(336,723)	20,166	1,819,192

20. COMMITMENTS AND CONTINGENCIES

- a) There are no contracts remaining to be executed on capital account.
b) There are no claims against the Company not acknowledged as debts.

21. EARNINGS PER SHARE (BASIC AND DILUTED)

Particulars	As at 31st March, 2025 (Amount in €)	As at 31st March, 2025 (Amount in ₹)	As at 31st March, 2024 (Amount in €)	As at 31st March, 2024 (Amount in ₹)
(a) Profit/(Loss) after Tax	(11,137)	(237,734)	(167,375)	(15,231,971)
(b) Weighted average number of Equity Shares	1000	1000	1000	1,000
(c) Earnings Per Share	(11)	(238)	(167)	(15,232)
(Face value of € 6.2 per share)				

22. AUDITORS REMUNERATION AND EXPENSES (Net of Input tax credit)

Particulars	As at 31st March, 2025 (€)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (€)	As at 31st March, 2024 (₹)
Audit Fees	6,000	544,689	-	-
Total	6,000	544,689	-	-

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

23. CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals with a judicious use of borrowing facilities to fund working capital needs that arise from time to time.

24. CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(Amount in €)		(Amount in ₹)		(Amount in €)		(Amount in ₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	79,910	79,910	7,358,868	7,358,868	160,542	160,542	14,465,475	14,465,475
Trade Receivables	19,935	19,935	1,835,318	1,835,318	43,402	43,402	3,920,105	3,920,105
Other Financial Assets	136,904	136,904	12,607,475	12,607,475	21,423	21,423	1,930,281	1,930,281
Total	236,749	236,749	21,801,661	21,801,661	225,367	225,367	20,315,861	20,315,861

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(Amount in €)		(Amount in ₹)		(Amount in €)		(Amount in ₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities								
Measured at amortised cost								
Borrowings	-	-	-	-	40,000	40,000	3,604,152	3,604,152
Trade Payables	283,337	283,337	26,092,491	26,092,491	260,628	260,628	23,483,575	23,483,575
Other Financial Liabilities	34,514	22,272	3,178,414	2,051,004	6,062	6,062	538,202	538,202
Total	317,851	305,609	29,270,905	28,143,495	306,690	306,690	27,625,929	27,625,929

25. FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities, which are not in the Company's functional currency (€). A significant portion of these transactions are in US Dollar (USD) and Pound Sterling (GBP).

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

As at 31st March 2025	USD	GBP	Others	Total
Financial Assets	26,195	61,519	-	87,714
Financial Liabilities	23,640	-	60,813	84,453

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus funds are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient funds to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Particulars	As at 31st March, 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (€)	Total (₹)
Trade Payables	283,337	283,337	-	-	-	-	283,337	26,092,491
Other Financial Liabilities	34,514	37	-	-	-	34,477	34,514	3,178,414
Total	317,851	283,374	-	-	-	34,477	317,851	29,270,905

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

Particulars	As at 31st March, 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (€)	Total (₹)
Borrowings	40,000	40,000	-	-	-	-	40,000	3,604,152
Trade Payables	260,628	260,628	-	-	-	-	260,628	23,483,575
Other Financial Liabilities	6,062	6,062	-	-	-	-	6,062	538,202
Total	306,690	306,690	-	-	-	-	306,690	27,625,929

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

Particulars	As at 31st March, 2025 (€)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (€)	As at 31st March, 2024 (₹)
Opening Balance	19,908	1,784,329	906	80,840
Expected credit loss provisions made during the year	(14,172)	(1,215,742)	19,002	1,703,489
Less: Utilisation for Impairment / De-recognition	884	-	-	-
Effects of foreign exchange fluctuation	-	41,092	-	-
Closing Balance	6,620	609,679	19,908	1,784,329

For age wise breakup of receivables, refer to Note 4.

26 SEGMENT REPORTING

The Company operates in a single business segment - Information Technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in a single geographical segment namely Europe.

Particulars	For the year ended 31st March 2025 (€)	For the year ended 31st March 2025 (₹)	For the year ended 31st March 2025 (€)	For the year ended 31st March 2025 (₹)
Segment Revenue				
Europe	609,988	55,696,467	767,418	68,796,772
India	58,774	5,366,507	-	-
Total	668,762	61,062,974	767,418	68,796,772

27 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) HOLDING COMPANY:

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Limited (India)

(iii) Fellow Subsidiary Companies:

Blazeclan Technologies Pte. Ltd. (Singapore)

(iv) Directors

Jerome Coenraets (until 30th September, 2024)

Subhraketan Mitra (w.e.f 1st October, 2024)

Anindya Roy (w.e.f 1st October, 2024)

Varoon Rajani (w.e.f 1st October, 2024)

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(€)

Sl. No	Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies Pte. Ltd. (Singapore)	
		2024-25	2023-24	2024-25	2023-24
1	Purchase of services	177,105	325,422	-	-
2	Sale of Services	58,774	-	-	-
3	Expenses Reimbursement	-	-	13,439	12,897

(vi) DISCLOSURE OF OUTSTANDING BALANCES

(€)

Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies Pte. Ltd. (Singapore)	
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
Balance as at				
i) Trade Receivables and Unbilled Receivables	58,774	-	-	-
ii) Trade Payables	190,107	196,962	26,336	23,469

(vii) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

(€)

Description	2024-25	2023-24
Employee Benefit Expense	40,560	54,600

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above.

(viii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

28 SUBSEQUENT EVENTS

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

29 APPROVAL OF FINANCIAL STATEMENTS

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 7th May, 2025.

30 COMPARATIVES

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current Financial Year.

31 NEW ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

32 FIRST-TIME ADOPTION

32 a) Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- elected not to apply provisions of Ind AS 116 on low value assets
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease

b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

32 b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	As at 31st March, 2024 (€)	As at 31st March, 2024 (₹)	As at 1st April, 2023 (€)	As at 1st April, 2023 (₹)
Total equity under previous GAAP		-44,733	-3,906,257	108,392	11,103,827
Ind AS adjustments:					
Provisioning of trade receivables	a	-19,908	-1,784,329	-906	-80,840
Deferred Taxes	b	4,976	446,000	224	20,000
Total equity under Ind AS		-59,665	-5,244,585	107,710	11,042,987

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

32 c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	For the Year ended March 31, 2024 (€)	For the Year ended March 31, 2024 (₹)
Profit/(Loss) after tax under previous GAAP		(153,125)	(13,954,483)
Ind AS adjustments:			
Provisioning of trade receivables	a	(19,002)	(1,703,489)
Deferred Taxes	b	4,752	426,000
Profit after tax as reported under Ind AS		(167,375)	(15,231,972)
Other comprehensive income			
Remeasurements of post employment benefit obligations (net of tax)		-	(1,055,600)
Total comprehensive income as reported under Ind AS		(167,375)	(16,287,572)

a Provisioning of trade receivables: Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.

b Deferred Tax : Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

DIRECTOR'S REPORT

The Director submits his Report for the financial year ended 31st March, 2025.

Corporate Information and Principal Activities

The Corporation was incorporated on 8th April, 2016 in Ontario, Canada, and is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Corporation is a wholly owned subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Corporation became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Corporation continued to deliver Information Technology Services and Solutions to its clients. The Corporation remains committed to continuous innovation and delivering value to its stakeholders through advanced technology solutions.

Financial Results

The Corporation's financial performance for the year is summarised as under:

(In CAD)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	369,057	513,759
Profit / (Loss) Before Tax	(95,352)	(229,279)
Profit / (Loss) for the Year	(11,000)	(265,563)

Director

Mr. Soumyarup Roy is the Sole Director of the Corporation in office at the end of the financial year i.e. 31st March, 2025 and during the period from the end of the financial year to the date of this Report.

Auditors

The Corporation, as per local laws, is not required to audit its Financial Statements for the financial year ended 31st March, 2025. However, as a measure of good governance, the Corporation has engaged Messrs. H A M & Co, India (Registration No. 136368W) as the Auditors to conduct audit for the year under review. Their Report is annexed to the Financial Statements of the Corporation.

On behalf of Blazeclan Technologies Inc.

Soumyarup Roy
Director

Date: 6th May, 2025

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN TECHNOLOGIES INC (CANADA)

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Technologies Inc ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Special Purpose 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 special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For H A M & Co.
Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah
Partner
Membership No. 137026
UDIN: 25137026BMJQA41337

Place: Mumbai
Date: 6th May, 2025

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note	As at 31st March, 2025		As at 31st March, 2024	
		(C\$)	(₹)	(C\$)	(₹)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	176	10,525	3,378	205,060
(b) Deferred Tax Assets (Net)	7	25,267	1,507,592	67	4,000
(c) Income Tax Assets (Net)	8	44,267	2,641,329	–	–
Sub-Total		69,710	4,159,446	3,445	209,060
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	69,862	4,168,753	253,036	15,573,921
(ii) Cash and Cash Equivalents	5	9,868	588,781	104,509	6,432,169
(iii) Others Bank Balances	6	5,332	318,152	–	–
(iv) Others	3	206,929	12,346,956	82,418	5,072,548
(b) Other Current Assets	9	6,909	412,217	–	–
Sub-Total		298,900	17,834,859	439,963	27,078,638
TOTAL		368,610	21,994,305	443,408	27,287,698
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	10(a)	1	34	1	34
(b) Other Equity		(256,832)	(15,324,260)	(245,832)	(15,131,788)
Sub-Total		(256,831)	(15,324,226)	(245,831)	(15,131,754)
2 Non-current Liabilities					
Financial Liabilities					
- Others	11(b)	3,457	206,250	–	–
Sub-Total		3,457	206,250	–	–
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables	11(a)	589,900	35,197,880	619,113	38,103,456
(ii) Others	11(c)	13,430	801,363	22,875	1,407,876
(b) Provisions	12	18,654	1,113,038	–	–
(c) Others	13	–	–	47,251	2,908,120
Sub-Total		621,984	37,112,281	689,239	42,419,452
TOTAL		368,610	21,994,305	443,408	27,287,698

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		(C\$)	(₹)	(C\$)	(₹)
I Revenue from Operations	14	368,710	22,335,386	513,742	31,418,871
II Other Income	15	347	21,316	17	1,009
III Total Income (I + II)		<u>369,057</u>	<u>22,356,702</u>	<u>513,759</u>	<u>31,419,880</u>
IV Expenses					
Employee Benefits Expense	16	265,175	16,242,807	301,743	18,422,562
Finance Costs	17	199	12,278	–	–
Depreciation and Amortisation Expense	2	3,202	197,294	–	–
Other Expenses	18	195,833	11,928,199	441,295	27,055,593
Total Expenses		<u>464,409</u>	<u>28,380,578</u>	<u>743,038</u>	<u>45,478,155</u>
V Profit / (Loss) Before Tax (III-IV)		<u>(95,352)</u>	<u>(6,023,876)</u>	<u>(229,279)</u>	<u>(14,058,275)</u>
VI Tax Expenses	19				
Current Tax		(59,152)	(3,589,135)	36,153	2,225,094
Deferred Tax Charge / (Credit)		(25,200)	(1,529,102)	131	8,000
Total Tax Expenses		<u>(84,352)</u>	<u>(5,118,237)</u>	<u>36,284</u>	<u>2,233,094</u>
VII Profit / (Loss) for the year (V-VI)		<u>(11,000)</u>	<u>(905,639)</u>	<u>(265,563)</u>	<u>(16,291,369)</u>
VIII Other Comprehensive Income / (Expense)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		–	713,167	–	215,298
Total Other Comprehensive Income / (Expense)		<u>–</u>	<u>713,167</u>	<u>–</u>	<u>215,298</u>
IX Total Comprehensive Income/(Expense) for the year (VII+VIII)		<u>(11,000)</u>	<u>(192,472)</u>	<u>(265,563)</u>	<u>(16,076,071)</u>
X Earnings Per Share	21				
Basic and Diluted		(162)	(13,318)	(3,905)	(239,579)

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

Particulars	Balance at the beginning of the reporting year (C\$)	Changes in Equity Share Capital during the (C\$)	Balance at the end of the reporting year (C\$)	Balance at the beginning of the reporting year (₹)	Changes in Equity Share Capital during the year (₹)	Balance at the end of the reporting year (₹)
For the year ended 31st March, 2025	1	–	1	34	–	34
For the year ended 31st March, 2024	1	–	1	34	–	34

B. Other Equity

Particulars	Retained Earning (C\$)	Retained Earning (₹)
Balance as at 1st April, 2024	(245,832)	(15,131,788)
- Profit/(Loss) for the Year	(11,000)	(905,639)
- Other Comprehensive Income/(Expense) (Net of Tax)	–	713,167
Total Comprehensive Income/(Expense)	(11,000)	(192,472)
Balance as at 31st March, 2025	(256,832)	(15,324,260)

Particulars	Retained Earning (C\$)	Retained Earning (₹)
Balance as at 1st April, 2023	19,731	944,283
- Profit/(Loss) for the Year	(265,563)	(16,291,369)
- Other Comprehensive Income/(Expense) (Net of Tax)	–	215,298
Total Comprehensive Income/(Expense)	(265,563)	(16,076,071)
Balance as at 31st March, 2024	(245,832)	(15,131,788)

Retained Earnings -This represents the cumulative profits of the company.

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

SPECIAL PURPOSE CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(C\$)	(₹)	(C\$)	(₹)
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	(95,353)	(6,023,876)	(229,279)	(14,058,275)
ADJUSTMENTS FOR :				
Depreciation and Amortisation Expense	3,202	197,294	–	–
Interest Income	(332)	(20,427)	–	–
Provision for Doubtful Receivables	328	20,259	(496)	(30,328)
Unrealised Loss / (Gain) on Exchange (net)	23,437	1,422,101	–	–
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(68,718)	(4,404,649)	(229,775)	(14,088,603)
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	34,679	3,392,504	120,786	7,259,353
Trade Payables, Other Liabilities and Provisions	(63,797)	(5,100,920)	327	351,348
CASH GENERATED FROM OPERATIONS	(97,836)	(6,113,065)	(108,662)	(6,477,902)
Less: Income Tax Paid/ (Credits) (Net)	(14,885)	(973,317)	46,881	2,876,332
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	(82,951)	(5,139,748)	(155,543)	(9,354,234)
B CASH FLOW FROM INVESTING ACTIVITIES :				
Investment in Bank Deposits (original maturity more than 3 months)	(5,332)	(318,153)	–	–
Interest Received on Bank Deposits	332	20,427	–	–
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	(5,000)	(297,726)	–	–
C NET CASH FROM / (USED IN) FINANCING ACTIVITIES	–	–	–	–
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(87,951)	(5,437,474)	(155,543)	(9,354,234)
OPENING CASH AND CASH EQUIVALENTS	104,509	6,432,169	260,052	157,86,403
CLOSING CASH AND CASH EQUIVALENTS	16,558	994,695	104,509	6,432,169
CASH AND CASH EQUIVALENTS COMPRISE :				
Cash and Cash Equivalents as above	16,558	994,695	104,509	6,432,169
Unrealised (Loss) / Gain on Foreign Currency Cash and Cash Equivalents	(6,690)	(405,914)	–	–
Cash and Cash Equivalents (Note 5)	9,868	588,781	104,509	6,432,169

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"
The accompanying notes are an integral part of the Financial Statements
This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN TECHNOLOGIES INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

COMPANY INFORMATION

Blazeclan Technologies Inc. ("the Company") is a Company formed with the registration number 002512972 on April 8, 2016. The registered office of the Company is located at 123 Edward St, Suite 231, Toronto, Ontario, Canada, M5G 1E2.. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. The ultimate holding company is ITC Limited, a company incorporated and listed in India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Special Purpose Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 31 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in CAD. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements

based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the CAD.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (b) fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services

to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude (INR 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

n) Operating Segments

Operating segments are reported in a manner consistent with the internal

reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

o) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

p) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

2. PROPERTY, PLANT AND EQUIPMENT

(C\$)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	3,378	-	-	-	3,378	-	3,202	-	-	3,202	176	3,378
TOTAL	3,378	-	-	-	3,378	-	3,202	-	-	3,202	176	3,378

(₹)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	205,060	-	-	(3,503)	201,557	-	197,294	-	(6,262)	191,032	10,525	205,060
TOTAL	205,060	-	-	(3,503)	201,557	-	197,294	-	(6,262)	191,032	10,525	205,060

(C\$)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	3,378	-	-	-	3,378	-	-	-	-	-	3,378	3,378
TOTAL	3,378	-	-	-	3,378	-	-	-	-	-	3,378	3,378

(₹)

DESCRIPTION	Gross Block					Depreciation					NET BLOCK	
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023
PROPERTY, PLANT AND EQUIPMENT												
Computers, Servers and Networks	205,060	-	-	-	205,060	-	-	-	-	-	205,060	205,060
TOTAL	205,060	-	-	-	205,060	-	-	-	-	-	205,060	205,060

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

3. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Unbilled Revenue - time and material basis & fixed price support contracts	205,579	12,266,405	76,068	4,681,727
Security Deposits (includes deposits for Company accommodations, offices etc.)	1,350	80,551	6,350	390,821
Total	206,929	123,46,956	82,418	5,072,548

4. TRADE RECEIVABLE

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Unsecured Considered good	70,439	4,203,159	253,285	15,588,782
Less : Expected Credit Loss Allowance	(577)	(34,406)	(249)	(14,861)
Total	69,862	4,168,753	253,036	15,573,921

Trade Receivables as at 31st March, 2025	Outstanding for following periods							Total (₹)
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (C\$)	
Undisputed Trade Receivables - considered good	70,414	25	-	-	-	-	70,439	4,203,159
Less : Expected Credit Loss Allowance	-	-	-	-	-	-	(577)	(34,406)
Net	70,414	25	-	-	-	-	69,862	4,168,753

Trade Receivables as at 31st March, 2024	Outstanding for following periods							Total (₹)
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (C\$)	
Undisputed Trade Receivables - considered good	-	173,828	4,324	75,133	-	-	253,285	15,588,782
Less : Expected Credit Loss Allowance	-	-	-	-	-	-	(249)	(14,861)
Net	-	173,828	4,324	75,133	-	-	253,036	15,573,921

5. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Balance with Bank:				
Current Account	9,868	588,781	104,509	6,432,169
Total	9,868	588,781	104,509	6,432,169

6. OTHER BANK BALANCES

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
On Deposit Accounts*	5,332	318,152	-	-
Total	5,332	318,152	-	-

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

7. DEFERRED TAX ASSETS (NET)

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Deferred Tax Assets	25,267	1,507,592	67	4,000
Total	25,267	1,507,592	67	4,000

Movement in Deferred Tax

Particulars	Opening Balance (C\$)	Recognised in profit or Loss (C\$)	Closing Balance (C\$)	Closing Balance (₹)
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation	-	5,861	5,861	349,688
On provision for doubtful receivables	67	81	148	8,830
Other timing differences (includes provision for expenses)	-	19,258	19,258	1,149,074
Deferred Tax Assets (Net)	67	25,200	25,267	1,507,592

Movement in Deferred Tax

Particulars	Opening Balance (C\$)	Recognised in profit or Loss (C\$)	Closing Balance (C\$)	Closing Balance (₹)
FY 2023-24				
Deferred Tax Assets :				
On provision for doubtful receivables	198	(131)	67	4,000
Deferred Tax Assets (Net)	198	(131)	67	4,000

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

8. INCOME TAX ASSETS (NET)

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Advance Tax (Net of Provision for Income Tax)	44,267	2,641,329	-	-
Total	44,267	2,641,329	-	-

9. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Advances other than Capital Advances				
From Statutory Authorities	6,764	403,538	-	-
Other Advances (includes Unexpired Expenses)	145	8,679	-	-
Total	6,909	412,217	-	-

10(a) EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Authorised				
100 Equity Shares of CAD 0.01 each, not paid	1	34	1	34
Issued and Subscribed :				
100 Equity Share of CAD 0.01 each, not paid	0.68	34	0.68	34

10(b) SHARES HELD BY PROMOTERS

Particulars	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
100 Equity Shares of CAD 0.01 each, not paid	Blazeclan Technologies Private Limited (India)	1	100%	0%	1	100%	0%

11. FINANCIAL LIABILITIES

11.(a) Trade payables

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Trade Payables	589,900	35,197,880	619,113	38,103,456

Ageing Schedule

Trade Payable as at 31st March, 2025	Outstanding for following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total C\$
Inter Company	-	-	14,284	11,527	246,648	66,083	64,728	403,270
Others	46,788	89,794	50,048	-	-	-	-	186,630
Total	46,788	89,794	64,332	11,527	2,46,648	66,083	64,728	589,900

Ageing Schedule

Trade Payable as at 31st March, 2024	Outstanding for following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total C\$
Inter Company	-	4,524	143,728	8,235	266,844	-	-	423,331
Others	-	67,289	128,493	-	-	-	-	195,782
Total	-	71,813	272,221	8,235	266,844	-	-	619,113

11.(b) Non-Current Financial Liabilities - Others

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Employee Payable	3,457	206,250	-	-
Total	3,457	206,250	-	-

11.(c) Current Financial Liabilities - Others

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Employee Payables	13,430	801,363	21,903	1,348,055
Other Liabilities	-	-	972	59,821
Total	13,430	801,363	22,875	1,407,876

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

12. Current Provisions

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Provisions for Employee Benefits				
Compensated Absences	18,654	1,113,038	-	-
Total	18,654	1,113,038	-	-

13. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Statutory Dues	-	-	47,251	2,908,120
Total	-	-	47,251	2,908,120

14. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
Sale of Services	290,591	17,565,377	247,207	15,118,410
Resale of Services (including Support Charges)	78,119	4,770,009	266,535	16,300,461
Total	368,710	22,335,386	513,742	31,418,871

15. OTHER INCOME

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
Interest Income	332	20,427	-	-
Miscellaneous Income	15	889	17	1,009
Total	347	21,316	17	1,009

16. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
Salaries and Bonus	256,279	15,698,751	293,226	17,901,712
Contribution to Provident and other Funds	8,896	544,056	8,517	520,850
Total	265,175	16,242,807	301,743	18,422,562

17. FINANCE COST

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
Interest Expense				
On Borrowings etc	199	12,278	-	-
Total	199	12,278	-	-

18. OTHER EXPENSES

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
Rent	1,689	103,309	1,548	94,671
Rates and Taxes	16,128	978,583	-	-
Travelling and Conveyance	545	33,580	12,065	737,857
Outsourcing Charges	43,583	2,666,659	145,258	8,916,847
Software and Related Expenses	88,646	5,384,568	196,191	11,907,566
Business Development Expenses	5,107	309,934	17,498	1,070,145
Bank Charges	1,423	86,991	1,045	63,878
Legal, Professional and Consultancy Expenses	6,104	372,737	47,448	2,904,459
Doubtful and Bad Receivables	328	20,259	(496)	(30,328)
Printing and Stationery	137	8,457	-	-
Loss on Exchange (Net)	31,105	1,899,036	1,941	118,672
Miscellaneous Expenses	1,038	64,086	18,797	1,271,826
Total	195,833	11,928,199	441,295	27,055,593

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

19. TAX EXPENSES

19(a) Tax Expenses Recognised in Statement of Profit

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
Current Tax	(69)	(67,224)	-	-
Charge / (Credits) related to previous years	(59,084)	(3,521,910)	36,153	2,225,094
	(59,152)	(3,589,135)	36,153	2,225,094
Deferred Tax Charge / (Credit)	(25,200)	(1,529,102)	131	8,000
	(25,200)	(1,529,102)	131	8,000
Total	(84,352)	(5,118,237)	36,284	2,233,094

19(b) The reconciliation between the Income Tax Expenses and amounts computed by applying the standard rate of income tax to Profit/(Loss) Before Taxes is as follows:

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
Profit / (Loss) Before Tax	(95,352)	(6,023,876)	(229,279)	(14,058,275)
Income tax expense calculated at 26.5%	(25,268)	(1,596,327)	(60,759)	(3,725,443)
Effects of :				
- Other differences	-	-	60,890	3,733,443
- Adjustments recognised in the current year in relation to the current tax of prior years	(59,084)	(3,521,910)	36,153	2,225,094
Income Tax expenses recognised in Statement of Profit and Loss	(84,352)	(5,118,237)	36,284	2,233,094

20. COMMITMENTS AND CONTINGENCIES

- a) There are no contracts remaining to be executed on capital account.
b) There are no claims against the Company not acknowledged as debts.

21. EARNINGS PER SHARE (BASIC AND DILUTED)

Particulars	For the year ended 31st March, 2025 (C\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (C\$)	For the year ended 31st March, 2024 (₹)
(a) Profit/(Loss) after Tax	(11,000)	(905,639)	(265,563)	(16,291,369)
(b) Weighted average number of Equity Shares	68	68	68	68
(c) Earnings Per Share	(162)	(13,318)	(3,905)	(239,579)

(Face value of CAD 0.01 per share)

22. CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity.

The Company is not exposed to any externally imposed capital requirements.

23. CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(C\$)		(₹)		(C\$)		(₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	9,868	9,868	588,781	588,781	104,509	104,509	6,432,169	6,432,169
Investment in Fixed deposits	5,332	5,332	318,152	318,152	-	-	-	-
Trade Receivables	69,862	69,862	4,168,753	4,168,753	253,036	253,036	15,573,921	15,573,921
Other Financial Assets	206,929	206,929	12,346,956	12,346,956	82,418	82,418	5,072,548	5,072,548
Total	291,991	291,991	17,422,642	17,422,642	439,963	439,963	27,078,638	27,078,638
Financial Liabilities								
Measured at amortised cost								
Trade Payable	589,900	589,900	35,197,880	35,197,880	619,113	619,113	38,103,456	38,103,456
Other Financial Liabilities	16,887	15,660	1,007,614	934,376	22,875	22,875	1,407,876	1,407,876
Total	606,787	605,560	36,205,494	36,132,256	641,988	641,988	39,511,332	39,511,332

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

24. Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities, which are not in the Company's functional currency (C\$). A significant portion of these transactions are in US Dollar (USD).

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

As at 31st March 2025	USD	Others	Total
Financial Assets	194,714	-	194,714
Financial Liabilities	353,769	31,469	385,238

ii) Interest Rate Risk

Interest rate risk refers to 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 investments in fixed deposits are held with highly rated banks and have a short tenure and are not subject to interest rate volatility. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March, 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (C\$)	Total (₹)
Trade Payables	589,900	589,900	-	-	-	-	589,900	35,197,880
Other Financial Liabilities	16,887	13,430	-	-	-	3,457	16,887	1,007,614
Total	606,787	603,330	-	-	-	3,457	606,787	36,205,494

Particulars	As at 31st March, 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (C\$)	Total (₹)
Trade Payables	619,113	619,113	-	-	-	-	619,113	38,103,456
Other Financial Liabilities	22,875	22,875	-	-	-	-	22,875	1,407,876
Total	641,988	641,988	-	-	-	-	641,988	39,511,332

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible.

The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

Particulars	As at 31st March, 2025 (C\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)
Opening Balance	249	14,861	745	45,189
Effects of foreign exchange fluctuation	-	(714)	-	-
Add : Expected credit loss provisions made during the year	328	20,259	(496)	(30,328)
Closing Balance	577	34,406	249	14,861

For age wise breakup of receivables, refer to Note 4.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

25 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in multiple geographical segments as given below:

Particulars	For the year ended 31st March 2025 (C\$)	For the year ended 31st March 2025 (₹)	For the year ended 31st March 2025 (C\$)	For the year ended 31st March 2025 (₹)
Segment Revenue				
India	175,417	10,510,184	-	-
Australia and New Zealand	15,584	957,456	14,680	897,804
North America	177,709	10,867,746	499,062	30,521,067
Total	368,710	22,335,386	513,742	31,418,871

26 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) HOLDING COMPANY:

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Limited (India)

(iii) Fellow Subsidiary Companies:

Blazeclan Americas Inc (USA)

Blazeclan Technologies Pty Limited (Australia)

Blazeclan Technologies LLC (USA)

Blazeclan Technologies Pte Limited (Singapore)

(iv) Directors

Hardik Shah (until 30th September, 2024)

Soumyarup Roy (w.e.f. 1st October, 2024)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(C\$)

Sl. No	Description	Sale of Services		Purchase of Services		Expenses recovered		Expenses	
		FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24	2024-25	2023-24
1	Blazeclan Technologies Private Limited (India)	175,417	-	43,583	158,035	-	-	-	-
2	Blazeclan Technologies Pte Limited (Singapore)	-	-	-	-	-	-	9,848	9,443
3	Blazeclan Technologies LLC (USA)	-	-	-	-	1,121	2,748	-	-
4	Blazeclan Technologies Pty Limited (Australia)	103,581	142,319	-	-	-	-	-	-
5	Blazeclan Americas Inc (USA)	-	-	-	-	13,828	24,566	-	202,140

(vi) DISCLOSURE OF OUTSTANDING BALANCES

(C\$)

Sl. No	Description	Trade Receivables		Trade Payables	
		As at 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025	As at 31st March, 2024
1	Blazeclan Technologies Private Limited (India)	78,236	-	3,483	57,082
2	Blazeclan Technologies Pte Limited (Singapore)	-	-	102,690	86,982
3	Blazeclan Technologies LLC (USA)	-	-	297,097	279,267
4	Blazeclan Technologies Pty Limited (Australia)	-	76,584	-	-
5	Blazeclan Americas Inc (USA)	-	64,270	-	-

(vii) COMPENSATION OF KEY MANAGEMENT PERSONNEL*

The remuneration of directors and other members of key management personnel during the year is as follows:

Description	2024-25 (C\$)	2023-24 (C\$)
Employee Benefit Expense	142,972	229,306

*Post employment benefits are actuarially determined on overall basis, hence not separately available and not included above.

(viii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

27 Subsequent Events

The Company evaluated subsequent events through 6th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

28 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 6th May, 2025.

29 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

30 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS - 117 Insurance Contracts and amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

31(a) First-time adoption

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases

b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

31 b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	As at 31st March, 2024 (C\$)	As at 31st March, 2024 (₹)	As at April 01, 2023 (C\$)	As at April 01, 2023 (₹)
Total equity under previous GAAP		(245,650)	(15,120,927)	20,278	977,472
Ind AS adjustments:					
Provisioning of trade receivables	a	(249)	(14,861)	(744)	(45,189)
Deferred Taxes	b	67	4,000	198	12,000
Total equity under Ind AS		(245,832)	(15,131,788)	19,731	944,283

31 c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	For the Year ended March 31, 2024 (C\$)	For the Year ended March 31, 2024 (₹)
Profit/(Loss) after tax under previous GAAP		(265,928)	(16,313,697)
Ind AS adjustments:			
Provisioning of trade receivables	a	496	30,328
Deferred Taxes	b	(131)	(8,000)
Profit / (Loss) after tax as reported under Ind AS		(265,563)	(16,291,369)
Other comprehensive income / (Expenses)			
Remeasurements of post employment benefit obligations (net of tax)		-	215,298
Total comprehensive income / (Expenses) as reported under Ind AS		(265,563)	(16,076,071)

a Provisioning of trade receivables: Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.

b Deferred Tax : Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

MANAGEMENT REPORT

The Manager submits his Report for the financial year ended March 31, 2025.

Corporate Information and Principal Activities

The Company was incorporated on March 9, 2015 in New Castle, USA, and is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on October 1, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Company leveraged its strategic partnerships with leading hyperscalers to accelerate its growth and strengthen its position as a digital transformation partner for its clients in the technology sector.

Financial Results

The Company's financial performance for the year is summarised as under:
(In USD)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	15	118,990
Profit / (Loss) Before Tax	(3,581)	50,038
Profit / (Loss) for the Year	(3,581)	28,934

Manager

Mr. Soumyarup Roy has been appointed as the sole Manager of the Company.

Auditors

The Company, as per local laws, is not required to audit its Financial Statements for the financial year ended March 31, 2025. However, as a measure of good governance, the Company has engaged Messrs. H A M & Co, India (Registration No. 136368W) as the Auditors to conduct audit for the year under review. Their Report is annexed to the Financial Statements of the Company.

On behalf of Blazeclan Technologies LLC

Date: May 6, 2025

S. Roy
Manager

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN TECHNOLOGIES LLC (USA),

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Technologies LLC ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

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

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

Management is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Special Purpose 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 a special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For H A M & Co.

Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah

Partner
Membership No. 137026
UDIN: 25137026BMJQAL8221
Place : Mumbai
Date : 6th May, 2025

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note No.	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
I ASSETS					
1 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	3	205,419	17,558,152	206,223	17,187,947
(ii) Cash and Cash Equivalents	4	46,727	3,993,961	91,822	7,653,045
(iii) Others	2	100	8,548	–	–
(b) Other Current Assets	5	91	7,835	–	–
Sub-Total		252,337	21,568,496	298,045	24,840,992
TOTAL		252,337	21,568,496	298,045	24,840,992
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	6	100	8,548	–	–
(b) Other Equity		74,274	6,348,617	77,855	6,487,792
Sub-Total		74,374	6,357,165	77,855	6,487,792
2 Current Liabilities					
Financial Liabilities					
Trade Payables	7	177,963	15,211,331	220,190	18,353,200
Sub-Total		177,963	15,211,331	220,190	18,353,200
TOTAL		252,337	21,568,496	298,045	24,840,992

The accompanying notes are an integral part of the Financial Statements
This is the Special Purpose Balance Sheet referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of Blazeclan Technologies LLC, USA

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Mumbai
Date : 6th May 2025

Soumyarup Roy
Director

Place: USA
Date: 6th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note No.	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
I Revenue from Operations	8	–	–	113,550	9,396,104
II Other Income	9	15	1,287	5,440	450,137
III Total Income (I+II)		<u>15</u>	<u>1,287</u>	<u>118,990</u>	<u>9,846,241</u>
IV Expenses					
Employee Benefits Expense	10	–	–	42	3,476
Other Expenses	11	3,596	325,695	68,909	6,159,184
Total Expenses		<u>3,596</u>	<u>325,695</u>	<u>68,951</u>	<u>6,162,659</u>
V Profit/(Loss) Before Tax (III - IV)		<u>(3,581)</u>	<u>(324,408)</u>	<u>50,038</u>	<u>3,683,582</u>
VI Tax Expenses	12				
Current Tax		–	–	21,104	1,758,947
Deferred Tax Charge / (Credit)		–	–	–	–
Total Tax Expenses		<u>–</u>	<u>–</u>	<u>21,104</u>	<u>1,758,947</u>
VII Profit/(Loss) for the Year (V-VI)		<u>(3,581)</u>	<u>(324,408)</u>	<u>28,934</u>	<u>1,924,635</u>
VIII Other Comprehensive Income/(Loss)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		–	185,233	–	288,259
Total Other Comprehensive Income/(Loss) for the Year		<u>–</u>	<u>185,233</u>	<u>–</u>	<u>288,259</u>
IX Total Comprehensive Income/(Loss) for the Year (VII+VIII)		<u>(3,581)</u>	<u>(139,175)</u>	<u>28,934</u>	<u>2,212,894</u>

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of Blazeclan Technologies LLC, USA

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Mumbai
Date : 6th May 2025

Soumyarup Roy
Director
Place: USA
Date: 6th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

Balance at 31st March 2024 (Amount in \$)	Changes in Equity Share Capital (\$)	Balance at 31st March 2025 (Amount in \$)	Balance at 1st April 2024 (Amount in ₹)	Changes in Equity Share Capital (Amount in ₹)	Balance at 31st March 2025 (₹)
100	–	100	8,548	–	8,548

B. Other Equity

Particulars	Retained Earnings (Amount in \$)
Balance as at 1st April, 2023	48,921
- Profit/(Loss) for the year	28,934
Balance as at 31st March, 2024	77,855
- Profit/(Loss) for the year	(3,581)
Balance as at 31st March, 2025	74,274

Particulars	Retained Earnings (₹)
Balance as at 1st April, 2023	4,274,898
- Profit/(Loss) for the year	1,924,635
- Other Comprehensive Income/(Expense) (Net of Tax)	288,259
Total Comprehensive Income/(Expense)	2,212,894
Balance as at 31st March, 2024	6,487,792
- Profit/(Loss) for the year	(324,408)
- Other Comprehensive Income/(Expense) (Net of Tax)	185,233
Total Comprehensive Income/(Expense)	(139,175)
Balance as at 31st March, 2025	6,348,617

Retained Earnings: This represents the cumulative profits of the Company

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of Blazeclan Technologies LLC, USA

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Mumbai
Date : 6th May 2025

Soumyarup Roy
Director
Place: USA
Date: 6th May 2025

SPECIAL PURPOSE CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(\$)	(₹)	(\$)	(₹)
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT/(LOSS) BEFORE TAX	(3,581)	(324,408)	50,039	3,683,581
Unrealised Loss / (Gain) on Exchange [net]	(512)	(43,336)	–	–
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(4,093)	(367,744)	50,039	3,683,581
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	1,224	(149,471)	1,574	163,106
Trade Payables, Other Liabilities and Provisions	(42,226)	(3,141,869)	(3,895)	210,926
CASH GENERATED FROM OPERATIONS	(45,095)	(3,659,083)	47,718	4,057,613
Less: Income tax paid / (credited)	–	–	21,104	1,758,947
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	(45,095)	(3,659,083)	26,614	2,298,666
B. NET CASH FROM / (USED IN) INVESTING ACTIVITIES	–	–	–	–
C. NET CASH FROM / (USED IN) FINANCING ACTIVITIES	–	–	–	–
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(45,095)	(3,659,083)	26,614	2,298,666
OPENING CASH AND CASH EQUIVALENTS	91,822	7,653,045	65,208	5,354,379
CLOSING CASH AND CASH EQUIVALENTS	46,727	3,993,962	91,822	7,653,045

The above Cash Flow Statement has been prepared under the “Indirect Method” as set out in Indian Accounting Standard 7- “Statement of Cash Flows”

The accompanying notes form an integral part of the Financial Statements

This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For H A M & Co.
Chartered Accountants
Firm Registration Number : 136368W

On behalf of Blazeclan Technologies LLC, USA

CA Hardik H. Shah
Partner
Membership Number: 137026
Place : Mumbai
Date : 6th May 2025

Soumyarup Roy
Director
Place: USA
Date: 6th May 2025

Notes

COMPANY INFORMATION

"Blazeclan Technologies LLC ("the Company") is a Limited Liability Company formed with the registration number 541430 on March 9, 2015. The registered office of the Company is located at 108 West 13th Street, Wilmington, Delaware 19801, located in county of new castle. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024. The ultimate holding company is ITC Limited, a company incorporated and listed in India."

1. MATERIAL ACCOUNTING POLICIES**a) Basis of Preparation and Statement of Compliance**

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements" are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 23 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in USD. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Foreign Currency Transactions

The presentation currency of the Company is the USD.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

f) Financial instruments, Financial assets, Financial liabilities and Equity Instruments**Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial

Notes (Contd.)

liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

g) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

h) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

i) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude (INR 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

j) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

k) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

l) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

m) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

n) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

2 OTHER CURRENT FINANCIAL ASSETS

Other Current asset

Total

	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)

100	8,548	—	—
100	8,548	—	—

3 TRADE RECEIVABLES

Unsecured, Considered Good

Less: Expected Credit Loss Allowance

Total

205,419	17,558,152	206,223	17,187,947
—	—	—	—
205,419	17,558,152	206,223	17,187,947

Trade Receivables as at 31st March, 2025	Outstanding for following periods								Total (\$)	Total (₹)
	Not Due	Unbilled Receivable	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years			
Undisputed Trade Receivables - considered good	—	—	—	—	173,507	31,912	—	205,419	17,558,152	
Net	—	—	—	—	173,507	31,912	—	205,419	17,558,152	

Notes (Contd.)

Trade Receivables as at 31st March, 2024	Outstanding for following periods								
	Not Due	Unbilled Receivable	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	Total (\$)	Total (₹)
Undisputed Trade Receivables - considered good	–	–	23,803	43,527	138,893	–	–	206,223	17,187,947
Net	–	–	23,803	43,527	138,893	–	–	206,223	17,187,947

	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
4 CASH AND CASH EQUIVALENTS				
Balances with Banks :				
Current Accounts	46,727	3,993,961	91,822	7,653,045
Total	46,727	3,993,961	91,822	7,653,045
5 OTHER CURRENT ASSETS				
Other Advances (includes Unexpired Expenses)	91	7,835	–	–
Total	91	7,835	–	–
6 EQUITY SHARE CAPITAL				
Authorised & issued share capital	100	8,548	100	8,548
Subscribed share capital but not fully paid	100	8,548	–	–
7 FINANCIAL LIABILITIES				
Trade Payables	1,77,963	15,211,331	220,190	18,353,200

Ageing schedule

Trade Payable as at 31st March, 2025	Particulars outstanding for the following periods								
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total (\$)	Total (₹)
Intercompany	–	–	7,442	10,953	153,232	5,522	–	177,149	15,141,754
Others	–	814	–	–	–	–	–	814	69,577
Total	–	814	7,442	10,953	153,232	5,522	–	177,963	15,211,331

Ageing schedule

Trade Payable as at 31st March, 2024	Particulars outstanding for the following periods								
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months -1 year	1-2 years	2-3 Years	More than 3 years	Total (\$)	Total (₹)
Intercompany	–	6,545	11,072	120,147	58,622	–	–	196,386	16,368,118
Others	–	–	23,803	–	–	–	–	23,803	19,85,082
Total	–	6,545	34,875	120,147	58,622	–	–	220,189	18,353,200

	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
8 REVENUE FROM OPERATIONS				
Sale of Services	–	–	113,550	9,396,104
Total	–	–	113,550	9,396,104
9 OTHER INCOME				
Miscellaneous Income	15	1,287	5,440	450,137
Total	15	1,287	5,440	450,137
10 EMPLOYEE BENEFITS EXPENSE				
Salaries and Bonus	–	–	42	3,476
Total	–	–	42	3,476
11 OTHER EXPENSES				
Rent	162	13,707	–	–
Rates and Taxes	750	62,736	308	25,466
Outsourcing Charges	821	89,878	67,292	6,025,336
Software and Related Expenses	277	23,440	604	49,977
Bank Charges	191	16,166	30	2,482
Legal, Professional and Consultancy Expenses	1,130	95,403	469	38,809
Printing and Stationery	–	–	93	7,729
Loss on Exchange (Net)	(26)	(2,666)	113	9,385
Miscellaneous Expenses	291	27,031	–	–
Total	3,596	325,695	68,909	6,159,184

NOTES (Contd.)

	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
12 TAX EXPENSES				
12(a) Tax Expense Recognised in Statement of Profit and Loss				
Current Tax	—	—	—	—
Charge / (Credits) related to previous years	—	—	21,104	1,758,947
	—	—	21,104	1,758,947
Deferred Tax Charge / (Credit)	—	—	—	—
Charge / (Credits) related to previous years	—	—	—	—
	—	—	—	—
Total	—	—	21,104	1,758,947
12 (b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows				
Profit before tax	(3,581)	(324,408)	50,038	3,683,582
Income tax expense calculated at 21%	(752)	(68,126)	10,508	773,552
Effects of:				
- Other differences	752	68,126	-10,508	-773,552
- Adjustments recognised in the current year in relation to the current tax of prior years	—	—	21,104	1,758,947
Income Tax expenses recognised in Statement of Profit and Loss	—	—	21,104	1,758,947
13 Commitments and Contingencies				
a) There are no contracts remaining to be executed on capital account.				
b) There are no claims against the Company not acknowledged as debts.				

14 Capital Management

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity.

The Company is not exposed to any externally imposed capital requirements.

15 Categories of Financial Instruments

Particulars	As at 31st March 2025 (\$)		As at 31st March 2025 (₹)		As at 31st March 2024 (\$)		As at 31st March 2024 (₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	46,727	46,727	3,993,961	3,993,961	91,822	91,822	7,653,045	7,653,045
Trade Receivables	205,419	205,419	17,558,152	17,558,152	206,223	206,223	17,187,947	17,187,947
Other Financial Assets	100	100	8,548	8,548	—	—	—	—
Total	252,246	252,246	21,560,661	21,560,661	298,045	298,045	24,840,992	24,840,992
Financial Liabilities								
Measured at amortised cost								
Trade Payables	177,963	177,963	15,211,331	15,211,331	220,190	220,190	18,353,200	18,353,200
Total	177,963	177,963	15,211,331	15,211,331	220,190	220,190	18,353,200	18,353,200

16 Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities, including net investments in foreign operations which are not in the Company's functional currency (\$). A significant portion of these transactions are in SGD.

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

As at 31st March 2025	GBP	EURO	Others	Total
Financial Assets	—	—	—	—
Financial Liabilities	—	—	9,041	9,041
As at 31st March 2024	GBP	EURO	Others	Total
Financial Assets	—	—	—	—
Financial Liabilities	—	—	9,176	9,176

NOTES (Contd.)**ii) Interest Rate Risk**

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (\$)	Total (₹)
Trade Payables	177,963	177,963	–	–	–	–	177,963	15,211,331
Total	177,963	177,963	–	–	–	–	177,963	15,211,331

Particulars	As at 31st March 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (\$)	Total (₹)
Trade Payables	220,190	220,190	–	–	–	–	220,190	18,353,200
Total	220,190	220,190	–	–	–	–	220,190	18,353,200

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Concentration of credit risk, with respect to trade receivables, is limited, due to the Company's customer base being large and internationally dispersed. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

There is no movement of the expected credit loss provision made by the Company with respect to trade receivables. For age wise breakup of receivables, refer to Note 3.

17 SEGMENT REPORTING

The Company is engaged in Information and Technology Enabled Services. The Company's operations comprise of only one segment basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resource. Further, the Company operates in a single geographical segment namely USA.

Particulars	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
Segment Revenue				
USA	–	–	113,550	9,396,104
Total	–	–	113,550	9,396,104

18 RELATED PARTY DISCLOSURES**(i) Ultimate Holding Company**

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) Holding Company

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October 2024)

Blazeclan Technologies Private Limited (India)

(iii) Fellow Subsidiary Companies:

Blazeclan Technologies INC (Canada)

Blazeclan Technologies Pte Limited (Singapore)

(iv) Directors

Soumyarup Roy (w.e.f. 1st October, 2024)

Hardik Shah (Until 30th September, 2024)

NOTES (Contd.)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(\$)

Sl. No.	Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies INC (Canada)		Blazeclan Technologies Pte Limited (Singapore)	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Expenses reimbursed	–	–	804	2,071	–	3,519
2	Purchase of services	821	67,292	–	–	–	–
3	Expenses recovered	–	–	–	150,310	–	–

(v) DISCLOSURE OF OUTSTANDING BALANCES

(\$)

Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies INC (Canada)		Blazeclan Technologies Pte Limited (Singapore)		Blazeclan Technologies Americas (USA)	
	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024	31 March, 2025	31 March, 2024
i) Trade Receivables	–	–	205,419	206,223	–	–	–	–
ii) Trade Payables	167,999	167,210	–	–	9,150	9,176	–	20,000
iii) Other Receivables	100	–	–	–	–	–	–	–

(vii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

19 Subsequent Events

The Company evaluated subsequent events through 6th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

20 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 6th May, 2025.

21 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current Financial Year.

22 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

23 (a) First-time adoption

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

(a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases

(b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

NOTES (Contd.)

23 (b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	(\$)	(₹)	(\$)	(₹)
		As at March 31, 2024	As at March 31, 2024	As at April 01, 2023	As at April 01, 2023
Total equity under previous GAAP		<u>77,856</u>	<u>6,487,791</u>	<u>48,921</u>	<u>4,274,898</u>
Total equity under Ind AS		<u>77,856</u>	<u>6,487,791</u>	<u>48,921</u>	<u>4,274,898</u>

23 (c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	(\$)	(₹)
		For the Year ended March 31, 2024	For the Year ended March 31, 2024
Profit/(Loss) after tax under previous GAAP		<u>28,935</u>	<u>1,924,634</u>
Profit after tax as reported under Ind AS		<u>28,935</u>	<u>1,924,634</u>
Other comprehensive income			
Remeasurements of post employment benefit obligations (net of tax)		<u>–</u>	<u>288,259</u>
Total comprehensive income as reported under Ind AS		<u>28,935</u>	<u>2,212,893</u>

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended March 31, 2025.

Corporate Information and Principal Activities

The Corporation was incorporated on July 5, 2022 in New Castle, USA, and is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Corporation is a wholly owned subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on October 1, 2024, the Corporation became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Corporation continued to deliver Information Technology Services and Solutions to its clients. By leveraging its strategic partnerships with leading hyperscalers, the Corporation accelerated its growth and strengthened its position as a digital transformation partner for its clients in the technology sector.

Financial Results

The Corporation's financial performance for the year is summarised as under:

(In USD)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	521,230	479,026
Profit / (Loss) Before Tax	67,453	(5,397)
Profit / (Loss) for the Year	56,460	(24,343)

On behalf of Blazeclan Americas Inc.

H. Desai
Director

Directors

The Directors of the Corporation in office at the end of the financial year i.e. March 31, 2025 and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Hetal Desai	- Chairman
Mr. Soumyarup Roy	- Director

Auditors

The Corporation, as per local laws, is not required to audit its Financial Statements for the financial year ended March 31, 2025. However, as a measure of good governance, the Corporation has engaged Messrs. H A M & Co, India (Registration No. 136368W) as the Auditors to conduct audit for the year under review. Their Report is annexed to the Financial Statements of the Corporation.

Date: May 06, 2025

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS

TO THE BOARD OF DIRECTORS OF BLAZECLAN AMERICAS INC (USA),

Report on the Special Purpose Financial Statements

Opinion

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Americas INC ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Special Purpose 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 special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For **H A M & Co.**

Chartered Accountants

Firm Registration No 136368W

CA Hardik H. Shah

Partner

Place : Mumbai

Date : 6th May, 2025

Membership No. 137026

UDIN: 25137026BMJQAD6087

SPECIAL PURPOSE FINANCIAL STATEMENTS

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

		As at		As at	
	Note	31st March, 2025		31st March, 2024	
		(Amount in \$)	(Amount in ₹)	(Amount in \$)	(Amount in ₹)
I ASSETS					
1 Non-current Assets					
Deferred Tax Assets (Net)	5	5,932	5,07,068	8,330	684,000
Sub-Total		5,932	5,07,068	8,330	684,000
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	3	32,717	2,796,455	46,347	3,911,831
(ii) Cash and Cash Equivalents	4	30,632	2,618,309	163,768	13,649,531
(iii) Others	2	102,576	8,767,691	31,650	2,637,920
(b) Other Current Assets	6	166	14,104	683	56,784
Sub-Total		166,091	14,196,559	242,448	20,256,066
TOTAL		172,023	14,703,627	250,778	20,940,066
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	7	2,000	164,360	2,000	164,360
(b) Other Equity		71,337	6,104,073	14,877	1,282,512
Sub-Total		73,337	6,268,433	16,877	1,446,872
2 Non-current Liabilities					
(a) Financial Liabilities					
- Others	8(b)	21,916	1,873,269	-	-
(b) Provisions	9(a)	6,102	521,568	-	-
Sub-Total		28,018	2,394,837	-	-
3 Current Liabilities					
(a) Financial Liabilities					
Trade Payables	8(a)	61,975	5,297,299	223,098	18,592,801
(b) Provisions	9 (b)	98	8,377	-	-
(c) Current Tax Liabilities (Net)	10	8,595	734,681	10,803	900,393
Sub-Total		70,668	6,040,357	233,901	19,493,194
TOTAL		172,023	14,703,627	250,778	20,940,066

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN AMERICAS INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Hetal Desai

Director

Place : Bengaluru

Date: 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note No.	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		(\$)	(₹)	(\$)	(₹)
I Revenue from Operations	11	521,230	43,832,393	479,026	39,638,706
II Total Income		<u>521,230</u>	<u>43,832,393</u>	<u>479,026</u>	<u>39,638,706</u>
III Expenses					
Employee Benefits Expense	12	96,473	8,097,179	33,079	2,737,583
Other Expenses	13	357,304	30,110,106	451,344	37,470,871
Total Expenses		<u>453,777</u>	<u>38,207,285</u>	<u>484,423</u>	<u>40,208,454</u>
IV Profit /(Loss) Before Tax (II-III)		67,453	5,625,108	(5,397)	(569,748)
V Tax Expenses	14				
Current Tax		8,595	7,27,337	22,673	1,889,717
Deferred Tax Charge / (Credit)		2,398	1,82,061	(3,727)	(306,000)
Total Tax Expenses		<u>10,993</u>	<u>909,398</u>	<u>18,946</u>	<u>1,583,717</u>
VI Profit/(Loss) for the year (IV-V)		<u>56,460</u>	<u>4,715,710</u>	<u>(24,343)</u>	<u>(2,153,465)</u>
VII Other Comprehensive Income/(Expense)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		-	105,851	-	219,408
Total Other Comprehensive Income/(Expense)		-	<u>105,851</u>	-	<u>219,408</u>
VIII Total Comprehensive Income/(Expense) for the year (VI+VII)		<u>56,460</u>	<u>48,21,561</u>	<u>(24,343)</u>	<u>(19,34,057)</u>
IX Earnings Per Share	16				
Basic		0.28	23.58	(0.12)	(10.77)
Diluted		0.28	23.58	(0.12)	(10.77)

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN AMERICAS INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Hetal Desai

Director

Place : Bengaluru

Date: 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

A. Equity Share Capital

Balance at 1st April, 2024 (\$)	Changes in Equity Share Capital (\$)	Balance at 31st March, 2025 (\$)	Balance at 1st April, 2024 (₹)	Changes in Equity Share Capital (₹)	Balance at 31st March, 2025 (₹)
2,000	-	2,000	164,360	-	164,360

Balance at 1st April, 2023 (\$)	Changes in Equity Share Capital (\$)	Balance at 31st March, 2024 (\$)	Balance at 1st April, 2023 (₹)	Changes in Equity Share Capital (₹)	Balance at 31st March, 2024 (₹)
2,000	-	2,000	164,360	-	164,360

B. Other Equity

Particulars	Retained Earnings (Amount in \$)
Balance as at 1st April, 2023	39,220
- Profit/(Loss) for the Year	(24,343)
Balance as at 31st March, 2024	14,877
- Profit/(Loss) for the Year	56,460
Balance as at 31st March, 2025	71,337

Particulars	Retained Earnings (Amount in ₹)
Balance as at 1st April, 2023	3,216,569
- Profit /(Loss) for the year	(2,153,465)
- Other Comprehensive Income / (Expense) (Net of Tax)	219,408
Total Comprehensive Income / (Expense)	(1,934,057)
Balance as at 31st March, 2024	1,282,512
- Profit /(Loss) for the year	4,715,710
- Other Comprehensive Income/(Expense) (Net of Tax)	105,851
Total Comprehensive Income/(Expense)	4,821,561
Balance as at 31st March, 2025	6,104,073

Retained Earnings -This represents the cumulative profits of the company.

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN AMERICAS INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Hetal Desai

Director

Place : Bengaluru

Date: 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

SPECIAL PURPOSE STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(\$)	(₹)	(\$)	(₹)
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	67,453	5,625,108	(5,397)	(569,748)
ADJUSTMENTS FOR :				
Provision for Doubtful Receivables	(39,554)	(3,247,869)	56,841	4,692,209
Unrealised Loss / (Gain) on Exchange [net]	(281)	(23,802)	37	3,068
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	27,618	2,353,437	51,481	4,125,529
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	(16,944)	(1,594,193)	(19,110)	(1,520,551)
Trade Payables, Other Liabilities and Provisions	(133,007)	(10,892,287)	(3,030)	20,986
CASH GENERATED FROM OPERATIONS	(122,333)	(10,133,043)	29,341	2,625,964
Less: Income Tax Paid/ (Credits) (Net)	10,803	898,179	11,870	989,324
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	(133,136)	(11,031,222)	17,471	1,636,640
B NET CASH (USED IN) / FROM INVESTING ACTIVITIES	-	-	-	-
C NET CASH FROM / (USED IN) FINANCING ACTIVITIES	-	-	-	-
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(133,136)	(11,031,222)	17,471	1,636,640
OPENING CASH AND CASH EQUIVALENTS	16,3768	13,649,531	146,297	12,012,891
CLOSING CASH AND CASH EQUIVALENTS	30,632	2,618,309	163,768	13,649,531

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN AMERICAS INC

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Mumbai

Date : 6th May 2025

Hetal Desai

Director

Place : Bengaluru

Date: 6th May 2025

Soumyarup Roy

Director

Place: USA

Date: 6th May 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

COMPANY INFORMATION

Blazeclan Americas Inc. ("the Company") is a Company formed with the registration number EIN: 88-3131070 on July 5, 2022. The registered office of the Company is located at 108 West 13th Street, Wilmington, Delaware 19801, located in county of new castle. The Company is engaged in providing information technology services.

The Company is a wholly owned subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. The ultimate holding company is ITC Limited, a company incorporated and listed in India. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 26 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in USD. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The following is the key judgement applied in the preparation of the financial statements:

Actuarial Valuation: The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such

valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the Financial Statements.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Foreign Currency Transactions

The presentation currency of the Company is the USD. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

f) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

g) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any.

The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax.

Revenue is recognised from services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer.

Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

h) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under Projected Unit Credit method. This benefit is unfunded.

i) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

j) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

k) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

l) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

m) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

2. OTHER CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Unbilled Revenue - time and material basis & fixed price support contracts	67,873	5,801,495	31,650	2,637,920
Security Deposits (includes deposits for Company Offices etc.)	34,703	2,966,196	-	-
Total	102,576	87,67,691	31,650	2,637,920

3. TRADE RECEIVABLE

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Unsecured, Considered Good	32,849	2,807,746	125,093	10,402,762
Less : Expected Credit Loss Allowance	(132)	(11,291)	(78,746)	(6,490,931)
Total	32,717	2,796,455	46,347	3,911,831

Trade Receivables as at 31st March, 2025	Outstanding for following periods							Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (\$)	
Undisputed Trade Receivables - considered good	32,849	-	-	-	-	-	32,849	2,807,746
Less : Expected Credit Loss Allowance							(132)	(11,291)
Net	32,849	-	-	-	-	-	32,717	2,796,455

Trade Receivables as at 31st March, 2024	Outstanding for following periods							Total (₹)
	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total (\$)	
Undisputed Trade Receivables - considered good	-	66,033	59,060	-	-	-	1,25,093	1,04,02,762
Less : Expected Credit Loss Allowance							(78,746)	(6,490,931)
Net	-	66,033	59,060	-	-	-	46,347	39,11,831

4. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Balances with Bank :				
Current Accounts	30,632	2,618,309	163,768	13,649,531
Total	30,632	2,618,309	163,768	13,649,531

5. DEFERRED TAX ASSETS (NET)

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Deferred Tax Assets	5,932	507,068	8,330	684,000
Total	5,932	507,068	8,330	684,000

Movement in Deferred Tax

Particulars	Opening Balance (\$)	Recognised in profit or loss (\$)	Closing Balance (\$)	Closing Balance (₹)
FY 2024-25				
Deferred Tax Assets :				
On provision for employees' separation etc.	-	5,904	5,904	504,682
On provision for doubtful receivables	8,330	(8,306)	28	2,386
Total Deferred Tax Assets (Net)	8,330	(2,402)	5,932	507,068

Particulars	Opening Balance (\$)	Recognised in profit or loss (\$)	Closing Balance (\$)	Closing Balance (₹)
FY 2023-24				
Deferred Tax Assets :				
On provision for doubtful receivables	4,603	3,727	8,330	684,000
Total Deferred Tax Assets (Net)	4,603	3,727	8,330	684,000

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

6. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Other Advances (includes Unexpired Expenses)	166	14,104	683	56,784
Total	166	14,104	683	56,784

7. EQUITY SHARE CAPITAL

7(a) Authorised

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
200,000 (2024 - 200,000) Equity Shares of \$ 0.01 each	2,000	164,360	2,000	164,360
Issued, Subscribed & paid up: 2,00,000 (2024 - 2,00,000) Equity Shares of \$ 0.01 each [All equity shares are held by the Holding Company. The Equity Shares of the Company, rank pari passu in all respects including entitlement to dividend]	2,000	164,360	2,000	164,360

7(b) Shares held by promoters

Particulars	Promoter Name	As at 31st March, 2025			Promoter Name	As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year		No. of shares as at end of the year	% of Total Shares	% change during the year
Equity Shares of \$ 0.01 each, fully paid up	Blazeclan Technologies Private Limited	200,000	100%	0%	Blazeclan Technologies Private Limited	200,000	100%	0%

8. FINANCIAL LIABILITIES

8.(a) Trade payables

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Trade Payables	61,975	5,297,299	223,098	18,592,801

Ageing Schedule

Trade Payable & Accrued Expenses as at 31st March, 2025	Outstanding for following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (\$)
Inter Company	-	-	29,673	30,385	-	-	-	60,058
Others	-	1,019	207	691	-	-	-	1,917
Total	-	1,019	29,880	31,076	-	-	-	61,975

Ageing Schedule

Trade Payable & Accrued Expenses as at 31st March, 2024	Outstanding for following periods							
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total (\$)
Inter Company	-	22,087	168,317	3,165	29,529	-	-	223,098
Total	-	22,087	168,317	3,165	29,529	-	-	223,098

8(b) Other Non-Current Liabilities

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Others	21,916	1,873,269	-	-
Total	21,916	1,873,269	-	-

9. PROVISIONS

9(a) Non-current Provisions

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Provisions for Employee Benefits Compensated Absences	6,102	521,568	-	-
Total	6,102	521,568	-	-

9(b) Current Provisions

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Provisions for Employee Benefits Compensated Absences	98	8,377	-	-
Total	98	8,377	-	-

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

10. CURRENT TAX LIABILITIES

Particulars	As at 31st March, 2025 (\$)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)
Current Taxation (Net of Advance Tax))	8,595	734,681	10,803	900,393
Total	8,595	734,681	10,803	900,393

11. REVENUE FROM OPERATIONS

Particulars	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
Sale of Services	521,230	43,832,393	479,026	39,638,706
Total	521,230	43,832,393	479,026	39,638,706

12. EMPLOYEE BENEFITS EXPENSES

Particulars	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
Salaries and Bonus	96,363	8,087,972	30,466	2,521,340
Contribution to Provident and other Funds	110	9,207	2,613	216,243
Total	96,473	8,097,179	33,079	2,737,583

13. OTHER EXPENSES

Particulars	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
Rates & Taxes	4,835	405,457	5,911	489,477
Insurance	30	2,509	-	-
Travelling and Conveyance	8,959	757,614	17,621	1,458,878
Communication	-	-	550	45,511
Outsourcing Charges	370,576	31,146,244	343,680	28,568,155
Software and Related Expenses	1,874	157,474	3,814	316,744
Business Development Expenses	7,353	618,756	20,345	1,686,261
Bank Charges	220	18,587	52	4,276
Legal, Professional and Consultancy Expenses	3,850	323,090	1,440	119,190
Doubtful and Bad Receivables	(39,554)	(3,247,869)	56,841	4,692,209
Training and Development	112	9,405	-	-
Loss on Exchange (Net)	(1,175)	(99,856)	24	1,992
Miscellaneous Expenses	224	18,695	1,066	88,178
Total	357,304	30,110,106	451,344	37,470,871

14. TAX EXPENSES

14(a) Tax Expenses Recognised in Statement of Profit and Loss

Particulars	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
Current Tax	8,595	731,360	11,870	900,393
Charge / (Credits) related to previous years	-	(4,023)	10,803	989,324
	8,595	727,337	22,673	1,889,717
Deferred Tax Charge / (Credit)	2,398	182,061	(3,727)	(306,000)
Charge / (Credits) related to previous years	-	-	-	-
	2,398	182,061	(3,727)	(306,000)
Total	10,993	909,398	18,946	1,583,717

14(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

Particulars	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (₹)
Profit before tax	67,453	5,625,108	(5,397)	(569,748)
Income tax expense calculated at 21%	14,165	1,181,273	(1,133)	(119,648)
Effects of :				
- Other differences	(3,172)	(267,852)	9,276	714,040
-Adjustments recognised in the current year in relation to the current tax of prior years	-	(4,023)	10,803	989,324
Income Tax expenses recognised in Statement of Profit and Loss	10,993	909,398	18,946	1,583,717

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

15. COMMITMENTS AND CONTINGENCIES

- a) There are no contracts remaining to be executed on capital account.
- b) There are no claims against the Company not acknowledged as debts.

16. EARNINGS PER SHARE (BASIC AND DILUTED)

Particulars	For the year ended 31st March, 2025 (\$)	For the year ended 31st March, 2025 (`)	For the year ended 31st March, 2024 (\$)	For the year ended 31st March, 2024 (`)
(a) Profit/(Loss) after Tax	56,460	4,715,710	(24,343)	(2,153,465)
(b) Weighted average number of Equity Shares	200,000	200,000	200,000	200,000
(c) Earnings Per Share	0.28	23.58	(0.12)	(10.77)

(Face value of \$ 0.01 per share)

17. CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity

The Company is not exposed to any externally imposed capital requirements.

18. CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(Amount in \$)		(Amount in `)		(Amount in \$)		(Amount in `)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	30,632	30,632	2,618,309	2,618,309	163,768	163,768	13,649,531	13,649,531
Trade Receivables	32,717	32,717	2,796,455	2,796,455	46,347	46,347	3,911,831	3,911,831
Other Financial Assets	102,576	102,576	8,767,691	8,767,691	31,650	31,650	2,637,920	2,637,920
Total	165,925	165,925	14,182,455	14,182,455	241,765	241,765	20,199,282	20,199,282

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(Amount in \$)		(Amount in `)		(Amount in \$)		(Amount in `)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Liabilities								
Measured at amortised cost								
Trade Payables	61,975	61,975	5,297,299	5,297,299	223,098	223,098	18,592,801	18,592,801
Other Financial Liabilities	21,916	14,134	1,873,269	1,208,090	-	-	-	-
Total	83,891	76,109	7,170,568	6,505,389	223,098	223,098	1,85,92,801	18,592,801

19. Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities, including net investments in foreign operations which are not in the Company's functional currency (\$). A significant portion of these transactions are in Indian Rupee (INR).

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

As at 31st March 2025	GBP	EURO	INR	Total
Financial Assets	-	-	-	-
Financial Liabilities	-	-	21,916	21,916

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March, 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (\$)	Total (₹)
Trade Payables	61,975	61,975	-	-	-	-	61,975	5,297,299
Other Financial Liabilities	21,916	-	-	-	-	21,916	21,916	1,873,269
Total	83,891	61,975	-	-	-	21,916	83,891	7,170,568

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

Particulars	As at 31st March, 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 years	Beyond 3 years	Total (\$)	Total (₹)
Trade Payables	223,098	223,098	-	-	-	-	223,098	18,592,801
Total	223,098	223,098	-	-	-	-	223,098	18,592,801

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under: (\$)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	78,746	21,905
Add : Expected credit loss provisions made/(reversed) during the year	(39,554)	56,841
Less: Utilisation for Impairment / De-recognition	(39,060)	-
Closing Balance	132	78,746

For age wise breakup of receivables, refer to Note 3.

20 SEGMENT REPORTING

The Company operates in a single business segment - information technology, basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources. Further, the Company operates in two geographical segments namely USA & India.

Particulars	For the year ended 31st March 2025 (\$)	For the year ended 31st March 2025 (₹)	For the year ended 31st March 2024 (\$)	For the year ended 31st March 2024 (₹)
Segment Revenue				
USA	507,677	42,692,665	479,026	39,638,706
India	13,553	1,139,728	-	-
Total	521,230	43,832,393	479,026	39,638,706

21 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) HOLDING COMPANY:

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)
Blazeclan Technologies Private Limited (India)

(iii) Fellow Subsidiary Companies:

Blazeclan Technologies INC (Canada)
Blazeclan Technologies Pte Ltd (Singapore)

(iv) Directors

Hardik Shah (until 30th September, 2024)
Soumyarup Roy (w.e.f. 1st October, 2024)
Hetel Desai (w.e.f. 30th January, 2025)

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED

(\$)

Sl. No	Description	Blazeclan Technologies Inc (Canada)		Blazeclan Technologies Pte Ltd (Singapore)		Blazeclan Technologies Private Limited (India)	
		2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
1	Expenses reimbursed	8,407	17,916	7,469	3,441	-	-
2	Purchase of services	-	-	-	-	2,18,476	3,57,766
3	Sale of services	-	-	-	-	13,553	-

(vi) DISCLOSURE OF OUTSTANDING BALANCES

(\$)

Description	Blazeclan Technologies Inc (Canada)		Blazeclan Technologies Pte Ltd (Singapore)		Blazeclan Technologies Private Limited (India)		Blazeclan Technologies LLC USA	
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
Balance as at								
i) Trade Receivables	-	-	-	-	5,630	-	-	20,000
ii) Trade Payables	-	47,445	-	3,478	60,058	1,72,175	-	-

(vii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

22 Subsequent Events

The Company evaluated subsequent events through 6th May, 2025 which is the date on which the Special Purpose Standalone Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Standalone Financial Statements.

23 Approval of Financial Statements

The Special Purpose Standalone Financial Statements were approved for issue by the Board of Directors on 6th May, 2025.

24 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

25 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024. These amendments do not have a material impact on the financial statements of the Company.

26 (a) First-time adoption

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemption availed by the Company and principal adjustments along with related reconciliations are detailed below:

Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

26 b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	As at 31st March, 2024 (\$)	As at 31st March, 2024 (₹)	As at 1st April, 2023 (\$)	As at 1st April, 2023 (₹)
Total equity under previous GAAP		46,231	3,857,228	56,522	4,637,237
Ind AS adjustments:					
Provisioning of trade receivables	a	(39,684)	(3,258,716)	(21,905)	(1,798,667)
Deferred Taxes	b	8,330	684,000	4,603	378,000
Total equity under Ind AS		14,877	1,282,512	39,220	3,216,569

26 c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	For the Year ended March 31, 2024 (\$)	For the Year ended March 31, 2024 (₹)
Profit/(Loss) after tax under previous GAAP		(10,291)	(999,417)
Ind AS adjustments:			
Provisioning of trade receivables	a	(17,779)	(1,460,048)
Deferred Taxes	b	3,727	306,000
Profit / (Loss) after tax as reported under Ind AS		(24,343)	(2,153,465)
Other comprehensive income / (Expense)			
Remeasurements of post employment benefit obligations (net of tax)		-	219,408
Total comprehensive income / (Expense) as reported under Ind AS		(24,343)	(1,934,057)

a **Provisioning of trade receivables:** Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.

b **Deferred Tax :** Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

DIRECTORS' REPORT

The Directors submit their Report for the financial year ended 31st March, 2025.

Corporate Information and Principal Activities

The Company was incorporated on 10th November, 2022 in Quezon City, Philippines. The Company is engaged in the business of Information Technology Enabled Services (ITES), mainly into cloud computing.

The Company is a subsidiary of Blazeclan Technologies Private Limited ('BTPL') incorporated in India. Consequent to acquisition of 100% of the share capital of BTPL by ITC Infotech India Limited ('ITC Infotech') on 1st October, 2024, the Company became a step down wholly owned subsidiary of ITC Infotech with effect from the said date.

Business Review

During the year under review, the Company continued to deliver Information Technology Services and Solutions to its clients. By leveraging its strategic partnerships with leading hyperscalers, the Company focused on onboarding new customers in Telecom and Banking sectors. The Company continued to strengthen its position as a digital transformation partner for its clients.

Financial Results

The Company's financial performance for the year is summarised as under:
(In PHP)

Financial Year ended	March 31, 2025	March 31, 2024
Total Income	3,517,096	12,590,382
Profit Before Tax	117,693	852,695
Profit for the Year	48,401	700,938

INDEPENDENT AUDITORS' REPORT ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS**TO THE BOARD OF DIRECTORS OF BLAZECLAN TECHNOLOGIES CORPORATION (PHILIPPINES)****Report on the Special Purpose Financial Statements****Opinion**

We have audited the accompanying Special Purpose Financial Statements of Blazeclan Technologies Corporation ("the Company"), which comprise the Special Purpose Balance Sheet as at 31st March 2025, the Special Purpose Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Statement of Changes in Equity and the Special Purpose Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and Notes to the Financial Statements (hereinafter referred to as the "Special Purpose Financial Statements") prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 ("the Act").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under section 133 of the Act, of the state of affairs of the Company as at 31st March 2025, and Profit, Total Comprehensive Income, Changes in Equity and its Cash Flows for the period ended 31st March 2025.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for Special Purpose Financial Statements

The Company's management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements

Directors

The Directors of the Company in office at the end of the financial year i.e. 31st March, 2025 and during the period from the end of the financial year to the date of this Report, are as follows:

Mr. Varoon Rajani	- Chairman
Mr. Gurmeet Singh	- Director

Auditors

The Company has engaged Messrs. Emerhub Consulting Philippines (CPA Certificate No. 166303) as its Statutory Auditors for audit of the Financial Statements for the financial year 2024-25.

The Company has also engaged Messrs. H A M & Co, India (Registration Number: 136368W) for conduct of audit of the Special Purpose Ind AS Financial Statements of the Company for the said financial year. Their Report is annexed to the Financial Statements of the Company.

On behalf of Blazeclan Technologies Corporation

Date: 7th May, 2025

V. Rajani
Chairman

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

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

Auditor's Responsibilities for the Audit of the Special Purpose 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 special purpose Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an special purpose audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of the Special Purpose 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 controls in order to design procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the 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 special purpose Audit 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 evidence obtained up to the date of our special purpose audit report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 special purpose audit review and significant findings, including any significant deficiencies in internal control that we identify during our special purpose 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.

Restriction on distribution or use

The Special Purpose Financial Statements have been prepared by the Management solely for the limited purpose to enable its holding company, ITC Infotech India Limited and its Ultimate Holding Company, ITC Limited ("the Group") to prepare their Consolidated Financial Statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose.

This report is issued solely for the aforementioned purpose and intended only for the use by the Management of the Group and their Statutory Auditors in relation to the audit of Financial Statements of the Group, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for the procedures performed in this Special Purpose Audit, for the content of this report, or for any opinions expressed herein.

For **H A M & Co.**

Chartered Accountants
Firm Registration No 136368W

CA Hardik H. Shah

Partner

Place : Mumbai

Date : 7th May, 2025

Membership No. 137026

UDIN : 25137026BMJQAJ38363

SPECIAL PURPOSE BALANCE SHEET AS AT 31ST MARCH, 2025

Particulars	Note	As at 31st March, 2025		As at 31st March, 2024	
		(PHP)	(₹)	(PHP)	(₹)
I ASSETS					
1 Non-current Assets					
(a) Property, Plant and Equipment	2	30,141	44,967	46,582	69,113
(b) Deferred Tax Assets (Net)	6	73,667	109,903	2,002	3,000
(c) Income Tax Assets (Net)	7	35,194	52,506	–	–
Sub-Total		139,002	207,376	48,584	72,113
2 Current Assets					
(a) Financial Assets					
(i) Trade Receivables	4	7,723,433	11,522,589	800,394	1,187,415
(ii) Cash and Cash Equivalents	5	1,803,939	2,691,297	638,251	946,972
(iii) Others	3	11,292,329	16,847,026	23,204,009	34,427,787
(b) Other Current Assets	8	15,891	23,708	358,839	533,786
Sub-Total		20,835,592	31,084,620	25,001,493	37,095,960
TOTAL		20,974,594	31,291,996	25,050,077	37,168,073
II EQUITY AND LIABILITIES					
1 Equity					
(a) Equity Share Capital	9	10,600,000	16,032,427	10,600,000	16,032,427
(b) Other Equity		749,339	899,652	700,938	696,140
Sub-Total		11,349,339	16,932,079	11,300,938	16,728,567
3 Current Liabilities					
(a) Financial Liabilities					
(i) Trade Payables	10(a)	9,620,962	14,353,512	13,245,161	19,691,755
(ii) Other Financial Liabilities	10(b)	–	–	113,391	168,238
(b) Other Current Liabilities	11	4,293	6,405	236,828	351,381
(c) Current Tax Liabilities (Net)		–	–	153,759	228,132
Sub-Total		9,625,255	14,359,917	13,749,139	20,439,506
TOTAL		20,974,594	31,291,996	25,050,077	37,168,073

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Balance Sheet referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN Technologies Corporation, Philippines

CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date : 7th May 2025

Varoon Rajani
Director
Place: Singapore

Date: 7th May 2025

Gurmeet Singh
Director
Place: Pune

Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	Note	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		(PHP)	(₹)	(PHP)	(₹)
I Revenue from Operations	13	3,517,096	5,211,099	12,590,382	18,727,575
II Other Income	14	974	1,431	117	175
III Total Income (I + II)		<u>3,518,070</u>	<u>5,212,530</u>	<u>12,590,499</u>	<u>18,727,750</u>
IV Expenses					
Employee Benefits Expense	15	876,188	1,291,882	10,298,639	15,433,025
Depreciation and Amortisation Expense	2	16,441	24,275	3,132	4,694
Other Expenses	16	2,507,748	3,705,475	1,436,033	2,123,928
Total Expenses		<u>3,400,377</u>	<u>5,021,632</u>	<u>11,737,804</u>	<u>17,561,647</u>
V Profit/(Loss) Before Tax (III-IV)		<u>117,693</u>	<u>190,898</u>	<u>852,695</u>	<u>1,166,103</u>
VI Tax Expenses	17				
Current Tax		140,957	214,461	153,759	228,132
Deferred Tax Charge/(Credit)		(71,665)	(104,847)	(2,002)	(3,000)
Total Tax Expenses		<u>69,292</u>	<u>109,614</u>	<u>151,757</u>	<u>225,132</u>
VII Profit/(Loss) for the year (V-VI)		<u>48,401</u>	<u>81,284</u>	<u>700,938</u>	<u>940,971</u>
VIII Other Comprehensive Income/(Expense)					
Items that will be reclassified to Profit or Loss					
- Exchange differences on translation of the Financial Statements of Foreign Operations		-	122,229	-	(244,831)
Total Other Comprehensive Income/(Expense) for the year		-	<u>122,229</u>	-	<u>(244,831)</u>
IX Total Comprehensive Income/(Expenses) for the Year (VII+VIII)		<u>48,401</u>	<u>203,513</u>	<u>700,938</u>	<u>696,140</u>
X Earnings Per Share	19				
Basic and Diluted		0.23	0.38	3.31	4.44

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Profit and Loss referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN Technologies Corporation, Philippines

CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date : 7th May 2025

Varoon Rajani
Director
Place: Singapore
Date: 7th May 2025

Gurmeet Singh
Director
Place: Pune
Date: 7th May 2025

SPECIAL PURPOSE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2025

A. Equity Share Capital

Balance at 1st April, 2024 (PHP)	Changes in Equity Share Capital during the year (PHP)	Balance at 31st March, 2025 (PHP)	Balance at 1st April, 2024 (₹)	Changes in Equity Share Capital during the year (₹)	Balance at 31st March, 2025 (₹)
55,100	-	55,100	83,338	-	83,338

Balance at 1st April, 2023 (PHP)	Changes in Equity Share Capital during the year (PHP)	Balance at 31st March, 2024 (PHP)	Balance at 1st April, 2023 (₹)	Changes in Equity Share Capital during the year (₹)	Balance at 31st March, 2024 (₹)
55,100	-	55,100	83,338	-	83,338

B. Other Equity

Particulars	Retained Earning (PHP)	Retained Earning (₹)
Balance as at 1st April, 2024	700,938	696,140
- Profit for the Year	48,401	81,284
- Other Comprehensive Income	-	122,229
Total Comprehensive Income	48,401	203,513
Balance as at 31st March, 2025	749,339	899,652

Particulars	Retained Earning (PHP)	Retained Earning (₹)
Balance as at 1st April, 2023	-	-
- Profit for the Year	700,938	940,971
- Other Comprehensive Income	-	(244,831)
Total Comprehensive Income	700,938	696,140
Balance as at 31st March, 2024	700,938	696,140

Retained Earnings - This represents the cumulative profits of the company.

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Statement of Changes in Equity referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN Technologies Corporation, Philippines

CA Hardik H. Shah
Partner
Membership Number: 137026
Place: Bengaluru
Date : 7th May 2025

Varoon Rajani
Director
Place: Singapore
Date: 7th May 2025

Gurmeet Singh
Director
Place: Pune
Date: 7th May 2025

SPECIAL PURPOSE CASH FLOWS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

Particulars	For the year ended 31st March, 2025		For the year ended 31st March, 2024	
	(PHP)	(₹)	(PHP)	(₹)
A CASH FLOW FROM OPERATING ACTIVITIES :				
PROFIT BEFORE TAX	117,692	190,898	852,695	1,166,103
ADJUSTMENTS FOR :				
Depreciation and Amortisation Expense	16,441	24,275	3,132	4,694
Interest Income	(974)	(1,431)	(117)	(175)
Provision for Doubtful Receivables and Advances	(7,551)	(11,244)	8,861	13,278
Unrealised Loss / (Gain) on Exchange (Net)	(453,608)	(663,855)	–	–
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(327,999)	(461,357)	864,571	1,183,900
ADJUSTMENTS FOR :				
Trade Receivables, Loans and Advances and Other Assets	5,792,748	8,552,863	(13,827,203)	(20,458,055)
Trade Payables, Other Liabilities and Provisions	(3,970,125)	(5,851,457)	13,595,380	20,211,375
CASH GENERATED FROM OPERATIONS	1,494,624	2,240,049	632,748	937,220
Less: Income Tax Paid/ (Credits) (Net)	329,910	497,155	–	–
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	1,164,714	1,742,894	632,748	937,220
B CASH FLOW FROM INVESTING ACTIVITIES :				
Purchase of Property, Plant and Equipment	–	–	(49,714)	(73,761)
Interest Received on maturity of Bank Deposits	974	1,431	117	175
NET CASH FROM / (USED IN) INVESTING ACTIVITIES	974	1,431	(49,597)	(73,586)
C CASH FLOW FROM FINANCING ACTIVITIES :				
Process from issue of Share Capital	–	–	55,100	83,338
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	–	–	55,100	83,338
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,165,688	1,744,325	638,251	946,972
OPENING CASH AND CASH EQUIVALENTS	638,251	946,972	–	–
CLOSING CASH AND CASH EQUIVALENTS	1,803,939	2,691,297	638,251	946,972

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of Cash Flows"

The accompanying notes are an integral part of the Financial Statements

This is the Special Purpose Cash Flow Statement referred to in our Report of even date.

For H A M & Co.

Chartered Accountants

Firm Registration Number : 136368W

On behalf of BLAZECLAN Technologies Corporation, Philippines

CA Hardik H. Shah

Partner

Membership Number: 137026

Place: Bengaluru

Date : 7th May 2025

Varoon Rajani

Director

Place: Singapore

Date: 7th May 2025

Gurmeet Singh

Director

Place: Pune

Date: 7th May 2025

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

COMPANY INFORMATION

Blazeclan Technologies Corporation ("the Company") is a Company formed with the registration number 2022110075163-03 on November 10, 2022. The registered office of the Company is located at 11 6th Floor Cyberone Eastwood Avenue Eastwood City Cyberpark Bagumbayan, Quezon City, Second District, National Capital Region (NCR), 1110. The Company is engaged in providing information technology services.

The Company is a subsidiary of Blazeclan Technologies Private Limited ("the Holding Company") incorporated in India and providing information technology services to enterprise clients. During the year, ITC Infotech India Limited, a wholly owned subsidiary of ITC Limited and engaged in providing technology services has acquired 100% shareholding of the Holding Company in an all cash deal on 1st October, 2024. The ultimate holding company is ITC Limited, a company incorporated and listed in India.

1 MATERIAL ACCOUNTING POLICIES

a) Basis of Preparation and Statement of Compliance

These Special Purpose Financial Statements comprising the Special Purpose Balance Sheet as at 31st March, 2025 and Special Purpose Statement of Profit and Loss, Special Purpose Statement of Changes in Equity and Special Purpose Statement of Cash Flows for the year ended 31st March, 2025 and a summary of material accounting policies and other explanatory information (together referred to as "Special Purpose Financial Statements") are prepared for inclusion in the annual report of the Ultimate Holding Company (ITC Limited) under the requirements of section 129(3) of the Companies Act, 2013*. The financial performance and position of the Company are included in the consolidated financial statements of the Holding Company, Blazeclan Technologies Private Limited, incorporated under the Companies Act, 2013, and having its registered office Pune, Maharashtra, India. These Special Purpose Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") and generally accepted accounting principles in India. Accordingly, these Special Purpose Financial Statements do not purport to follow local GAAP.

The Company adopted Indian Accounting Standards from 1st April, 2023 (the date of transition). Up to the year ended 31st March, 2024, the Company prepared its financial statements in accordance with the requirements of Generally Accepted Accounting Principles (GAAP) notified under the Companies (Accounting Standards) Rules, 2021 and other relevant provisions of the Companies Act, 2013 (the "Act"). These are the Company's first Ind AS Financial Statements. The date of transition to Ind AS is 1st April, 2023. Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 30 (First-time Adoption).

These Special Purpose Financial Statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at amortized cost or fair value as required by the relevant Ind AS and explained in the accounting policy on financial instruments classified as fair value through profit or loss. Accounting policies have been applied consistently to all periods presented in these financial statements, except for new accounting standards adopted by the Company.

* Companies Act, 2013 refers to the Companies Act, 2013 of India

b) Convenience translation (unaudited)

These Special Purpose Financial Statement are presented in PHP. However, as required by the parent company Blazeclan Technologies Private Limited, the Indian Rupee equivalent figures, arrived at by applying the interbank exchange rate for the period ended 31st March, 2025 as provided by Blazeclan Technologies Private Limited, have been included solely for informational purposes and is not in conformity with the provisions of Ind AS.

c) Use of Estimates and Judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

d) Operating Cycle

All assets and liabilities have been classified as current or noncurrent as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of services rendered and their realisation in cash and cash equivalent. The Company has identified twelve months as its operating cycle.

e) Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and non-refundable taxes and incidental expenses related to acquisition. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis.

The estimated useful lives of PP&E are as follows:

Computers, Servers and Networks	3 - 6 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate. Cost of assets not ready for use before the year-end is treated as capital work-in-progress.

f) Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of depreciation) had no impairment loss been recognised in previous years.

g) Foreign Currency Transactions

The presentation currency of the Company is the PHP.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of foreign currency denominated monetary items are recognised in the Statement of Profit and Loss.

h) Financial instruments, Financial assets, Financial liabilities and Equity Instruments

Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Financial Assets

Recognition: Financial assets include cash and cash equivalents, trade receivables, advances and security deposits. Such assets are initially recognised either at transaction price or at fair value, as applicable, on becoming a party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income, where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss, where the assets are managed in accordance with an approved investment strategy that triggers purchase

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of credit loss in future.

Reclassification : When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition on Financial Assets : Interest income is recognised in the Statement of Profit and Loss using the effective interest method.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

i) Revenue from Sale of Services

The Company is engaged in providing information technology services to enterprise clients. The Company derives its revenues primarily from Information Technology (IT) services.

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 the contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. Revenue is recognised upon transfer of control of promised products or services ("performance obligations") to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services ("transaction price") net of discounts, if any. The Company assesses the services promised in a contract and identifies distinct performance obligations in the contract. The Company allocates the transaction price to each distinct performance obligation based on expected cost plus margin.

Revenue excludes amounts collected on behalf of third parties, such as sales tax, value added tax and goods and services tax. Revenue is recognised from

services performed on a "time and material" basis, as and when the services are performed. Revenue from Fixed price support services is recognised on a straight-line basis when services are performed through a series of repetitive acts over a specified period.

Revenue is recognised from services performed on other "time bound fixed-price engagements" based on efforts expended using the percentage of completion method of accounting, if work completed can be reasonably estimated.

The cumulative impact of any revision in estimates of the percentage of work completed is reflected in the period in which the change becomes known. Provisions for estimated losses on such engagements are made during the period in which a loss becomes probable and can be reasonably estimated.

Revenue from sales of third-party vendor software / hardware is recognised upon delivery to customer. Revenue from sales of third-party vendor software/hardware is recorded in accordance with IndAS 115 net of costs when the Company is acting as an agent between the customer and the vendor, and gross when the Company is the principal for the transaction.

The billing schedules agreed with customers include periodic performance-based billing and / or milestone-based progress billings. Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Lease payments associated with short-term leases (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 and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude (INR 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

l) Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

m) Dividend Distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

n) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. The Company is currently operating in a single segment i.e., Information Technology.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

o) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

p) Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

2. PROPERTY, PLANT AND EQUIPMENT - FY 2024-25

(PHP)

DESCRIPTION	Gross Block					Depreciation and Amortisation					NET BLOCK		
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024	
PROPERTY, PLANT AND EQUIPMENT													
Computers, Servers and Networks	49,714	-	-	-	49,714	3,132	16,441	-	-	19,573	30,141	46,582	
TOTAL	49,714	-	-	-	49,714	3,132	16,441	-	-	19,573	30,141	46,582	

(₹)

DESCRIPTION	Gross Block					Depreciation and Amortisation					NET BLOCK		
	As at 1st April, 2024	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 1st April, 2024	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024	
PROPERTY, PLANT AND EQUIPMENT													
Computers, Servers and Networks	73,761	-	-	408	74,169	4,648	24,275	-	279	29,202	44,967	69,113	
TOTAL	73,761	-	-	408	74,169	4,648	24,275	-	279	29,202	44,967	69,113	

2. PROPERTY, PLANT AND EQUIPMENT FY 2023-24

(PHP)

DESCRIPTION	Gross Block					Depreciation and Amortisation					NET BLOCK		
	As at 1st April, 2023	Additions	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023	
PROPERTY, PLANT AND EQUIPMENT													
Computers, Servers and Networks	-	49,714	-	-	49,714	-	3,132			3,132	46,582	-	
TOTAL	-	49,714	-	-	49,714	-	3,132	-	-	3,132	46,582	-	

(₹)

DESCRIPTION	Gross Block					Depreciation and Amortisation					NET BLOCK		
	As at 1st April, 2023	Additions	Withdraw-als/ Adjustments	FCTR	As at 31st March, 2024	As at 1st April, 2023	Charge For the year	Withdrawals/ Adjustments	FCTR	As at 31st March, 2024	As at 31st March, 2024	As at 31st March, 2023	
PROPERTY, PLANT AND EQUIPMENT													
Computers, Servers and Networks	-	73,761	-	-	73,761	-	4,694		-46	4,648	69,113	-	
TOTAL	-	73,761	-	-	73,761	-	4,694	-	-46	4,648	69,113		

3. OTHER CURRENT FINANCIAL ASSETS

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Unsecured Considered Good, Unless Otherwise Stated				
Unbilled Revenue - time and material basis & fixed price support contracts	718,033	1,071,234	10,902,035	16,175,348
Security Deposits (includes deposits for Company offices, etc.)	29,396	43,856	842,671	1,250,271
Advances (includes advance to employees)	-	-	914,403	1,356,700
Others	10,544,900	15,731,936	10,544,900	15,645,468
Total	11,292,329	16,847,026	23,204,009	34,427,787

4. TRADE RECEIVABLE

Trade Receivables as at March, 2025	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Unsecured, Considered Good	7,724,743	11,524,544	809,255	1,200,693
Less : Expected Credit Loss Allowance	(1,310)	(1,955)	(8,861)	(13,278)
Total	7,723,433	11,522,589	800,394	1,187,415

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Trade Receivables as at 31st March, 2025	Outstanding for following periods							Total (PHP)	Total (₹)
	Not Due	Less than 6 months	6 months - 1 period	1-2 periods	2-3 periods	More than 3 years			
Undisputed Trade Receivables - considered good	-	7,724,743	-	-	-	-	7,724,743	11,524,544	
Less : Expected Credit Loss Allowance	-	-	-	-	-	-	(1,310)	(1,955)	
Net	-	7,724,743	-	-	-	-	7,723,433	11,522,589	

Trade Receivables as at 31st March, 2024	Outstanding for following periods							Total (PHP)	Total (₹)
	Not Due	Less than 6 months	6 months - 1 period	1-2 periods	2-3 periods	More than 3 years			
Undisputed Trade Receivables - considered good	-	809,255	-	-	-	-	809,255	1,200,693	
Less : Expected Credit Loss Allowance	-	-	-	-	-	-	(8,861)	(13,278)	
Net	-	809,255	-	-	-	-	800,394	1,187,415	

5. CASH AND CASH EQUIVALENTS

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Balance with Bank:				
Current Account	1,803,939	2,691,297	638,251	946,972
Total	1,803,939	2,691,297	638,251	946,972

6. DEFERRED TAX ASSETS (NET)

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Deferred Tax Assets	73,667	109,903	2,002	3,000
Total	73,667	109,903	2,002	3,000

Movement in Deferred Tax

Particulars	Opening Balance (PHP)	Recognised in profit or Loss (PHP)	Closing Balance (PHP)	Closing Balance (₹)
FY 2024-25				
Deferred Tax Assets :				
On provision for doubtful receivables	2,002	(2,002)	-	-
Other timing differences (includes provision for expenses)	-	73,667	73,667	109,903
Deferred Tax Assets (Net)	2,002	71,665	73,667	109,903

Movement in Deferred Tax

Particulars	Opening Balance (PHP)	Recognised in profit or loss (PHP)	Closing Balance (PHP)	Closing Balance (₹)
FY 2023-24				
Deferred Tax Assets :				
On provision for doubtful receivables	-	2,002	2,002	3,000
Deferred Tax Assets (Net)	-	2,002	2,002	3,000

7. INCOME TAX ASSETS (NET)

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Advance Tax (Net of Provision for Income Tax)	35,194	52,506	-	-
Total	35,194	52,506	-	-

8. OTHER CURRENT ASSETS

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Unbilled Revenue - percentage of completion	-	-	92,643	138,831
From Statutory Authorities	13,199	19,691	-	-
Other Advances (includes Unexpired Expenses)	2,692	4,017	266,196	394,955
Total	15,891	23,708	358,839	533,786

9(a)EQUITY SHARE CAPITAL

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Authorised				
2,12,000 (2024 - 2,12,000) Equity Shares of PHP 50 each	10,600,000	16,032,427	10,600,000	16,032,427
Issued and Subscribed :				
1,102 (2024 - 1,102) Equity Shares of PHP 50 each, fully paid	55,100	83,338	55,100	83,338
2,10,898 (2024 - 2,12,000) Equity Shares of PHP 50 each, not paid	10,544,900	15,949,088	10,544,900	15,949,088
[2,11,998 equity shares are held by Blazeclan Technologies Private Limited, India, the Holding Company. The Equity Shares of the Company, having par value of PHP 50 per share, rank pari passu in all respects including entitlement to dividend.				

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

9(b) SHARES HELD BY PROMOTERS

Particulars	SHAREHOLDER	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of PHP 50 each, not fully paid	Blazeclan Technologies Private Limited (India)	210,898	99.5%	0%	210,898	99.5%	-
Equity shares of PHP 50 each, fully paid	Blazeclan Technologies Private Limited (India)	1,100	0.5%	0%	1,100	0.5%	-
Equity shares of PHP 50 each, fully paid	Gurmeet Singh	1	0.0005%	0%	1	0.0005%	-
Equity shares of PHP 50 each, fully paid	Varoon Rajani	1	0.0005%	0%	1	0.0005%	-

10. FINANCIAL LIABILITIES

10.(a) Trade payables

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Trade Payables	9,620,962	14,353,512	13,245,161	19,691,755

Ageing Schedule

Trade Payable as at 31st March, 2025	Outstanding for following periods								Total (₹)
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total PHP	
Inter Company	-	-	64,241	888,775	8,562,026	-	-	9,515,042	14,195,491
Others	102,175	-	-	3,745	-	-	-	105,920	158,021
Total	102,175	-	64,241	892,520	8,562,026	-	-	9,620,962	14,353,512

Ageing Schedule

Trade Payable as at 31st March, 2024	Outstanding for following periods								Total (₹)
	Not Due	Unbilled (Accrued)	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total PHP	
Inter Company	-	1,215,706	11,781,408	141,066	-	-	-	13,138,180	19,532,705
Others	-	70,206	36,575	200	-	-	-	106,981	159,050
Total	-	1,285,912	11,817,983	141,266	-	-	-	13,245,161	19,691,755

10.(b) Current Financial Liabilities - Others

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Employee Payable	-	-	113,391	168,238
Total	-	-	113,391	168,238

11 OTHER CURRENT LIABILITIES

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Statutory Dues	4,293	6,405	236,828	351,381
Total	4,293	6,405	236,828	351,381

12 CURRENT TAX LIABILITIES

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Current Taxation (Net of Advance Tax)	-	-	153,759	228,132
Total	-	-	153,759	228,132

13. REVENUE FROM OPERATIONS

	For the year ended 31st March, 2025 (PHP)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (PHP)	For the year ended 31st March, 2024 (₹)
Sale of Services	3,517,096	5,211,099	12,590,382	18,727,575
Total	3,517,096	5,211,099	12,590,382	18,727,575

14. OTHER INCOME

	For the year ended 31st March, 2025 (PHP)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (PHP)	For the year ended 31st March, 2024 (₹)
Interest Income	974	1,431	117	175
Total	974	1,431	117	175

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

15. EMPLOYEE BENEFITS EXPENSES

	For the year ended 31st March, 2025 (PHP)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (PHP)	For the year ended 31st March, 2024 (₹)
Salaries and Bonus	812,423	1,197,706	10,298,639	15,433,025
Contribution to Pension and other Funds	63,765	94,176	-	-
Total	876,188	1,291,882	10,298,639	15,433,025

16. OTHER EXPENSES

	For the year ended 31st March, 2025 (PHP)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (PHP)	For the year ended 31st March, 2024 (₹)
Rent	53,356	78,776	-	-
Rates and Taxes	459,685	674,319	2,627	-
Travelling and Conveyance	-	-	189,055	283,310
Outsourcing Charges	743,627	1,088,635	2,147,713	3,195,336
Software and Related Expenses	-	-	33,380	49,531
Business Development Expenses	62,201	92,537	(1,310,627)	(1,964,040)
Bank Charges	100	149	25	37
Legal, Professional and Consultancy Expenses	734,039	1,083,374	101,225	151,690
Doubtful and Bad Receivables	(7,550)	(11,244)	8,861	13,278
Auditor's Remuneration and Expenses	85,939	126,504	56,165	84,165
Training and Development	10,474	15,600	-	-
Loss on Exchange (Net)	365,877	556,825	41,957	62,875
Miscellaneous Expenses	-	-	165,652	247,746
Total	2,507,748	3,705,475	1,436,033	2,123,928

17. TAX EXPENSES

17(a) Tax Expenses Recognised in Statement of Profit and Loss

	For the year ended 31st March, 2025 (PHP)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (PHP)	For the year ended 31st March, 2024 (₹)
Current Tax	140,957	214,461	153,759	228,132
Charge / (Credits) related to previous years	-	-	-	-
	140,957	214,461	153,759	228,132
Deferred Tax Charge / (Credit)	(71,665)	(104,847)	(2,002)	(3,000)
Charge / (Credits) related to previous years	-	-	-	-
	(71,665)	(104,847)	(2,002)	(3,000)
Total	69,292	109,614	151,757	225,132

17(b) The reconciliation between the income tax expenses and amounts computed by applying the standard rate of income tax to profit before taxes is as follows:

Profit before tax	117,693	190,898	852,695	1,166,103
Income tax expense calculated at 20%	23,539	38,180	170,539	233,221
Effects of :				
- Other differences	45,754	71,434	(18,782)	(8,089)
Income Tax expenses recognised in Statement of Profit and Loss	69,292	109,614	151,757	225,132

18. Commitments and Contingencies

- There are no contracts remaining to be executed on capital account.
- There are no claims against the Company not acknowledged as debts.

19. EARNINGS PER SHARE (BASIC AND DILUTED)

	For the year ended 31st March, 2025 (PHP)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (PHP)	For the year ended 31st March, 2024 (₹)
(a) Profit/(Loss) after Tax	48,401	81,284	700,938	940,971
(b) Weighted average number of Equity Shares	212,000	212,000	212,000	212,000
(c) Earnings Per Share (Basic and Diluted) (Face value of PHP 50 per share)	0.23	0.38	3.31	4.44

20. AUDITORS REMUNERATION AND EXPENSES

	For the year ended 31st March, 2025 (PHP)	For the year ended 31st March, 2025 (₹)	For the year ended 31st March, 2024 (PHP)	For the year ended 31st March, 2024 (₹)
Audit Fees	85,939	126,504	56,165	84,165
Total	85,939	126,504	56,165	84,165

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

21 CAPITAL MANAGEMENT

The Company's financial strategy aims to foster its strategic priorities and provide adequate capital for its businesses to grow and invest for generating sustained stakeholder value. The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

The capital structure of the Company comprises only of equity as detailed in the Statement of Changes in Equity.

The Company is not exposed to any externally imposed capital requirements.

22. CATEGORIES OF FINANCIAL INSTRUMENTS

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	(PHP)		(₹)		(PHP)		(₹)	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets								
Measured at amortised cost								
Cash and Cash Equivalents	1,803,939	1,803,939	2,691,297	2,691,297	638,251	638,251	946,972	946,972
Trade Receivables	7,723,433	7,723,433	11,522,589	11,522,589	800,394	800,394	1,187,415	1,187,415
Other Financial Assets	11,292,329	11,292,329	16,847,026	16,847,026	23,204,009	23,204,009	34,427,787	34,427,787
Total	20,819,701	20,819,701	31,060,912	31,060,912	24,642,654	24,642,654	36,562,174	36,562,174
Financial Liabilities								
Measured at amortised cost								
Trade Payables	9,620,962	9,620,962	14,353,512	14,353,512	13,245,161	13,245,161	19,691,755	19,691,755
Other Financial Liabilities	-	-	-	-	113,391	113,391	168,238	168,238
Total	9,620,962	9,620,962	14,353,512	14,353,512	13,358,552	13,358,552	19,859,993	19,859,993

23. Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on systems and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

a) Market Risk

The Company's various business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management systems in place to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign Currency Risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and translation risks arising from recognised assets and liabilities which are not in the Company's functional currency (PHP). A significant portion of these transactions are in US Dollar (USD).

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

As at 31st March 2025	USD	GBP	EURO	OTHERS	Total
Financial Assets	-	-	-	-	-
Financial Liabilities	108,153	-	-	8,453,873	8,562,026

ii) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the other financial assets and liabilities of the Company are non-interest bearing, the Company's net exposure to interest risk is negligible.

iii) Price Risk

Since all the funds are kept in the bank account there is no price risk on such surplus funds.

b) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS (Contd.)

Particulars	As at 31st March, 2025							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (PHP)	Total (₹)
Trade Payables	9,620,962	9,620,962	-	-	-	-	9,620,962	14,353,512
Total	9,620,962	9,620,962	-	-	-	-	9,620,962	14,353,512

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

Particulars	As at 31st March, 2024							
	Contractual Cash flows*							
	Carrying value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year up to 3 year	Beyond 3 years	Total (PHP)	Total (₹)
Trade Payables	13,245,161	13,245,161	-	-	-	-	13,245,161	19,691,755
Other Financial Liabilities	1,13,391	113,391	-	-	-	-	113,391	168,238
Total	13,358,552	1,33,58,552	-	-	-	-	13,358,552	19,859,993

* The table has been drawn up based on the earliest date on which the Company would be required to pay.

c) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Financial instruments that are subject to concentration of credit risk principally consist of trade receivables.

Credit is extended to Customers after evaluating them against key parameters such as financial position, credit ratings, market intelligence, past experience etc., as may be appropriate. Trade receivables are monitored regularly. Some of the Company's key Customers have been transacting for many years and the incidence of bad debts is negligible. The Company recognises provision for expected credit loss on an individual customer basis, based on internal reviews, which are conducted regularly and considers all aspects with respect to debts.

The movement of the expected credit loss provision made by the Company with respect to trade receivables are as under:

	As at 31st March, 2025 (PHP)	As at 31st March, 2025 (₹)	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Opening Balance	8,861	13,278	-	-
Add: Expected credit loss provisions made during the year	(7,550)	(11,244)	8,861	13,278
Effects of foreign exchange fluctuation	-	(79)	-	-
Closing Balance	1,310	1,955	8,861	13,278

For age wise breakup of receivables, refer to Note 4.

24 SEGMENT REPORTING

The Company is engaged in Information and Technology Enabled Services. The Company's operations comprise of only one segment basis which the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resource. Geographical Information is given below:

	For the year ended 31st March 2025 (PHP)	For the year ended 31st March 2025 (₹)	For the year ended 31st March 2025 (PHP)	For the year ended 31st March 2025 (₹)
Segment Revenue				
India	1,993,606	2,953,822	9,410,242	13,961,977
Philippines	1,523,490	2,257,277	2,617,811	3,922,920
Total	3,517,096	5,211,099	12,590,382	18,727,575

25 RELATED PARTY DISCLOSURES

(i) ULTIMATE HOLDING COMPANY:

ITC Limited (Holding Company of ITC Infotech India Limited) (w.e.f. 1st October, 2024)

(ii) HOLDING COMPANY:

ITC Infotech India Limited (Holding Company of Blazeclan Technologies Private Limited w.e.f. 1st October, 2024)

Blazeclan Technologies Private Limited (India)

(iii) Fellow Subsidiary Companies:

Blazeclan Technologies SDN BHD (Malaysia)

Blazeclan Technologies Pte Limited (Singapore)

(iv) Directors

Varoon Rajani

Gurmeet Singh

(v) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

(PHP)

Sl. No	Description	Blazeclan Technologies Private Limited (India)	
		FY 2024-25	FY 2023-24
1	Purchase of services	743,627	2,238,951
2	Sale of services	1,993,606	9,410,243
3	Subscription of Share Capital	-	55,000

NOTES TO THE SPECIAL PURPOSE FINANCIAL STATEMENTS

(vii) DISCLOSURE OF OUTSTANDING BALANCES

(PHP)

Description	Blazeclan Technologies Private Limited (India)		Blazeclan Technologies SDN BHD (Malaysia)		Blazeclan Technologies Pte. Ltd. (Singapore)	
	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024	31st March, 2025	31st March, 2024
i) Trade Receivables and Unbilled Receivables	8,421,271	9,410,243	-	-	-	-
ii) Trade Payables	-	2,238,951	125,009	111,808	9,390,033	10,787,421
iii) Other Receivables	10,544,900	10,544,900	-	-	-	-

(viii) SIGNIFICANT TERMS AND CONDITIONS OF OUTSTANDING BALANCES

All outstanding balances are unsecured and are repayable in cash.

26 Subsequent Events

The Company evaluated subsequent events through 7th May, 2025 which is the date on which the Special Purpose Financial Statements are approved by the Board of Directors. Based on this evaluation, the Company is not aware of any other events or transactions that would require recognition or disclosure in the Special Purpose Financial Statements.

27 Approval of Financial Statements

The Special Purpose Financial Statements were approved for issue by the Board of Directors on 7th May, 2025.

28 Comparatives

As required by Ind AS, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

29 New Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions which are applicable to the Company w.e.f. April 1, 2024.

These amendments do not have a material impact on the financial statements of the Company.

30 First-time adoption

30(a) Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 1 have been applied in preparing the Financial Statements for the year ended 31st March 2025, and in the preparation of the opening Ind AS balance sheet as at 1st April 2023 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2021 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). Details of the optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed below:

a) Leases

The company has to assess whether a contract or arrangement contains a lease as per Ind AS 116. As a first time adopter, an entity has an option to make this assessment on the basis of facts and circumstances existing at the date of transition as per Ind AS. The Company has elected to apply this exemption for such contracts/arrangements.

The following practical exemptions have been applied -

- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 April 2023 as short-term leases

b) Revenue recognition

The Company has opted exemption provided under Appendix D34 of Ind AS 101 wherein for all reporting periods presented before the date of initial application, Company is not required to disclose the amount of transaction price allocated to the remaining performance obligations and an explanation of when the entity expects to recognise that amount as revenue.

As first-time adopter to Ind AS, the company can apply the transition provisions in Appendix C5 and C6 of Ind AS 115 at the date of transition to Ind AS. However, a first-time adopter is not required to restate contracts that were completed before the earliest period presented. A completed contract is a contract for which the entity has transferred all of the goods or services identified in accordance with previous GAAP. As permitted by Ind AS 101, Company has elected to avail the option. This has resulted in assessment of not to reassess the completed revenue contract under the previous GAAP.

30 b) Reconciliation of total equity as at March 31, 2024 and April 1, 2023 between Previous GAAP and Ind AS

Particulars	Note No.	As at 31st March, 2024 (PHP)	As at 31st March, 2024 (₹)
Total equity under previous GAAP		615,153	567,586
Ind AS adjustments:			
Provisioning of trade receivables	a	(8,861)	(13,278)
Revenue recognition	b	92,644	138,832
Deferred Taxes	c	2,002	3,000
Total equity under Ind AS		700,938	696,140

30 c) Reconciliation of total comprehensive income for the year ended March 31, 2024

Particulars	Note No.	For the Year ended March 31, 2024 (PHP)	For the Year ended March 31, 2024 (₹)
Profit/(Loss) after tax under previous GAAP		615,152	812,417
Ind AS adjustments:			
Provisioning of trade receivables	a	(8,861)	(13,278)
Revenue recognition	b	92,644	138,832
Deferred Taxes	c	2,002	3,000
Profit after tax as reported under Ind AS		700,938	940,972
Other comprehensive income			
Remeasurements of post employment benefit obligations (net of tax)		-	(244,831)
Total comprehensive income as reported under Ind AS		700,938	696,140

a) Provisioning of trade receivables: Under Ind AS, the Company has recognized impairment loss on trade receivables based on the expected credit loss model as required by Ind AS 109.

b) Revenue Recognition : In accordance with Ind AS 115, revenue has been recognised in accordance with the five step model.

c) Deferred Tax : Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS.

DIRECTORS REPORT

Your Directors are pleased to submit their Report and the Audited Accounts of the Company for the year ended 31st Asadh, 2081 (15th July, 2024).

SOCIO-ECONOMIC AND REGULATORY ENVIRONMENT

During the year under review, Nepal's GDP growth witnessed a modest recovery to 3.9% from 2% in the previous year, led largely by strong growth in the tourism sector and a sharp rise in foreign inward remittances. However, domestic economic activity continued to remain subdued on account of weak demand amidst low consumer confidence, sluggish private and public investment evidenced by decrease in import of capital and intermediate goods. The manufacturing and construction sectors witnessed a de-growth of 1.6% and 2.1% respectively during the year, whilst wholesale and retail trade remained flat.

External sector strengthened during the year, as the current account recorded a surplus of NRs. 221 billion (₹ 138 billion) (3.9% of GDP), compared to a deficit of NRs. 47 billion (₹ 29 billion) (0.9% of GDP) during the previous year. While the trade deficit eased by 1% to NRs. 1,441 billion (₹ 901 billion) on account of decrease in imports, inward remittances increased by 16.5% to NRs. 1,445 billion (₹ 903 billion). Consequently, the Balance of Payments showed a surplus of NRs. 502 billion (₹ 314 billion), up from NRs. 286 billion (₹ 179 billion) in the same period last year. Gross foreign exchange reserves also saw a significant increase of 30.4%, reaching USD 15.27 billion as of mid-July, 2024, up from USD 11.71 billion as of mid-July, 2023, which is sufficient to provide a healthy import cover for approximately 13 months.

With notable decrease in average consumer price inflation to 5.4% during the year (previous year 7.7%), Nepal Rastra Bank has adopted a more accommodative monetary policy stance. Despite the resultant decrease in the average lending rate from 12.3% last year to 9.9% during the year, private sector credit growth remained modest at 5.8% during the year.

The tourism sector, however, thrived this year, with a 31% rise in tourist arrivals, augmenting the country's foreign exchange reserves. While this, together with stronger inward remittances, lower interest rates, and reduced inflation, augur well for the economy, policies and reforms aimed at encouraging both Foreign and Domestic Investments and incentivizing domestic manufacturing remain critical for large scale employment generation and sustained economic growth. Policy measures, regulations, and administrative initiatives, that support technology transfers, contemporary laws on intellectual property, and land acquisition, are expected to significantly enhance the competitiveness of domestic manufacturing industries.

DOMESTIC CIGARETTE INDUSTRY

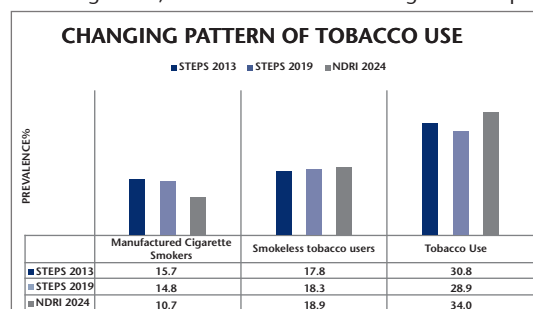
The domestic legal cigarette industry occupies an important place in Nepal's economy by virtue of:

- supporting the livelihoods of more than 5 lakh farmers, farm workers, retailers, and others engaged in the cultivation and trade of tobacco products;
- contributing around 3% of the total revenue collection and 14% of the total Excise Duty collection of the Government of Nepal;
- building the country's manufacturing competitiveness and industrial productivity – being amongst a handful of industries in which Nepal has sufficient domestic manufacturing capacity; and
- being a significant contributor to the GDP of the manufacturing sector of the country.

Despite its far-reaching economic impact, the legal cigarette industry continues to face significant challenges from a punitive and discriminatory taxation and regulatory regime. The operating environment has become increasingly difficult with year-on-year increase in tax incidence. Nepal's tobacco industry endures one of the highest tax burden in the region, with cigarette taxes relative to per capita income also being exceptionally high. Consequently, Nepal remains one of the least affordable markets for cigarettes in the world.

High incidence of tax on Cigarettes, apart from adversely impacting the legal cigarette industry in Nepal, has also resulted in significant shift in consumption towards moderately taxed / tax-evaded forms of tobacco products, including illegal cigarettes, chewing tobacco, gutkha, zarda, khaini and snuff, which are more affordable and readily available. Further, in contrast to most countries, cigarettes represent a relatively low share of tobacco consumption in Nepal.

STEPS survey carried out by the Nepal Health Research Council and a survey carried out by Nepal Development Research Institute (NDRI), indicate a rising trend in the consumption of smokeless tobacco products. As per the results of their research conducted during the year 2013, 2019 and 2024, there has been an increase in the number of users of smokeless tobacco products during the period from 2013 to 2024, as compared to manufactured cigarettes, which has decreased during the same period.



(Source: STEPS Survey, 2013, 2019 & NDRI Survey, 2024)

The manufacture of smokeless tobacco products, which constitute the largest share of tobacco consumption, is fragmented and predominantly unorganized, making it prone to evasion of tax. The growth in consumption of these largely unregulated and moderately taxed smokeless forms of tobacco products, often manufactured in unhygienic conditions with ingredients of dubious quality is alarming, as it not only impacts the government's revenue potential from this sector but also undermines public health objectives.

Excessive taxation on cigarettes over the years has also created an extremely lucrative arbitrage opportunity for trade in illicit cigarettes. This has provided a fillip to illicit cigarette trade resulting in the proliferation of counterfeit and smuggled products in the country. Markets have been flooded with smuggled international brands and counterfeits of domestic brands. This is evidenced by several instances of seizure in large quantities, of smuggled cigarettes by law enforcement authorities.

Illicit trade of cigarettes and the growth of non-smoking tobacco products have emerged as serious threats to the domestic legal cigarette industry, which is adversely impacting revenue collections and undermining the tobacco control objectives of the Government. It is estimated that the revenue loss to the Exchequer on account of illegal cigarettes, i.e. tax-evaded / counterfeit, and other tobacco products is about NRs. 1,400 crores (₹ 875 crores) per annum. Your Company continues to engage with the revenue and enforcement authorities to highlight the rapidly growing menace of illicit cigarette trade in Nepal.

Directives issued under the Tobacco Product (Control and Regulation) Act, 2010 (TOPCA) require cigarette packages to carry prescribed pictorial warnings, which rank amongst the largest in the world. Whilst the legal cigarette industry scrupulously follows statutory compliance, smuggled international cigarette brands do not bear the Graphical Health Warnings (GHW), mandated under the applicable laws of Nepal, or bear much smaller pictorial / textual warnings as per the tobacco laws of their respective originating countries. Consequently, such cigarettes are perceived to be a "safer" alternative by many consumers, as against the domestic legal cigarettes that carry the large pictorial warnings. Such a false perception lends buoyancy to illicit cigarette volumes. The growth of illicit trade and counterfeit products of dubious quality adversely impacts consumers, the Exchequer, and the legal cigarette industry. It is pertinent to note that international experience indicates that stringent regulations do not reduce demand for tobacco, but merely shifts it from legal to illegal tobacco products of suspect / inferior quality, thereby undermining public health objectives.

In addition to the TOPCA enacted by the Federal Government of Nepal, the Gandaki Province had in Baisakh, 2076 (May, 2019), enacted the Tobacco Products (Control & Regulatory) Act, 2076 (Provincial TOPCA), applicable in that Province. Apart from the fact that the Provincial TOPCA has been enacted beyond jurisdiction, several of its provisions are inconsistent with those prescribed under the Federal TOPCA. Industry players, including your Company, have challenged the constitutional validity of Provincial TOPCA, at the Hon'ble Supreme Court of Nepal.

Your Company continues to engage with policymakers for equitable, non-discriminatory, pragmatic, evidence-based regulations and taxation policies, that balance the economic imperatives and the tobacco control objectives.

COMPANY PERFORMANCE

Your Company demonstrated resilient performance amidst a challenging macro-economic and operating environment with notably subdued consumption demand across various categories within the FMCG sector. For the year ended 31st Asadh, 2081, your Company posted Standalone Gross Revenue of NRs. 5,015 Crores (₹ 3,134 Crores) (previous year: NRs. 5,128 Crores (₹ 3,205 Crores)), Profit for the year (after tax expense) stood at NRs. 1,104 Crores (₹ 690 crores) (previous year: NRs. 1,137 Crores (₹ 711 Crores)) and Earnings per share for the year stood at NRs. 273.8 (₹ 171.13) (previous year: NRs. 282.0 (₹ 176.25)).

CONTRIBUTION TO THE EXCHEQUER

Your Company is the highest taxpayer in the country and was awarded by the Government of Nepal for this achievement. It contributes around 3% of the total revenues of the Government of Nepal.

For the year under review, your Company contributed NRs. 3,512 Crores (₹ 2,195 Crores) by way of Excise Duty, Health Risk Tax, Excise Sticker Charges, VAT, Customs Duty, Dividend Distribution Tax, Income Tax and Contribution to National Level Welfare Fund. Your Company's Excise Duty contribution to the Exchequer constitutes about 12% of the Government's total Excise Revenue, while its VAT and Income Tax contributions constitute nearly 2% of the Government's aggregate revenue from these sources.

DIVIDEND

The Board of Directors declared an Interim Dividend of NRs. 46 (₹ 28.75) per Ordinary Share for the year ended 31st Asadh, 2081. Your Board has also recommended to the Shareholders, a Final Dividend of NRs. 227 (₹ 141.88) per Ordinary Share, which if approved, will take the total Dividend for the year to NRs. 273 (₹ 170.63) per Ordinary Share of NRs. 50 (₹ 31.25) each.

All Dividends declared in the previous years have been paid after obtaining necessary statutory approvals and there are no unclaimed dividends lying with your Company.

FAST MOVING CONSUMER GOODS (FMCG) BUSINESSES

• Cigarettes

Despite the challenging macro-economic environment, your Company re-inforced its market standing by leveraging its robust portfolio, superior product quality, and wide distribution network. Differentiated and innovative variant launched under the 'Surya' trademark, Surya Dual Burst, has elicited encouraging consumer response. While Shikhar Ice Rush solidified its market leadership, Shaan Filter continued to appeal to consumers. Additionally, product and packaging improvements were made to Surya, Khukuri, and Pilot.

Your Company's manufacturing systems continued to be agile and set new benchmarks in quality and productivity. Various initiatives in the areas like manufacture of new product formats, process automation and enhancing quality of products were implemented during the year.

Relentless focus on developing world-class products anchored on innovation and benchmarked international quality standards remains a key source of sustainable competitive advantage for your Company.

Branded Packaged Food Products

• Confectionery

The Confectionery Business continues to make focused investments towards strengthening its market standing. During the year, four new variants were launched under 'Eclairs', 'Tadka Eml', 'Coffee Delite', and 'Cola Fun' which received encouraging consumer response. However, the overall category witnessed continued pressure, resulting from the adverse economic environment and trading conditions, as stated above.

• Biscuits

During the year, your Company forayed into the Biscuits category with the launch of "Sunfeast Dark Fantasy Choco Fills", being manufactured at the Company's state-of-the-art manufacturing facility setup near Biratnagar. The product has been well received by consumers, with encouraging response across General and Modern Trade Channels.

• AGRI BUSINESS - LEAF TOBACCO

Your Company continues to make interventions through sustainable agricultural practices, towards improving the quality and productivity of domestic grades of tobacco cultivated in the country.

Efforts continue to be made towards scaling up the business to support domestic tobacco farmers, and boost foreign exchange earnings of the country.

• OTHER FMCG

Incense Sticks (Agarbattis)

Your Company's wholly owned subsidiary "Surya Nepal Ventures Private Limited" (SNVPL) commenced manufacturing and sales of Agarbatti from February, 2024. During the year, SNVPL continued to strengthen its market standing in the Agarbatti business by deploying a differentiated product portfolio, supported by sharp focused marketing investments, and availability across target markets.

The product range straddles all segments and price points, offering consumers a variety of fragrances and packaging formats backed by a robust trade marketing and distribution infrastructure. Product portfolio was further augmented during the year, with the launch of a new variant - 'Marigold'.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

Your Company continues to adopt various initiatives in Environment, Health and Safety, to remain a benchmark manufacturing facility in the country.

Your Company's Simara manufacturing unit was awarded "Best Industry in Madhesh Province" by the Department of Labour and Occupational Safety, for compliance with Safety Standards. Similarly, the Seratar unit was accorded the "Best Enterprise Award" by the Labour Office, for compliance with Labour Laws.

During the year, your Company has undertaken various interventions under the Water Conservation Program. Your Company remained Water Positive for the 2nd Year in a row. Carbon sequestration assessment was carried out during the year to obtain the baseline data emanating from afforestation and wetland preservation initiatives undertaken by your Company till date. Your Company is sequestering 55% of carbon emissions from its operations.

TAX MATTERS

As reported in earlier years, the Inland Revenue Department (IRD) had issued Show Cause Notices ("SCNs") and raised demands related to Excise Duty, Income Tax, and Value Added Tax ("VAT") on the basis of alleged theoretical production of cigarettes for the period prior to 16th July, 2008.

The Hon'ble Supreme Court of Nepal ("Supreme Court") vide its orders dated 29th October, 2009 and 1st April, 2010, had set aside the Excise Duty demands on the Company, for the Financial Years ("FY") 1993-1994, 1994-1995, 1998-1999 to 2002-2003 as well as the Income Tax demand for FY 2001-2002, in this matter. Subsequently, the IRD has also set aside similar demands for FY 2001-2002 and 2007-2008, in respect of VAT and Income Tax demand for FY 2005-2006.

Your attention is drawn to Note 31 (vii) (a) in the 'Notes to the Financial Statements' with respect to the demands raised and SCNs issued by the Department for various financial years on similar grounds. These demands and an SCN on theoretical production for different years, were challenged by your Company, by way of Writ Petitions at the Hon'ble Supreme Court, during the years 2007 to 2010.

The Writ Petitions regarding various tax demands and the SCN were disposed of by the Hon'ble Supreme Court on 15th April, 2021, holding that the Company should avail the alternate remedy by way of appeal to the IRD. The Administrative Review Petitions relating to the above demands, are currently pending for disposal with the IRD. The Management is of the opinion that the aforesaid demands have no legal and factual basis, since the issue underlying these demands has already been settled by the Hon'ble Supreme Court in favour of the Company.

INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT

Your Company continues to follow a systems-based approach towards risk management. The Corporate Governance Policy of your Company lays down the structure, roles, and responsibilities of the key entities in the governance process and mandates periodic review of critical areas of operations. Robust internal control systems, consisting of the following key elements are also in place:

- Organizational policies for key areas of operations, e.g., Financial Policies and Procedures, IT Policy, etc. and Risk Management Policy.

- Comprehensive Standard Operating Procedures (SOPs) across all areas of operations, which ensure appropriate segregation of duties, tiered approval mechanisms, and maintenance of supporting records.
- Maintenance of Books of Accounts through the use of ERP (SAP), with appropriate built in transactional controls.
- Independent, periodic risk-based internal audit, across functions and businesses.

Automation and digitalization of processes across all areas of operations continues to be a key focus area. Regular reviews and ongoing enhancements of systems, policies, and internal controls are prioritized to effectively address the various risks linked to the Company's activities and operations, and to institute suitable risk mitigation strategies.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

Your Company continues to support and invest in initiatives towards building the societal and economic capital for the Nation. The Company, in line with the applicable regulatory requirements and CSR policy of the Company, carried out following activities under its four existing distinct CSR Platforms, namely, Surya Nepal Asha, Surya Nepal Prakriti, Surya Nepal Adharshila and Surya Nepal Gatha, during the year under review:

- Assisted farmers in areas proximate to the Company's operating locations, in creation of agri-infrastructure such as agri-sheds, vermicompost pits, providing training and development towards improvement in productivity, conducting skill development programs and creating other income-generating activities, such as beekeeping, etc.
- Supported the animal husbandry sector by providing extension services covering animal breeding, health, and nutrition to drive yield improvement and higher returns for farmers.
- Contributed towards improvement in the quality of education in public schools in the vicinity of the Company's operating locations through:
 - partnership with "Teach for Nepal", an NGO, in Tanahun and Parsa Districts; and
 - scholarship programs for students and augmenting of existing educational infrastructure of public schools, through the establishment of computer labs, digital libraries, other school resources, etc.
- Assisted in large-scale plantation and development of local public infrastructure, like green plastic road, construction of drinking water infrastructure, water conservation dam, etc., in the catchment areas of operating locations.

During the year, your Company also extended support to the victims of earthquake in western Nepal, by way of providing relief materials and contribution to the Prime Minister's Disaster Relief Fund. Your Company also carried out various health-related initiatives involving distribution of medical equipment and ambulance. Further, CSR initiatives taken under 'Surya Nepal Gatha' included holding of "Surya Nepal Kathmandu Kalinga Literature Festival", "Nepal Literature Festival" and the final event of "Surya Nepal Gatha, Sarangi ko Katha", for the promotion of 'Sarangi', a local folk musical instrument.

EMPLOYMENT GENERATION

Your Company remains a major employer in the country, providing direct and indirect employment to over one lakh individuals, including farmers, farm workers, and those in manufacturing, distribution, and sales. The

strategy of diversifying the business portfolio, is in alignment with the Company's role as a responsible corporate citizen, fostering employment opportunities, and generating sustainable economic benefits for the nation.

EMPLOYEES

Your Company has a strong employer equity and the terms and conditions of employment offered by your Company remain competitive. Employee relations in the Company continues to be harmonious.

The total number of employees as on 31st Asadh, 2081, stood at 557.

Your Company's talent management strategy is anchored on its strategy of consumer-centricity, performance-orientation, and future readiness. A thorough capability development program is in place to address the needs of both current and upcoming ventures. This initiative encompasses multiple efforts aimed at developing a leadership pipeline, enhancing the learning culture, and bolstering both functional and managerial skills.

Your Directors place on record their sincere appreciation for the contribution made by the employees, during the year under review.

DIRECTORS

There were no changes in the composition of the Board of Directors during the year under review. The details of shares held by the Directors in the Company as on 31st Asadh, 2081, are annexed to this Report (Annexure I).

None of the Directors or their close relatives have any direct involvement or any personal interest in any transaction of sale or purchase or any kind of contract or arrangement connected with the business of your Company. No amounts are due to your Company from any of the Directors, the Managing Director, or their close relatives (as defined under the Companies Act, 2063).

The details of payments made during the year to your Directors, the Managing Director, and other officials are also annexed to this Report (Annexure II).

MANAGEMENT EXPENSES

The management expenses incurred by your Company for the Financial Year 2080/81 (2023-24) towards rent, electricity, fuel & water, rates & taxes, insurance, repairs, safety & pollution control cost, maintenance, travel & conveyance, postage, telephone, bank charges, legal expenses, printing & stationery, consultancy charges, professional service charges & other fees, information technology services, business entertainment expenses, donations, books & periodicals, and miscellaneous expenses amounted to NRs. 170.24 Crores (₹ 106.40 Crores).

AUDITORS

Messrs. N Amatya & Co., and Messrs. T R Upadhya & Co., Chartered Accountants, Kathmandu, Nepal, joint statutory auditors of your Company, retire at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

FUTURE OUTLOOK

Your Directors and employees continue to explore opportunities for profitable and sustainable growth and look forward to the future with confidence and stand committed to creating enduring value for all stakeholders.

On behalf of the Board

Sanjiv Puri	Sandeep Kaul	Ravi Kumar Rayavaram
Chairman	Director	Managing Director

Date: 27th September, 2024 (11th Ashwin, 2081)

Annexure I

Sl. No.	Name of Director	Number of Ordinary Shares of NRs. 50*/- (₹ 31.25/-) each held singly and / or jointly as on 31st Asadh, 2081 (15th July, 2024)
1.	Sanjiv Puri	Nil
2.	Supratim Dutta	Nil
3.	Sandeep Kaul	Nil
4.	Sashi Raj Pandey	134,424
5.	Siddhartha SJB Rana	4,176
6.	Rajendra Kumar Singhi	Nil
7.	Ravi Kumar Rayavaram	Nil

*Post sub-division of one Ordinary Share of NRs. 100/- (₹ 62.50/-) each, into two Ordinary Shares of NRs. 50/- (₹ 31.25/-) each during the year.

Annexure II

AMOUNT OF REMUNERATION AND ALLOWANCE PAID AND FACILITIES PROVIDED TO DIRECTOR, MANAGING DIRECTOR, CHIEF EXECUTIVE AND COMPANY OFFICIALS

Payment to/on behalf of the Managing Director for the Financial Year 2080/81 (2023-24):

- Salary - NRs. 25,811,596 (₹ 16,132,248)
- Allowances - NRs. 28,282,042 (₹ 17,676,276)

The Managing Director has also been provided with the following:

- Furnished accommodation
- Company Car with driver
- Reimbursement of fuel and water charges
- Two Club memberships

Payment to/on behalf of Company officials i.e. those serving on the management committees of the Company and the Company Secretary for the Financial Year 2080/81 (2023-24):

- Salary - NRs. 54,465,772 (₹ 34,041,108)
- Allowances - NRs. 55,330,399 (₹ 34,581,499)

Company officials have also been provided with car.

The Managing Director and other officials, also receive benefits/facilities from Company Level Welfare Fund under the Labour Act, 2074 and Rules made thereunder, as may be decided by the Labour Relation Committee.

The Managing Director and some other officials of your Company have been granted stock options by the Holding Company (ITC Limited) under its Employee Stock Option Scheme(s). Such options were granted at 'market price' [within the meaning of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]. Since these options are not tradeable, no benefit is conferred upon the employee at the time of grant of options. Your Company, however, has recorded employee benefits expense by way of share-based payments to employees in accordance with Nepal Financial Reporting Standards-2, out of which NRs. 11,973,757 (₹ 7,483,598) is attributable to the Managing Director and NRs. 9,400,665 (₹ 5,875,416) is attributable to other officials. During the year, 9,450 options were granted to the Managing Director and 7,500 options, in the aggregate, were granted by ITC Limited, to other officials of your Company.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF SURYA NEPAL PRIVATE LIMITED

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Surya Nepal Private Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31st Asadh 2081 (15th July 2024), and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31st Asadh 2081 (15th July 2024), and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for opinion

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the

auditors' responsibilities 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 for professional accountant issued by Institute of Chartered Accountants of Nepal (ICAN) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2063 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Code of Ethics for professional accountants. We believe that the audit evidence obtained by us 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 judgement, were of most significance in our audit of the consolidated financial statements of the year ended on 31st Asadh 2081 (15th July 2024). 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.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition <i>(Refer Note 1 "Revenue" and Note 21 of the consolidated financial statements)</i>	
Revenue from sale of goods (hereinafter referred to as "Revenue") is recognised when the Group transfers significant risks and rewards of ownership to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably, and recovery of the consideration is probable. The timing of revenue recognition is relevant to the reported performance of the Group. The management considers revenue as a key measure of evaluation of performance. There is a risk of revenue being recorded before significant risks and rewards of ownership are transferred.	Our audit procedures included the following: - Assessed the Group's accounting policies on revenue recognition in line with NFRS 15 (Revenue from contract with customers) and tested thereof. - Evaluated the integrity of the Group's general information and technology control environment and tested the operating effectiveness of IT application controls over Revenue recognition. - Performed detailed analysis of Revenue, analytical testing with monthly sales information filed with tax authorities, tested the timing of its recognition and accuracy of the amounts recognized and verification of the supporting information of the Revenue transactions. - Tested the supporting documentation for selected sample of sales transactions recorded during the period closer to the year end and subsequent to the year end to evaluate whether revenue was recognised in the correct period.
Related party transactions <i>(refer Note 31(vi) of the consolidated financial statements)</i>	
The Group has undertaken transactions with its related parties which include purchase of goods and services, advance payments in the ordinary course of business and dividend payments. We identified related party transactions as a key audit matter due to their significance and the risk of such transactions remaining undisclosed.	Our audit procedures included the following: - Reviewed Group's processes and procedures in respect of identifying related parties, recording and disclosure of related party transactions in accordance with NAS 24 (Related party disclosures). - Verified that the transactions are approved in accordance with internal procedures including involvement of key personnel at the appropriate level. - Tested, on a sample basis, related party transactions with the underlying contracts approved by the appropriate authority, wherever necessary, confirmation letters and other supporting documents. - Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis.
Litigations – Contingencies <i>(refer Note 1 "Claims" and "Provisions" and Note 31 (vii) of the consolidated financial statements)</i>	
The Group has ongoing litigations on Excise, Income Tax and Value Added Tax (VAT) which could have a significant impact on results, if the potential exposures were to materialize. The amounts involved are significant, and the application of accounting standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective. Claims against the Group not acknowledged as debts are disclosed in the consolidated financial statements by the Group after a careful evaluation of the facts and legal aspects of the matter involved. The outcome of such litigation is uncertain, and the position taken by the Group involves significant judgement and estimation to determine the likelihood and / or timing of the cash outflows.	Our audit procedures included the following: - Obtained and read the Group's accounting policies in respect of claims, provisions and contingent liabilities to assess compliance in accordance with NAS 37 (Provisions, contingent liabilities and contingent assets). - Assessed the design and implementation of the Group's controls over the assessment of litigations and completeness of disclosures. Supporting documentation was tested for the positions taken by the management and meetings were conducted with in-house legal teams to test the operating effectiveness of these controls. - Assessed in accordance with accounting standards, the provisions in respect of litigations and assessed disclosures relating thereto, including those for contingencies.

Information other than the financial statements and auditors' report thereon

The management of the Group is responsible for the other information. The other information comprises the information included in the annual report, but does not include the standalone financial statements, consolidated 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of audit or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with governance for the consolidated financial statements

The management of the Group is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with NFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' 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 a guarantee that an audit conducted in accordance with NSAs 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 NSAs, we exercise professional judgement 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 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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.

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 ethical requirements in accordance with the Code of Ethics for professional accountants 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.

Manish Amatya
Partner

N. Amatya & Co.
Chartered Accountants
UDIN :241008CA00209qw8Vc

Shashi Satyal
Partner

T R Upadhy & Co.
Chartered Accountants
UDIN :241007CA00008VQ53X

Date: 11th Ashwin 2081 (27th September 2024)

Place: Kathmandu

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST ASADH 2081 (15TH JULY 2024)

	Note	Figures in NRs. As at 31st Asadh 2081 (15th July 2024)	Figures in ₹ As at 31st Asadh 2081 (15th July 2024)	Figures in NRs. As at 31st Asadh 2080 (16th July 2023)	Figures in ₹ As at 31st Asadh 2080 (16th July 2023)
ASSETS					
NON-CURRENT ASSETS					
a) Property, Plant and Equipment	3A	3,509,277,839	2,193,298,654	3,753,817,651	2,346,136,037
b) Capital Work-in-Progress	3B	210,577,241	131,610,776	216,016,141	135,010,089
c) Intangible Assets	3C	26,205,771	16,378,606	16,958,619	10,599,136
d) Intangible Assets under Development	3D	—	—	—	—
e) Right of use assets	3E	230,126,417	143,829,011	87,502,164	54,688,853
f) Financial Assets					
i) Loans	4	23,062,943	14,414,339	23,349,227	14,593,267
g) Deferred Tax Assets (Net)	5	300,944,803	188,090,500	250,291,024	156,431,889
h) Other Non-Current Assets	6	3,304,363,373	2,065,227,108	630,096,730	393,810,456
CURRENT ASSETS					
a) Inventories	7	5,757,783,622	3,598,614,764	4,281,412,995	2,675,883,123
b) Financial Assets					
i) Investments	8	150,715,506	94,197,191	3,879,612,797	2,424,757,998
ii) Trade Receivables	9	244,127,615	152,579,759	158,421,839	99,013,649
iii) Cash and Cash Equivalents	10	310,909,645	194,318,528	417,756,308	261,097,693
iv) Other Bank Balances	11	6,426,081,618	4,016,301,011	7,350,078,592	4,593,799,120
v) Loans	4	3,907,304	2,442,065	3,921,344	2,450,840
vi) Others	12	6,195,923	3,872,454	67,932,336	42,457,710
c) Other Current Assets	6	751,600,750	469,750,469	899,420,294	562,137,684
TOTAL ASSETS		21,255,880,370	13,284,925,235	22,036,588,061	13,772,867,544
EQUITY AND LIABILITIES					
EQUITY					
a) Equity Share Capital	13	2,016,000,000	1,260,000,000	2,016,000,000	1,260,000,000
b) Other Equity		14,341,836,509	8,963,647,821	14,646,862,655	9,154,289,163
LIABILITIES					
NON-CURRENT LIABILITIES					
a) Financial Liabilities					
i) Lease Liabilities	14	186,756,911	116,723,069	68,237,158	42,648,224
b) Provisions	15	207,379,531	129,612,207	206,759,538	129,224,712
CURRENT LIABILITIES					
a) Financial Liabilities					
i) Borrowings	16	—	—	500,000,000	312,500,000
ii) Trade Payables	17	1,023,890,594	639,931,621	1,315,817,353	822,385,846
iii) Lease Liabilities	14	40,100,251	25,062,657	24,873,906	15,546,191
iv) Other Financial Liabilities	18	1,882,297,139	1,176,435,712	1,943,974,159	1,214,983,850
b) Other Liabilities	19	649,097,472	405,685,920	743,967,373	464,979,609
c) Provisions	15	18,601,106	11,625,692	17,259,995	10,787,497
d) Current Tax Liabilities (Net)	20	889,920,857	556,200,536	552,835,924	345,522,452
TOTAL EQUITY AND LIABILITIES		21,255,880,370	13,284,925,235	22,036,588,061	13,772,867,544

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

This is the Statement of Financial Position referred to in our Report of even date.

Abhishek Saraf
Vice President, Finance

Ravi K Rayavaram
Managing Director

Siddhartha SJB Rana
Director

S Dutta
Director

S Puri
Chairman

S R Pandey
Director

S Kaul
Director

R K Singhi
Director

Manish Amatya
Partner
N. Amatya & Co.
Chartered Accountants

Shashi Satyal
Partner
T R Upadhya & Co.
Chartered Accountants

Date: 11th Ashwin 2081 (27th September 2024)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST ASADH 2081 (15TH JULY 2024)

		Figures in NRs. For the Year ended 31st Asadh 2081 (15th July 2024)	Figures in ₹ For the Year ended 31st Asadh 2081 (15th July 2024)	Figures in NRs. For the Year ended 31st Asadh 2080 (16th July 2023)	Figures in ₹ For the Year ended 31st Asadh 2080 (16th July 2023)
	Note				
Gross Revenue from sale of products	21	50,236,052,599	31,397,532,875	51,275,634,264	32,047,271,414
Less: Duties	22	21,355,962,573	13,347,476,609	22,305,255,399	13,940,784,624
Net Revenue from sale of products		<u>28,880,090,026</u>	<u>18,050,056,266</u>	<u>28,970,378,865</u>	<u>18,106,486,790</u>
Other Operating Revenue	23	20,361,986	12,726,241	19,336,783	12,085,490
Net Revenue from operations		<u>28,900,452,012</u>	<u>18,062,782,507</u>	<u>28,989,715,648</u>	<u>18,118,572,280</u>
Raw Materials Consumed etc.	24	7,008,324,961	4,380,203,101	7,119,454,039	4,449,658,774
Employee Benefits Expenses	25	2,740,138,370	1,712,586,482	2,724,618,723	1,702,886,702
Manufacturing, Admin, Selling Expenses etc.	26	3,237,432,314	2,023,395,194	3,014,574,094	1,884,108,817
Operating Profit		<u>15,914,556,367</u>	<u>9,946,597,730</u>	<u>16,131,068,792</u>	<u>10,081,917,987</u>
Other Income	27	811,746,393	507,341,496	948,278,067	592,673,792
Finance Cost	28	106,209,979	66,381,237	64,478,669	40,299,168
Depreciation and Amortization Expenses		639,302,199	399,563,875	642,079,126	401,299,451
Profit before Tax		<u>15,980,790,582</u>	<u>9,987,994,114</u>	<u>16,372,789,064</u>	<u>10,232,993,160</u>
Tax Expense	29	4,936,325,383	3,085,203,365	5,001,568,348	3,125,980,218
Profit for the year		<u>11,044,465,199</u>	<u>6,902,790,749</u>	<u>11,371,220,716</u>	<u>7,107,012,942</u>
Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss:					
- Remeasurements of defined benefit plans	30.a	840,936	525,585	(5,741,030)	(3,588,144)
(ii) Income tax relating to items that will not be reclassified to profit or loss	29	(252,281)	(157,676)	1,722,309	1,076,443
Other Comprehensive Income		<u>588,655</u>	<u>367,909</u>	<u>(4,018,721)</u>	<u>(2,511,701)</u>
Total Comprehensive Income for the year		<u>11,045,053,854</u>	<u>6,903,158,658</u>	<u>11,367,201,995</u>	<u>7,104,501,241</u>

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

This is the Statement of Profit or Loss and Other Comprehensive Income referred to in our Report of even date.

Abhishek Saraf
Vice President, Finance

Ravi K Rayavaram
Managing Director

Siddhartha SJB Rana
Director

S Dutta
Director

S Puri
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R K Singhi
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Partner
N. Amatya & Co.
Chartered Accountants

Shashi Satyal
Partner
T R Upadhya & Co.
Chartered Accountants

Date: 11th Ashwin 2081 (27th September 2024)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST ASADH 2081 (15TH JULY 2024)

A. Equity Share Capital

Figures in NRs.

Figures in ₹

	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st Asadh 2080 (16th July 2023)	2,016,000,000	-	2,016,000,000	1,260,000,000	-	1,260,000,000
For the year ended 31st Asadh 2081 (15th July 2024)	2,016,000,000	-	2,016,000,000	1,260,000,000	-	1,260,000,000

B. Other Equity

Figures in NRs.

Figures in ₹

	Reserves and Surplus			Items of Other Comprehensive Income	Total	Reserves and Surplus			Items of Other Comprehensive Income	Total
	General Reserve	Employees' Housing Reserve	Retained Earnings			General Reserve	Employees' Housing Reserve	Retained Earnings		
Balance as at 32nd Asadh 2079 (16th July 2022)	108,778,401	2,208,684,735	11,409,368,515	(44,610,991)	13,682,220,660	67,986,501	1,380,427,958	7,130,855,329	(27,881,866)	8,551,387,922
Profit for the year	-	-	11,371,220,716	-	11,371,220,716	-	-	7,107,012,942	-	7,107,012,942
Other Comprehensive Income (net of tax)	-	-	-	(4,018,721)	(4,018,721)	-	-	-	(2,511,701)	(2,511,701)
Total Comprehensive Income for the year	-	-	11,371,220,716	(4,018,721)	11,367,201,995	-	-	7,107,012,942	(2,511,701)	7,104,501,241
Interim Dividend	-	-	(1,733,760,000)	-	(1,733,760,000)	-	-	(1,083,600,000)	-	(1,083,600,000)
Final Dividend	-	-	(8,668,800,000)	-	(8,668,800,000)	-	-	(5,418,000,000)	-	(5,418,000,000)
Total	-	-	968,660,716	(4,018,721)	964,641,995	-	-	605,412,942	(2,511,701)	602,901,241
Balance as at 31st Asadh 2080 (16th July 2023)	108,778,401	2,208,684,735	12,378,029,231	(48,629,712)	14,646,862,655	67,986,501	1,380,427,958	7,736,268,271	(30,393,567)	9,154,289,163
Profit for the year	-	-	11,044,465,199	-	11,044,465,199	-	-	6,902,790,749	-	6,902,790,749
Other Comprehensive Income (net of tax)	-	-	-	588,655	588,655	-	-	-	367,909	367,909
Total Comprehensive Income for the year	-	-	11,044,465,199	588,655	11,045,053,854	-	-	6,902,790,749	367,909	6,903,158,658
Interim Dividend	-	-	(1,895,040,000)	-	(1,895,040,000)	-	-	(1,184,400,000)	-	(1,184,400,000)
Final Dividend	-	-	(9,455,040,000)	-	(9,455,040,000)	-	-	(5,909,400,000)	-	(5,909,400,000)
Total	-	-	(305,614,801)	588,655	(305,026,146)	-	-	(191,009,251)	367,909	(190,641,342)
Balance as at 31st Asadh 2081 (15th July 2024)	108,778,401	2,208,684,735	12,072,414,430	(48,041,057)	14,341,836,509	67,986,501	1,380,427,958	7,545,259,020	(30,025,658)	8,963,647,821

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST ASADH 2081 (15TH JULY 2024)

For the year ended 31st Asadh 2081 (15th July 2024), the Board of Directors of the Company at its meeting held on 11th Ashwin 2081 (27th September 2024) have:

- declared interim dividend of NRs. 46/- (₹ 28.75) per share, amounting to NRs. 1,854,720,000 (₹ 1,159,200,000) and
- recommended final dividend of NRs. 227/- (₹ 141.88) per share amounting to NRs. 9,152,640,000 (₹ 5,720,400,000).

General Reserve: The reserve is an outcome of appropriation from one component of equity to another, neither being an item of other comprehensive income. It can be distributed / utilized by the Group.

Employees' Housing Reserve: Reserve represents the amounts set aside for providing employees' housing as per the provisions of the erstwhile Labour Act, 2048, which has since been replaced by the Labour Act, 2074.

Retained Earnings: This reserve represents the cumulative profits of the Group. and can be distributed / utilized by the Group.

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

This is the Statement of Changes in Equity referred to in our Report of even date.

Abhishek Saraf Vice President, Finance	Ravi K Rayavaram Managing Director	Siddhartha SJB Rana Director	S Dutta Director	S Puri Chairman
S R Pandey Director	S Kaul Director	R K Singhi Director	Manish Amatya Partner N. Amatya & Co.	Shashi Satyal Partner T R Upadhyaya & Co.
Date: 11th Ashwin 2081 (27th September 2024)			Chartered Accountants	Chartered Accountants

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST ASADH 2081 (15TH JULY 2024)

	Figures in NRs. For the year ended 31st Asadh 2081 (15th July 2024)	Figures in (₹) For the year ended 31st Asadh 2081 (15th July 2024)	Figures in NRs. For the year ended 31st Asadh 2080 (16th July 2023)	Figures in (₹) For the year ended 31st Asadh 2080 (16th July 2023)
A Cash Flow From Operating Activities				
Profit Before Tax	15,980,790,582	9,987,994,114	16,372,789,064	10,232,993,160
Adjustments for :				
Depreciation and amortization expenses	639,302,199	399,563,875	642,079,126	401,299,451
Finance Cost	106,209,979	66,381,237	64,478,669	40,299,168
Interest from Investments	(119,220,014)	(74,512,509)	(68,835,117)	(43,021,948)
Interest on Short Term / Call Deposits	(684,474,030)	(427,796,269)	(916,297,410)	(572,685,881)
Foreign currency translations and transactions - Net	(702,751)	(439,219)	14,872,600	9,295,375
Loss / (Gain) on sale of property, plant and equipment, lease termination - Net	(1,928,195)	(1,205,122)	(6,741,312)	(4,213,320)
Liability no longer required written back	(242,114)	(151,321)	(4,246,177)	(2,653,861)
Doubtful and bad advances	138,673	86,671	-	-
Operating Profit Before Working Capital Changes	15,919,874,329	9,949,921,457	16,098,099,443	10,061,312,144
Adjustments for :				
Trade Receivables, Loans, Advances and Other Assets	(2,607,791,826)	(1,629,869,891)	895,603,223	559,752,016
Inventories	(1,476,370,627)	(922,731,641)	392,468,101	245,292,557
Trade Payables, Other Liabilities and Provisions	(421,171,113)	(263,231,946)	109,301,702	68,313,566
Cash Generated From Operation	11,414,540,763	7,134,087,979	17,495,472,469	10,934,670,283
Income Tax Paid	(4,733,137,636)	(2,958,211,023)	(5,235,426,407)	(3,272,141,504)
Corporate Social Responsibility Paid	-	-	-	-
Net Cash From Operating Activities (A)	6,681,403,127	4,175,876,956	12,260,046,062	7,662,528,779
B. Cash Flow From Investing Activities				
Purchase of property, plant and equipment, Intangibles, ROU assets, etc.	(371,882,651)	(232,426,657)	(400,985,422)	(250,615,887)
Disposal of property, plant and equipment	11,153,468	6,970,918	8,383,929	5,239,958
Purchase of Current Investments	(1,293,462,445)	(808,414,028)	(5,075,788,429)	(3,172,367,768)
Sale / redemption of Current Investments	5,022,359,736	3,138,974,835	1,196,175,632	747,609,770
Investment in Bank Deposits (Original Maturity more than 3 months)	(7,726,000,000)	(4,828,750,000)	(7,350,000,000)	(4,593,750,000)
Redemption / Maturity of Bank Deposits (Original Maturity more than 3 months)	8,650,000,000	5,406,250,000	10,000,000,000	6,250,000,000
Interest Received	858,014,002	536,258,751	958,083,903	598,802,442
Net Cash From/(Used in) Investing Activities (B)	5,150,182,110	3,218,863,819	(664,130,387)	(415,081,485)
C. Cash Flow From Financing Activities				
Interest Paid	(31,808,628)	(19,880,393)	(50,007,591)	(31,254,742)
Dividends Paid	(11,350,080,000)	(7,093,800,000)	(10,402,560,000)	(6,501,600,000)
Principal payment of lease liabilities	(56,714,689)	(35,446,681)	(30,673,727)	(19,171,077)
Net Cash Used in Financing Activities (C)	(11,438,603,317)	(7,149,127,074)	(10,483,241,318)	(6,552,025,819)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	392,981,920	245,613,701	1,112,674,357	695,421,475
Opening Cash and Cash Equivalents	(87,209,026)	(54,505,641)	(1,199,883,383)	(749,927,116)
Closing Cash and Cash Equivalents	305,772,894	191,108,060	(87,209,026)	(54,505,641)
Notes:				
1 The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in NAS - 7 "Statement of Cash Flows".				
2 Cash and Cash Equivalents:				
Cash and Cash Equivalents as above	305,772,894	191,108,060	(87,209,026)	(54,505,641)
Unrealised gain / (Loss) on foreign currency cash and cash equivalents	5,136,751	3,210,468	4,965,334	3,103,334
Current Borrowings (Note 16)	-	-	500,000,000	312,500,000
Cash and Cash Equivalents (Note 10)	310,909,645	194,318,528	417,756,308	261,097,693

The accompanying notes 1 to 32 are an integral part of the Financial Statements.

This is the Statement of Cash Flows referred to in our Report of even date.

Abhishek Saraf
Vice President, Finance

Ravi K Rayavaram
Managing Director

Siddhartha SJB Rana
Director

S Dutta
Director

S Puri
Chairman

S R Pandey
Director

S Kaul
Director

R K Singhi
Director

Manish Amatya
Partner
N. Amatya & Co.
Chartered Accountants

Shashi Satyal
Partner
T R Upadhyaya & Co.
Chartered Accountants

Date: 11th Ashwin 2081 (27th September 2024)

NOTES TO THE FINANCIAL STATEMENTS

1. **SIGNIFICANT ACCOUNTING POLICIES****Statement of Compliance**

These financial statements have been prepared in accordance with requirements of the Company Act, 2063 of Nepal and applicable Nepal Financial Reporting Standards (NFRS) and the relevant presentation requirements thereof. The Group adopted NFRS from 1st Shrawan, 2073 (16th July, 2016).

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of NFRS 2 – Share Based Payment, leasing transactions that are within the scope of NFRS 16 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in NAS 2 – Inventories or value in use in NAS 36 – Impairment of Assets.

The preparation of financial statements in conformity with NFRS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Basis of Consolidation

The Consolidated Financial Statements (CFS) include the financial statements of the Company and its subsidiary.

A subsidiary is an entity controlled by the Group. There are no associates or joint ventures of the Group.

Control, significant influence and joint control, where applicable, is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements. The Group is considered not to be in control of entities where it is unclear as to whether it enjoys such power over the investee.

The assets, liabilities, income and expenses of subsidiary are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes. An investment in an associate or a JV is initially recognized at cost on the date of the investment, and inclusive of any goodwill / capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted

by a like amount (referred as 'equity method'). All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in NAS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Property, Plant & Equipment – Tangible Assets

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of PP&E is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives on a straight line basis. Land is not depreciated.

The estimated useful lives of PP&E of the Group are as follows:

Buildings	3 – 60 Years
Plant and Equipment	9 – 15 Years
Furniture and Fixtures	10 Years
Vehicles	6 – 10 Years
Office Equipment	5 Years
Computers	3 – 6 Years
Leasehold Improvements	Shorter of lease period or estimated useful lives

PP&E's residual values and useful lives are reviewed at each Statement of Financial Position date and changes, if any, are treated as changes in accounting estimate.

Intangible Assets

Intangible Assets that the Group controls and from which it expects future economic benefits are capitalised upon acquisition and measured at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use. The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., licences) or the likelihood of technical, technological obsolescence (e.g., computer software). If, there are no such limitations, the useful life is taken to be indefinite.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

Software is amortised over a period of five years.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit or Loss and Other Comprehensive Income. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

Impairment of Assets

Impairment loss, if any, is provided to the extent the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Inventories

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

Foreign Currency Transactions

The functional and presentation currency of the Group is Nepalese Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/Losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

Derivatives

The Group uses derivative financial instruments, such as forward exchange contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains/losses are recognised in the Statement of Profit or Loss and Other Comprehensive Income immediately.

Financial Instrument, Financial assets, Financial Liabilities

Financial assets and financial liabilities are recognized when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value, except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Group commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Advances, Security deposits, Cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit or Loss and Other Comprehensive Income.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the

sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value including interest and dividend income, if any, are recognised in the Statement of Profit or Loss in the period in which they arise.

Trade receivables, Advances, Security deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes.

Impairment: The Group assesses at each reporting date whether a financial asset (or a group of financial assets) such as Investments, Trade receivables, Advances and Security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the NFRS relating to Financial Instruments.

Derecognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Group has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit or Loss and Other Comprehensive Income;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit or Loss and Other Comprehensive Income unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit or Loss and Other Comprehensive Income using the effective interest method. Dividend income is recognised in the Statement of Profit or Loss and Other Comprehensive Income when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit or Loss and Other Comprehensive Income as finance cost over the life of the liability using the effective interest method and adjusted to the liability amount disclosed in the Statement of Financial Position.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Statement of Financial Position where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Revenue

Revenue is measured at the transaction price that the Group receives or expects to receive as consideration for goods supplied, net of returns and estimates of variable consideration such as discounts to customers. Revenue from the sale of goods includes Excise Duty, Health Risk Tax and sticker charges payable by the Group but excludes amounts collected on behalf of third parties, such as Value Added Tax.

Revenue from the sale of goods and services is recognised when the Group performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which

NOTES TO THE FINANCIAL STATEMENTS (CONTD.)

is mainly upon delivery and in case of services, in the period in which such services are rendered.

Dividend Distribution

Dividends paid (including income tax thereon) are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by the shareholders.

Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Group has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Group provides for both defined benefit and defined contribution schemes.

Contribution to defined contribution schemes (Provident Fund and Social Security Fund for certain employees) are charged as expense based on the amount of contribution required to be made as and when services are rendered by the employee.

The Group also provides for defined benefits in the form of Gratuity and other retirement benefits in respect of certain employees. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit or Loss and Other Comprehensive Income. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur. Gratuity is funded and deposited with the designated funds as per applicable laws, towards meeting the Gratuity obligation. Other retirement benefits are unfunded.

The employees of the Group are entitled to compensated leave for which the Group records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Employee Share Based Compensation

The cost of options granted under the ITC Employee Stock Option Scheme to employees of ITC Limited ("ITC") seconded to the Group at its request is measured at the fair value of the options as on the grant date. The fair value of awards at grant date is calculated using the Black Scholes Option Pricing Model. The cost of stock options is recognised in the Statement of Profit or Loss and Other Comprehensive Income with a corresponding payable, when such reimbursement is sought by ITC.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases and low value leases are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease. The Group recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Taxes on Income

Taxes on income comprise current taxes and deferred taxes. Current tax in the Statement of Profit or Loss and Other Comprehensive Income is provided as the amount of tax payable in respect of taxable

income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, insofar as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Group not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those 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 the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

A. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

B. Actuarial Valuation:

The determination of Group's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit or Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

C. Claims, Provisions and Contingent Liabilities:

The Group has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

[Amount in NRs]

Particulars	Gross Block				Depreciation and Amortization						Net Block		
	As at 32.03.2079 (16.07.2022)	Additions	Withdrawals/ Adjustments	As at 31.03.2080 (16.07.2023)	Additions	Withdrawals/ Adjustments	As at 31.03.2081 (15.07.2024)	Upto 32.03.2079 (16.07.2022)	For the Year (16.07.2023)	On Withdrawals/ Adjustments	Upto 31.03.2081 (15.07.2024)	As at 31.03.2080 (16.07.2023)	As at 31.03.2081 (15.07.2024)
3A. Property, Plant and Equipment													
Land and Land Development	305,147,856	-	-	305,147,856	114,375,123	-	419,522,979	-	-	-	-	419,522,979	305,147,856
Buildings	2,598,383,999	20,665,688	725,526	2,618,324,161	5,716,308	-	2,624,040,469	100,046,455	74,490,553	725,523	1,074,231,485	1,474,811,486	1,544,092,676
Plant and Equipment	8,109,269,170	188,399,933	48,269,334	8,249,399,769	96,987,831	11,402,353	8,334,985,247	6,217,950,053	454,792,697	48,244,570	7,034,076,833	1,300,908,414	1,624,901,589
Furniture and Fixtures	81,208,769	2,407,786	4,968,494	78,648,061	16,947,263	5,600,958	89,994,366	61,379,077	5,423,869	4,311,663	63,184,117	26,810,249	16,156,778
Vehicles	261,479,447	54,428,506	31,036,074	284,871,879	49,156,800	28,327,254	305,701,425	99,066,264	36,344,139	29,972,580	129,974,510	175,726,915	179,434,056
Computers	210,256,335	32,601,881	210,841	242,647,375	5,571,296	906,255	247,312,416	156,345,946	20,323,999	210,839	197,596,713	49,715,703	66,188,269
Office Equipment	123,698,711	2,353,345	1,356,479	124,695,577	16,952,491	16,508,378	125,139,690	99,333,443	8,817,379	1,351,672	103,472,134	21,667,556	17,896,427
Leasehold Improvements	-	-	-	-	41,100,739	-	41,100,739	-	-	-	986,202	40,114,537	-
Total	11,689,444,287	300,857,139	86,566,748	11,903,734,678	346,807,851	62,745,198	12,187,797,331	7,634,541,238	600,192,636	84,816,847	8,678,519,492	3,509,277,839	3,753,817,651
3B. Capital Work-in-Progress													
	168,549,335	291,605,973	244,139,167	216,016,141	175,140,754	180,579,654	210,577,241	-	-	-	-	210,577,241	216,016,141
3C. Intangible Assets													
Capitalised Software	320,056,527	1,314,731	-	321,371,258	16,890,428	-	338,261,686	297,962,062	6,450,577	-	312,055,915	26,205,771	16,958,619
3D. Intangible assets under development													
	-	1,314,731	1,314,731	-	16,890,428	16,890,428	-	-	-	-	-	-	-
3E. Right of Use Assets													
Land	-	-	-	-	1,418,438	-	1,418,438	-	-	-	236,406	1,182,032	-
Building	71,156,692	61,704,803	16,791,429	116,070,066	198,533,235	21,115,777	293,487,524	7,869,301	35,435,913	14,737,312	64,543,139	228,944,385	87,502,164
Total	71,156,692	61,704,803	16,791,429	116,070,066	199,951,673	21,115,777	294,905,962	7,869,301	35,435,913	14,737,312	64,779,545	230,126,417	87,502,164

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Contd.)

[Amount in ₹]

Particulars	Gross Block					Depreciation and Amortization					Net Block			
	As at 32.03.2079 (16.07.2022)	Additions	Withdrawals/ Adjustments	As at 31.03.2080 (16.07.2023)		Upto 32.03.2079 (16.07.2022)	For the Year	On Withdrawals/ Adjustments	Upto 31.03.2080 (16.07.2023)	For the Year	On Withdrawals/ Adjustments	Upto 31.03.2081 (15.07.2024)	As at 31.03.2081 (15.07.2024)	As at 31.03.2080 (16.07.2023)
3A. Property, Plant and Equipment														
Land and Land Development	190,717,410	-	-	190,717,410	71,484,452	-	-	-	-	-	-	-	262,201,862	190,717,410
Buildings	1,623,990,000	12,916,055	453,454	1,636,452,601	3,572,693	-	46,356,592	453,452	671,394,674	46,873,436	-	718,268,110	921,757,184	965,057,927
Plant and Equipment	5,068,293,231	117,749,958	30,168,334	5,155,874,855	60,617,394	7,126,471	284,245,437	30,152,856	4,140,311,364	263,113,119	7,126,461	4,396,298,022	813,067,756	1,015,563,491
Furniture and Fixtures	50,755,481	1,504,866	3,103,309	49,155,038	10,592,039	3,500,599	3,389,918	2,694,789	39,057,052	3,685,033	3,252,011	39,490,074	16,756,404	10,097,986
Vehicles	163,424,655	34,017,816	19,397,546	178,044,925	30,723,000	17,704,534	22,715,087	18,732,863	65,898,638	26,919,963	11,584,534	81,234,067	109,829,324	112,146,287
Computers	131,410,209	20,376,176	131,776	151,654,609	3,482,060	566,409	12,702,499	131,774	110,286,941	13,777,406	566,401	123,497,946	31,072,314	41,367,668
Office Equipment	77,311,694	1,470,841	847,799	77,934,736	10,595,307	10,317,736	5,510,861	844,795	66,749,468	8,184,309	10,263,694	64,670,083	13,542,224	11,185,268
Leasehold Improvements	-	-	-	-	25,687,962	-	-	-	-	616,376	-	616,376	25,071,586	-
Total	7,305,902,680	188,035,712	54,104,218	7,439,834,174	216,754,907	39,215,749	375,120,394	53,010,529	5,093,698,137	363,169,642	32,793,101	5,424,074,678	2,193,298,654	2,346,136,037
3B. Capital Work-in-Progress														
	105,343,335	182,253,733	152,586,979	135,010,089	109,462,971	112,862,284	-	-	-	-	-	-	131,610,776	135,010,089
3C. Intangible Assets														
Capitalised Software	200,035,329	821,707	-	200,857,036	10,556,518	-	4,031,611	-	190,257,900	4,777,048	-	195,034,948	16,378,606	10,599,136
3D. Intangible assets under development														
	-	821,707	821,707	-	10,556,518	10,556,518	-	-	-	-	-	-	-	-
3E. Right of Use Assets														
Land	-	-	-	-	886,524	-	-	-	-	147,754	-	147,754	738,770	-
Building	44,472,933	38,565,502	10,494,643	72,543,792	124,083,272	13,197,361	22,147,446	9,210,820	17,854,939	31,469,431	8,984,908	40,339,462	143,090,241	54,688,853
Total	44,472,933	38,565,502	10,494,643	72,543,792	124,969,796	13,197,361	22,147,446	9,210,820	17,854,939	31,617,185	8,984,908	40,487,216	143,829,011	54,688,853

1. The amount of expenditures recognised in the carrying amount of property, plant and equipment in the course of construction is NRS. 5,528,052 (₹ 3,455,033) (2079/80 - NRS. 2,844,309 (₹ 1,777,693)).

2. The amortization expense of intangible assets have been included under 'Depreciation and Amortization expense' in the Statement of Profit or Loss and Other Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

		Figures in NRs. As at 31st Asadh 2081 (15th July 2024)		Figures in ₹ As at 31st Asadh 2081 (15th July 2024)		Figures in NRs. As at 31st Asadh 2080 (16th July 2023)		Figures in ₹ As at 31st Asadh 2080 (16th July 2023)		
4.	LOANS									
	NON-CURRENT									
	Employee Loans			23,062,943		14,414,339		23,349,227		14,593,267
	Total			23,062,943		14,414,339		23,349,227		14,593,267
	CURRENT									
	Employee Loans			3,907,304		2,442,065		3,921,344		2,450,840
	Total			3,907,304		2,442,065		3,921,344		2,450,840
5.	DEFERRED TAX ASSETS / (LIABILITIES) (NET)									
	Deferred Tax Assets			385,430,421		240,894,014		292,618,134		182,886,335
	Less: Deferred Tax Liabilities			84,485,618		52,803,514		42,327,110		26,454,446
	Deferred Tax Assets / (Liabilities) (Net)			300,944,803		188,090,500		250,291,024		156,431,889
Movement in Deferred Tax Assets / (Liabilities) Balances		Figures in NRs. Opening Balance	Figures in ₹ Opening Balance	Figures in NRs. Recognized in Profit or Loss	Figures in ₹ Recognized in Profit or Loss	Figures in NRs. Recognized in OCI	Figures in ₹ Recognized in OCI	Figures in NRs. Closing Balance	Figures in ₹ Closing Balance	
2080/81										
Deferred Tax Assets in relation to:										
	On Provision for Retirement and Other Employee Benefits	67,205,860	42,003,663	837,237	523,273	(252,281)	(157,676)	67,790,816	42,369,260	
	On Provision for Doubtful Advances	604,858	378,036	(382)	(239)	-	-	604,476	377,797	
	On Fiscal Allowances on Property, Plant and Equipment etc.	171,927,808	107,454,880	58,989,619	36,868,512	-	-	230,917,427	144,323,392	
	On Provision for Inventories	14,137,412	8,835,883	(35,450)	(22,156)	-	-	14,101,962	8,813,727	
	Other Timing Difference	38,742,196	24,213,873	33,273,544	20,795,965	-	-	72,015,740	45,009,838	
	Total Deferred Tax Assets	292,618,134	182,886,335	93,064,568	58,165,355	(252,281)	(157,676)	385,430,421	240,894,014	
Deferred Tax Liabilities in relation to:										
	On Overheads Allocation on Finished Goods	13,524,821	8,453,015	3,201,472	2,000,920	-	-	16,726,293	10,453,935	
	Other Timing Difference	28,802,289	18,001,431	38,957,036	24,348,148	-	-	67,759,325	42,349,579	
	Total Deferred Tax Liabilities	42,327,110	26,454,446	42,158,508	26,349,068	-	-	84,485,618	52,803,514	
	Deferred Tax Assets / (Liabilities) (Net)	250,291,024	156,431,889	50,906,060	31,816,287	(252,281)	(157,676)	300,944,803	188,090,500	
		Figures in NRs. Opening Balance	Figures in ₹ Opening Balance	Figures in NRs. Recognized in Profit or Loss	Figures in ₹ Recognized in Profit or Loss	Figures in NRs. Recognized in OCI	Figures in ₹ Recognized in OCI	Figures in NRs. Closing Balance	Figures in ₹ Closing Balance	
2079/80										
Deferred Tax Assets in relation to:										
	On Provision for Retirement and Other Employee Benefits	71,131,465	44,457,166	(5,647,914)	(3,529,946)	1,722,309	1,076,443	67,205,860	42,003,663	
	On Provision for Doubtful Advances	604,858	378,036	-	-	-	-	604,858	378,036	
	On Fiscal allowances on Property, Plant and Equipment etc.	127,995,579	79,997,237	43,932,229	27,457,643	-	-	171,927,808	107,454,880	
	On Provision for Inventories	14,137,412	8,835,883	-	-	-	-	14,137,412	8,835,883	
	Other Timing Difference	38,708,824	24,193,015	33,372	20,858	-	-	38,742,196	24,213,873	
	Total Deferred Tax Assets	252,578,138	157,861,337	38,317,687	23,948,555	1,722,309	1,076,443	292,618,134	182,886,335	
Deferred Tax Liabilities in relation to:										
	On Overheads Allocation on Finished Goods	21,880,169	13,675,107	(8,355,348)	(5,222,092)	-	-	13,524,821	8,453,015	
	Other Timing Difference	25,088,010	15,680,006	3,714,279	2,321,425	-	-	28,802,289	18,001,431	
	Total Deferred Tax Liabilities	46,968,179	29,355,113	(4,641,069)	(2,900,667)	-	-	42,327,110	26,454,446	
	Deferred Tax Assets / (Liabilities) (Net)	205,609,959	128,506,224	42,958,756	26,849,222	1,722,309	1,076,443	250,291,024	156,431,889	
The Group has tax losses of NRs. 513,933,372 (₹ 321,208,357) (2079/80 - NRs. 440,762,801 (₹ 275,476,751)) for which no deferred tax assets have been recognized. These losses will expire between financial year 2081/82 to 2087/88.										
		Figures in NRs. As at 31st Asadh 2081 (15th July 2024)		Figures in ₹ As at 31st Asadh 2081 (15th July 2024)		Figures in NRs. As at 31st Asadh 2080 (16th July 2023)		Figures in ₹ As at 31st Asadh 2080 (16th July 2023)		
6.	OTHER ASSETS									
	NON-CURRENT									
	Capital Advances			13,669,018		8,543,136		12,357,042		7,723,151
	Advances other than Capital Advances									
	- Commercial Advances to Holding Company			2,976,951,422		1,860,594,639		306,585,755		191,616,097
	- Deposits									
	- With Statutory Authorities			305,337,392		190,835,870		302,737,392		189,210,870
	- Others			8,405,541		5,253,463		8,416,541		5,260,338
	Total			3,304,363,373		2,065,227,108		630,096,730		393,810,456
	CURRENT									
	Commercial Advances									
	- Green Leaf bought from Tobacco Farmers (net of loan disbursed by Bank)			3,424,374		2,140,234		1,065,689		666,056
	- Other Goods and Services			9,303,882		5,814,926		25,877,247		16,173,279
	Advance with Statutory Authorities			227,040,891		141,900,557		377,744,969		236,090,606
	Deposit with Statutory Authorities			371,172,433		231,982,771		333,776,537		208,610,336
	Employee Advances			723,530		452,206		465,871		291,169
	Unexpired Expenses			134,238,934		83,899,334		159,585,253		99,740,783
	Margin Money Deposit			5,696,706		3,560,441		904,728		565,455
	Total			751,600,750		469,750,469		899,420,294		562,137,684

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	Figures in NRs. As at 31st Asadh 2081 (15th July 2024)	Figures in ₹ As at 31st Asadh 2081 (15th July 2024)	Figures in NRs. As at 31st Asadh 2080 (16th July 2023)	Figures in ₹ As at 31st Asadh 2080 (16th July 2023)
7. INVENTORIES				
(At lower of cost and net realisable value)				
Raw Materials (including in-transit)	3,574,353,984	2,233,971,240	2,731,735,109	1,707,334,444
Stock - In - Process	340,407,505	212,754,691	546,690,975	341,681,859
Finished Goods	1,581,161,997	988,226,248	756,306,811	472,691,757
Stores and Supplies (including in-transit)	261,860,136	163,662,585	246,680,100	154,175,063
Total	5,757,783,622	3,598,614,764	4,281,412,995	2,675,883,123
The above includes goods in transit as under				
Raw Materials	161,601,247	101,000,779	54,461,705	34,038,566
Stores and Supplies	—	—	728,723	455,452
Total	161,601,247	101,000,779	551,90,428	34,494,018
The cost of inventories recognised as an expense includes NRs. 1,010,846 {₹ 631,779} (2079/80: NRs. 2,570,969 {₹ 1,606,856}) in respect of write-downs of inventory to net realisable value.				
8. CURRENT INVESTMENTS				
INVESTMENT IN GOVERNMENT OR TRUST SECURITIES (at amortized cost)				
Investment in Treasury Bill issued by Nepal Rastra Bank	150,715,506	94,197,191	3,879,612,797	2,424,757,998
Total	150,715,506	94,197,191	3,879,612,797	2,424,757,998
9. TRADE RECEIVABLES (CURRENT)				
Secured, considered good	6,100,000	3,812,500	6,350,000	3,968,750
Unsecured, considered good	238,027,615	148,767,259	152,071,839	95,044,899
Total	244,127,615	152,579,759	158,421,839	99,013,649
10. CASH AND CASH EQUIVALENTS*				
Balances with Banks				
Current Accounts	15,020,650	9,387,906	37,468,272	23,417,670
Short Term - Call Deposits	295,888,995	184,930,622	380,288,036	237,680,023
Total	310,909,645	194,318,528	417,756,308	261,097,693
* Cash and cash equivalents include cash on hand, cheques on hand, cash at bank and deposits with banks with original maturity of 3 months or less.				
11. OTHER BANK BALANCES				
In Deposit Accounts *	6,426,000,000	4,016,250,000	7,350,000,000	4,593,750,000
Earmarked Balance (Savings Account - Provident Fund)	81,618	51,011	78,592	49,120
Total	6,426,081,618	4,016,301,011	7,350,078,592	4,593,799,120
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Statement of Financial Position date.				
12. OTHER FINANCIAL ASSETS (CURRENT)				
Interest Accrued on				
- Investments	85,499	53,437	54,010,749	33,756,718
- Call and Other Deposit with Banks	2,797,766	1,748,604	3,192,474	1,995,296
- Commercial Advances	913	571	913	571
Derivative instruments not designated as hedging instruments	2,610,588	1,631,618	7,099,160	4,436,975
Deposits	146,745	91,716	880,825	550,516
Recoverable from Holding Company	554,412	346,508	862,765	539,228
Claims Receivable	—	—	1,885,450	1,178,406
Total	6,195,923	3,872,454	67,932,336	42,457,710
13. EQUITY SHARE CAPITAL				
Authorised				
360,000,000 (2079/80 - 180,000,000) Ordinary Shares of NRs. 50/- (₹ 31.25/-) each (2079/80 - NRs. 100/- (₹ 62.50/-) each)	18,000,000,000	11,250,000,000	18,000,000,000	11,250,000,000
Issued, Subscribed & Paid up				
40,320,000 (2079/80 - 20,160,000) Ordinary Shares of NRs.50/- (₹ 31.25/-) each (2079/80 - NRs. 100/- (₹ 62.50/-) each), fully paid	2,016,000,000	1,260,000,000	2,016,000,000	1,260,000,000
Out of the above:				
1. Each Ordinary Share of NRs. 100/- (₹ 62.50/-) each was subdivided into two Ordinary Shares of NRs. 50/- (₹ 31.25/-) each in 2080-81 (2023-24).				
2. 16,800,000 Ordinary Shares of NRs. 100/- (₹ 62.50/-) each were issued as fully paid up bonus shares in 2065-66 (2008-09).				
3. 2,800,000 Ordinary Shares of NRs. 100/- (₹ 62.50/-) each were issued as fully paid up bonus shares in 2060-61 (2003-04).				
4. 280,000 Ordinary Shares of NRs. 100/- (₹ 62.50/-) each were issued as fully paid up bonus shares in 2052-53 (1995-96).				
5. 23,788,800 Ordinary Shares of NRs. 50/- (₹ 31.25/-) each (2079/80- 11,894,400 Ordinary Shares of NRs. 100/- (₹ 62.50/-) each) are held by the Holding Company, ITC Limited.				
Reconciliation of number of Shares outstanding:		Number of Shares		
At the beginning of the year	20,160,000	20,160,000	20,160,000	20,160,000
Subdivision of one Ordinary Share of NRs. 100/- (₹ 62.50/-) each into two Ordinary Shares of NRs. 50/- (₹ 31.25/-) each	20,160,000	20,160,000	—	—
At the end of the year	40,320,000	40,320,000	20,160,000	20,160,000
Rights, preferences and restrictions attached to the Ordinary Shares				
The Ordinary Shares of the Company, having par value of NRs. 50/- (₹ 31.25/-) (2079/80 - NRs. 100/- (₹ 62.50/-)) per share, rank pari passu in all respects including voting rights and entitlement to dividend.				

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14. LEASE LIABILITIES				
NON-CURRENT				
Lease Liabilities	186,756,911	116,723,069	68,237,158	42,648,224
Total	186,756,911	116,723,069	68,237,158	42,648,224
CURRENT				
Lease Liabilities	40,100,251	25,062,657	24,873,906	15,546,191
Total	40,100,251	25,062,657	24,873,906	15,546,191
Refer Note 31 (viii)				
Movement of Lease Liabilities during the year:				
Opening Lease Liabilities	93,111,064	58,194,415	64,241,390	40,150,869
New Leases recognised	198,251,674	123,907,296	61,704,803	38,565,502
Remeasurements and withdrawals	(7,790,887)	(4,869,304)	(2,161,402)	(1,350,876)
Interest expense on Lease Liabilities	26,059,609	16,287,256	10,133,506	6,333,441
Payment of Lease Liabilities	(82,774,298)	(51,733,936)	(40,807,233)	(25,504,521)
Closing Lease Liabilities	226,857,162	141,785,727	93,111,064	58,194,415
15. PROVISIONS				
NON-CURRENT				
Provision for Retirement and Other Employee Benefits [Refer Note 30]				
Retirement Benefits	68,840,127	43,025,079	72,822,300	45,513,938
Other Benefits	138,539,404	86,587,128	133,937,238	83,710,774
Total	207,379,531	129,612,207	206,759,538	129,224,712
CURRENT				
Provision for Retirement and Other Employee Benefits				
Retirement Benefits	9,205,133	5,753,209	9,482,339	5,926,462
Other Benefits	9,395,973	5,872,483	7,777,656	4,861,035
Total	18,601,106	11,625,692	17,259,995	10,787,497
16. BORROWINGS (CURRENT)				
Secured				
Overdrafts / Other Demand Loans from Banks*	–	–	500,000,000	312,500,000
Total	–	–	500,000,000	312,500,000
* Overdrafts / Other Demand Loans from Banks are secured by way of charge against certain property, plant and equipment, inventories, advances and trade receivables, both present and future.				
17. TRADE PAYABLES (CURRENT)				
Trade Payables for Goods and Services				
- Holding Company	596,770,847	372,981,779	747,874,931	467,421,832
- Others	427,119,747	266,949,842	567,942,422	354,964,014
Total	1,023,890,594	639,931,621	1,315,817,353	822,385,846
18. OTHER FINANCIAL LIABILITIES (CURRENT)				
Payable for Property, Plant and Equipment	47,995,065	29,996,916	49,983,503	31,239,689
Retention Money				
- For Property, Plant and Equipment	12,663,702	7,914,814	21,286,560	13,304,100
- Others	2,464,542	1,540,339	6,274,800	3,921,750
Payable for Employee Benefits	31,927,347	19,954,592	30,769,217	19,230,761
Provision for Employee's Bonus under The Bonus Act, 2030				
- Distribution by Group	345,813,602	216,133,501	331,723,029	207,326,893
- Deposit with Welfare Funds established under The Labour Act	1,000,907,064	625,566,915	1,041,245,707	650,778,567
- Deposit with National Level Welfare Fund established by Govt. of Nepal	428,960,170	268,100,106	446,248,160	278,905,100
Security Deposits from Customers	8,949,000	5,593,125	8,294,000	5,183,750
Interest Accrued but not due on current borrowings	–	–	271,078	169,424
Others (derivatives not designated as hedging instrument)	2,616,647	1,635,404	7,878,105	4,923,816
Total	1,882,297,139	1,176,435,712	1,943,974,159	1,214,983,850
19. OTHER LIABILITIES (CURRENT)				
Advances received from Customers	3,526,139	2,203,837	1,282,764	801,728
Statutory Liabilities	290,981,373	181,863,358	406,915,118	254,321,949
Provision for Corporate Social responsibility	278,762,953	174,226,846	288,119,002	180,074,376
Others	75,827,007	47,391,879	47,650,489	29,781,556
Total	649,097,472	405,685,920	743,967,373	464,979,609
20. CURRENT TAX LIABILITIES (NET)				
Provision for Income Tax	5,752,737,198	3,595,460,749	5,662,581,247	3,539,113,279
Less: Advance Tax paid / Withholding Tax deducted	(4,862,816,341)	(3,039,260,213)	(5,109,745,323)	(3,193,590,827)
Total	889,920,857	556,200,536	552,835,924	345,522,452

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21. GROSS REVENUE FROM SALE OF PRODUCTS				
FMCG				
- Cigarettes	49,683,655,476	31,052,284,673	50,664,614,551	31,665,384,094
- Branded Packaged Food Products	206,667,138	129,166,961	121,686,210	76,053,881
- Others (Agarbatti and Safety Matches)	301,812,548	188,632,843	438,924,728	274,327,955
Others				
- Unmanufactured Tobacco	43,917,437	27,448,398	50,408,775	31,505,484
Total	50,236,052,599	31,397,532,875	51,275,634,264	32,047,271,414
22. DUTIES				
Excise Duty	16,071,182,172	10,044,488,858	16,679,786,879	10,424,866,799
Health Risk Tax	5,176,927,740	3,235,579,838	5,510,663,040	3,444,164,400
Sticker Charges	107,852,661	67,407,913	114,805,480	71,753,425
Total	21,355,962,573	13,347,476,609	22,305,255,399	13,940,784,624
23. OTHER OPERATING REVENUE				
Liability no longer required written back	242,114	151,321	4,246,177	2,653,861
Miscellaneous Income	20,119,872	12,574,920	15,090,606	9,431,629
Total	20,361,986	12,726,241	19,336,783	12,085,490
24. RAW MATERIALS CONSUMED ETC.				
Leaf and Casing Materials	3,661,099,094	2,288,186,934	3,394,880,144	2,121,800,090
Wrapping Materials	3,060,394,038	1,912,746,274	3,290,750,925	2,056,719,328
Purchases and Contract Manufacturing Charges	154,840,370	96,775,231	340,518,402	212,824,001
Sugar, Liquid Glucose, Laminates, Jar etc.	94,237,460	58,898,413	58,205,016	36,378,135
Raw Batti, Fragrance, Carton, etc.	45,391,885	28,369,928	-	-
Finished Goods Written off *	-	-	137,461	85,913
	7,015,962,847	4,384,976,780	7,084,491,948	4,427,807,467
Allocation of overheads etc. on Finished Goods (manufactured)				
Opening	101,244,363	63,277,727	136,206,454	85,129,034
Closing	(108,882,249)	(68,051,406)	(101,244,363)	(63,277,727)
Total	7,008,324,961	4,380,203,101	7,119,454,039	4,449,658,774
* Book value of NRs. 0.047 million (₹ 0.03 million) of Cigarettes damaged during transit in 2079/80.				
25. EMPLOYEE BENEFITS EXPENSES				
Salaries, Wages and Allowances	842,894,925	526,809,328	796,302,213	497,688,883
Contribution to Provident and Other Funds	37,891,737	23,682,336	36,015,134	22,509,459
Provision for Retirement Benefits (Refer (I) of Note 30.a)	24,490,488	15,306,555	26,161,340	16,350,838
Cost of Stock Option Reimbursable	24,049,411	15,030,882	12,781,989	7,988,743
Labour and Staff Welfare	35,130,973	21,956,858	34,141,151	21,338,219
Provision for Employees' Bonus	1,775,680,836	1,109,800,523	1,819,216,896	1,137,010,560
Total	2,740,138,370	1,712,586,482	2,724,618,723	1,702,886,702
26. MANUFACTURING, ADMIN, SELLING EXPENSES ETC.				
Hired Machine Expenses	62,326,369	38,953,981	61,569,706	38,481,066
Rent	18,420,689	11,512,931	37,949,916	23,718,698
Electricity, Fuel and Water	139,675,581	87,297,238	138,870,976	86,794,360
Rates and Taxes	24,184,163	15,115,102	15,373,732	9,608,583
Insurance	142,021,688	88,763,555	140,255,167	87,659,479
Repairs- Depreciable Assets	172,034,403	107,521,502	174,120,134	108,825,084
Maintenance - Owned Properties	6,388,782	3,992,989	7,070,606	4,419,129
Maintenance - Other Properties	8,952,282	5,595,176	10,297,143	6,435,714
Safety and Pollution Control Cost	32,171,892	20,107,433	33,387,293	20,867,058
Consumption of Stores and Spare Parts	64,823,068	40,514,418	38,944,905	24,340,566
Freight and Handling charges	71,314,218	44,571,386	77,576,520	48,485,325
Product and Packaging Development - Tools / Accessories	7,922,443	4,951,527	6,884,421	4,302,763
Product Development and License Fees	734,280,469	458,925,293	732,675,702	457,922,314
Advertising	34,056,368	21,285,230	6,705,628	4,191,018
Market Research	78,128,944	48,830,590	55,607,953	34,754,971
Trade Distribution Expenses	269,572,639	168,482,899	175,907,963	109,942,477
Information Technology Services	109,156,803	68,223,002	124,518,102	77,823,814
Travel and Conveyance	86,202,430	53,876,519	81,520,020	50,950,013
Training and Development	1,539,428	962,143	1,064,107	665,067
Postage, Telephone, etc.	4,116,207	2,572,629	3,926,108	2,453,818
Bank Charges and Commission	6,948,011	4,342,507	5,478,543	3,424,089
Audit Fees	1,540,000	962,500	1,465,000	915,625
Legal Expenses	7,749,016	4,843,135	5,601,609	3,501,006
Printing and Stationery	10,626,392	6,641,495	12,785,068	7,990,668
Consultancy Charges	707,217,814	442,011,134	676,918,004	423,073,753
Professional Service Charges and Other Fees	188,439,819	117,774,887	153,663,508	96,039,693
Business Entertainment Expenses	14,587,078	9,116,924	10,542,884	6,589,303
Sponsorship	15,437,883	9,648,677	28,225,607	17,641,004
Donations	312,000	195,000	2,411,400	1,507,125
Books and Periodicals	93,880	58,675	146,265	91,416
Membership Fee	866,306	541,441	777,500	485,938
(Gain)/Loss on Property, Plant and Equipment Sold / Discarded (Net)	(877,232)	(548,270)	(6,634,028)	(4,146,268)
Corporate Social Responsibility	179,361,700	112,101,063	183,759,282	114,849,551
Doubtful and Bad Advances, Loans and Deposits	138,673	86,671	-	-
Miscellaneous Expenses (Refer (v) of Note 31)	37,702,108	23,563,812	15,207,350	9,504,597
Total	3,237,432,314	2,023,395,194	3,014,574,094	1,884,108,817

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27. OTHER INCOME				
Interest Income from:				
a) Deposits with bank - carried at amortised cost	684,474,030	427,796,269	916,297,410	572,685,881
b) Investments - measured at amortised cost	119,220,014	74,512,509	68,835,117	43,021,948
c) Employee loans - measured at amortised cost	466,491	291,557	469,191	293,244
d) Others - Interest received from customers etc.	19,859,101	12,411,938	13,709,804	8,568,628
Net foreign exchange gain / (loss)	(12,273,243)	(7,670,777)	(51,033,455)	(31,895,909)
Total	811,746,393	507,341,496	948,278,067	592,673,792
28. FINANCE COST				
Interest expenses:				
a) On financial liabilities measured at amortised cost				
- Interest on Short Term Loans / Overdrafts	2,946,285	1,841,428	37,515,306	23,447,066
b) On Lease Liabilities	26,059,609	16,287,256	10,133,506	6,333,441
c) Others				
- Interest on Trading Debts	2,531,656	1,582,285	2,629,857	1,643,661
- Others	74,672,429	46,670,268	14,200,000	8,875,000
Total	106,209,979	66,381,237	64,478,669	40,299,168
29. TAX EXPENSE				
A. Amount recognised in Profit or Loss				
Current Tax	4,970,594,050	3,106,621,281	5,044,527,104	3,152,829,440
Deferred Tax	(50,906,060)	(31,816,288)	(42,958,756)	(26,849,223)
Adjustments / (credits) related to previous years - Net	16,637,393	10,398,371	-	-
Total	4,936,325,383	3,085,203,364	5,001,568,348	3,125,980,217
B. Amount recognised in Other Comprehensive Income				
The tax (charge) / credit arising on income and expenses recognised in other comprehensive income is as follows:				
On items that will not be reclassified to profit or loss				
Remeasurements of defined benefit plans	(252,281)	(157,676)	1,722,309	1,076,443
Total	(252,281)	(157,676)	1,722,309	1,076,443
C. Reconciliation between tax expense and accounting profit				
Profit before tax	15,980,790,582	9,987,994,114	16,372,789,064	10,232,993,160
Income Tax expense calculated at the applicable tax rate				
(Cigarettes Manufacturing @ 30%, Exports @ 24%, Other Manufacturing @ 20% and Trading @ 25%)	4,796,909,574	2,998,068,484	4,915,052,310	3,071,907,694
Factors affecting tax charge for the year				
Effects of:				
- Difference in tax treatment of certain expense	112,338,952	70,211,845	75,861,205	47,413,253
- Adjustments recognised in the current year in relation to previous years	16,637,393	10,398,371	-	-
- Unused tax losses not recognised (net)	10,439,464	6,524,665	10,654,833	6,659,271
Income Tax recognised in profit or loss	4,936,325,383	3,085,203,365	5,001,568,348	3,125,980,218

30. a. Defined Benefit Plans

The Group provides defined benefit in the form of Gratuity and other retirement benefits. Gratuity is funded and deposited with the designated funds (e.g. Citizen Investment Trust (CIT), Social Security Fund (SSF)) as per applicable laws, towards meeting the Gratuity obligation. Other retirement benefits are unfunded.

CIT is a public financial organization established under the Citizen Investment Trust Act, 2047. Nepal Government, Nepal Rastra Bank, Nepal Stock Exchange Ltd., Rastriya Beema Sansthan, etc. are the shareholders of CIT, which is listed on Nepal Stock Exchange. CIT operates and manages various types of retirement schemes / programs. The Gratuity Fund Scheme is operated by a committee of CIT in accordance with terms and conditions of Gratuity Scheme Operation Procedure, 2055 as approved by Board of CIT. The Committee managing the Gratuity Fund Scheme invests in various sectors as prescribed under Gratuity Scheme Operation Procedure, 2055. As per the CIT Act, 2047, amount deposited by the Group and interest thereon shall be paid by the Government of Nepal in the event the same is not paid by CIT.

SSF is an autonomous statutory body established by the Government of Nepal as per the provisions of Contribution Based Social Security Act, 2074 ("Act"). The fund is managed by a Committee formed as per the Act with investment in assets such as government bonds, debentures, mutual funds, fixed deposits of class "A" banks or financial institutions, shares of banks, financial institutions and other companies etc. as per the provisions of section 32 of the Act.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professional qualified actuary, using the projected unit credit method. The Group makes regular contributions to these Employee Benefit Plans. Additional contributions are made to these plans as and when required based on actuarial valuation.

The Defined Benefit plans expose the Group to risk of actuarial deficit arising out of interest rate risk, salary cost inflation risk and investment risk. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the yields from CIT and SSF. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. Increase in salary due to adverse inflationary pressures might lead to higher liabilities. Investment risk may arise from lower earnings in the investment portfolio which is managed by the committee of CIT and SSF as referred above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

		Figures in NRs.		Figures in ₹		Figures in NRs.		Figures in ₹		
		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2080 (16th July, 2023)		For the year ended 31st Asadh, 2080 (16th July, 2023)		
		Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	
		Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	Funded	Unfunded	
I	Components of Employer Expense									
	-	Recognised in Profit or Loss								
	1	Current Service Cost	17,336,996	3,115,833	10,835,623	1,947,396	15,776,418	2,689,693	9,860,261	1,681,059
	2	Past Service Cost	-	-	-	-	-	2,783,359	-	1,739,599
	3	Net Interest Cost	(1,126,198)	5,163,857	(703,874)	3,227,410	48,574	4,863,296	30,359	3,039,560
	4	Total expense recognised in the Statement of Profit or Loss	16,210,798	8,279,690	10,131,749	5,174,806	15,824,992	10,336,348	9,890,620	6,460,218
	-	Re-measurements recognised in Other Comprehensive Income								
	5	Return on Plan Assets (excluding amount included in Net Interest Cost)	(168,240)	-	(105,150)	-	(5,350,183)	-	(3,343,864)	-
	6	Effect of Changes in demographic assumptions	-	-	-	-	3,758,249	5,885,628	2,348,906	3,678,518
	7	Effect of Changes in financial assumptions	7,621,118	1,014,582	4,763,199	634,114	8,389,125	1,198,368	5,243,203	748,980
	8	Changes in asset ceiling (excluding interest income)	-	-	-	-	-	-	-	-
	9	Effect of experience adjustments	(12,054,193)	2,745,797	(7,533,871)	1,716,123	(10,091,549)	1,951,392	(6,307,218)	1,219,619
	10	Total re-measurements included in Other Comprehensive Income	(4,601,315)	3,760,379	(2,875,822)	2,350,237	(3,294,358)	9,035,388	(2,058,973)	5,647,117
	11	Total defined benefit cost recognised in Statement of Profit or Loss and Other Comprehensive Income (4+10)	11,609,483	12,040,069	7,255,927	7,525,043	12,530,634	19,371,736	7,831,647	12,107,335

The current service cost, past service cost and net interest cost for the year pertaining to Gratuity and Other Retirement Benefit expenses have been recognised in "Provision for Retirement Benefits" under Note 25. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.

		Figures in NRs.		Figures in ₹		Figures in NRs.		Figures in ₹		
		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2080 (16th July, 2023)		For the year ended 31st Asadh, 2080 (16th July, 2023)		
		Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	
II	Actual Returns	22,963,458	–	14,352,162	–	26,240,645	–	16,400,403	–	
III	Net									
	1	Present Value of Defined Benefit Obligation	331,522,293	77,173,258	207,201,434	48,233,286	313,445,580	80,327,589	195,903,488	50,204,743
	2	Fair Value on Plan Assets	330,650,291	–	206,656,432	–	311,468,530	–	194,667,831	–
	3	Status [Surplus / (Deficit)]	(872,002)	(77,173,258)	(545,002)	(48,233,286)	(1,977,050)	(80,327,589)	(1,235,657)	(50,204,743)
	4	Restriction on Asset recognised	–	–	–	–	–	–	–	–
5	Net Asset/(Liability) recognised in Statement of Financial Position	Figures in NRs.		Figures in ₹		Figures in NRs.		Figures in ₹		
		As at 31st Asadh, 2081 (15th July, 2024)		As at 31st Asadh, 2081 (15th July, 2024)		As at 31st Asadh, 2080 (16th July, 2023)		As at 31st Asadh, 2080 (16th July, 2023)		
		Current	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	
		Gratuity	(872,002)	–	(545,002)	–	(1,977,050)	–	(1,235,657)	–
	Other Retirement Benefits	(8,333,131)	(68,840,127)	(5,208,207)	(43,025,079)	(7,505,289)	(72,822,300)	(4,690,805)	(45,513,938)	

		Figures in NRs.		Figures in ₹		Figures in NRs.		Figures in ₹		
		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2080 (16th July, 2023)		For the year ended 31st Asadh, 2080 (16th July, 2023)		
		Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	
IV	Change in Defined Benefit Obligations (DBO)									
	1	Present Value of DBO at beginning of the year	313,445,580	80,327,589	195,903,488	50,204,743	283,699,981	68,732,053	177,312,488	42,957,533
	2	Current Service Cost	17,336,996	3,115,833	10,835,623	1,947,396	15,776,418	2,689,693	9,860,261	1,681,059
	3	Past service cost	–	–	–	–	–	2,783,359	–	1,739,599
	4	Interest Cost	21,669,020	5,163,857	13,543,138	3,227,410	20,939,036	4,863,296	13,086,898	3,039,560
	5	Remeasurement gains / (losses):								
	a	Effect of Changes in demographic assumptions	–	–	–	–	3,758,249	5,885,628	2,348,906	3,678,518
	b	Effect of Changes in financial assumptions	7,621,118	1,014,582	4,763,199	634,114	8,389,125	1,198,368	5,243,203	748,980
	c	Changes in asset ceiling (excluding interest income)	–	–	–	–	–	–	–	–
	d	Effect of experience adjustments	(12,054,193)	2,745,797	(7,533,871)	1,716,123	(10,091,549)	1,951,392	(6,307,218)	1,219,619
	6	Curtailment Cost / (Credits)	–	–	–	–	–	–	–	–
	7	Settlement Cost / (Credits)	–	–	–	–	–	–	–	–
	8	Liabilities assumed in business combination	–	–	–	–	–	–	–	–
	9	Exchange difference on foreign plans	–	–	–	–	–	–	–	–
	10	Benefits Paid	(16,496,228)	(15,194,400)	(10,310,143)	(9,496,500)	(9,025,680)	(7,776,200)	(5,641,050)	(4,860,125)
	11	Present Value of DBO at the end of the year	331,522,293	77,173,258	207,201,434	48,233,286	313,445,580	80,327,589	195,903,488	50,204,743

V	Best Estimate of Employer's Expected Contribution for the next year	Figures in NRs.		Figures in ₹		Figures in NRs.		Figures in ₹	
		As at 31st Asadh, 2081 (15th July, 2024)		As at 31st Asadh, 2081 (15th July, 2024)		As at 31st Asadh, 2080 (16th July, 2023)		As at 31st Asadh, 2080 (16th July, 2023)	
	Gratuity		872,002		545,002		1,977,050		1,235,657

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		Figures in NRs.		Figures in ₹		Figures in NRs.		Figures in ₹	
		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2080 (16th July, 2023)		For the year ended 31st Asadh, 2080 (16th July, 2023)	
		Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits
VI	Change in Fair Value of Assets								
	1 Plan Assets at beginning of the year	311,468,530	–	194,667,831	–	245,610,458	–	153,506,536	–
	2 Asset acquired in Business Combination	–	–	–	–	–	–	–	–
	3 Interest Income	22,795,218	–	14,247,012	–	20,890,462	–	13,056,539	–
	4 Remeasurement Gains / (Losses) on plan assets	168,240	–	105,150	–	5,350,183	–	3,343,864	–
	5 Actual Group Contributions	12,714,531	15,194,400	7,946,582	9,496,500	48,643,107	7,776,200	30,401,942	4,860,125
	6 Benefits Paid	(16,496,228)	(15,194,400)	(10,310,143)	(9,496,500)	(9,025,680)	(7,776,200)	(5,641,050)	(4,860,125)
	7 Plan Assets at the end of the year	330,650,291	–	206,656,432	–	311,468,530	–	194,667,831	–

VII	Actuarial Assumptions	As at 31st Asadh, 2081 (15th July, 2024)	As at 31st Asadh, 2080 (16th July, 2023)
		Discount Rate (%)	Discount Rate (%)
		Gratuity	6.75%
	Other Retirement Benefits	6.75%	7.10%

The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

VIII	Major Category of Plan Assets as a % of the Total Plan Assets		As at 31st Asadh, 2081 (15th July, 2024)	As at 31st Asadh, 2080 (16th July, 2023)
	1	Citizen Investment Trust Managed Funds*	87%	90%
	2	Social Security Fund Managed Funds*	13%	10%

* In the absence of detailed information regarding plan assets which is funded with Citizen Investment Trust and Social Security Fund, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

IX Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on discount rate set with reference to the yields from CIT and SSF.

		Figures in NRs.		Figures in ₹		Figures in NRs.		Figures in ₹	
		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2081 (15th July, 2024)		For the year ended 31st Asadh, 2080 (16th July, 2023)		For the year ended 31st Asadh, 2080 (16th July, 2023)	
		Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits	Gratuity	Other Retirement Benefits
X	Net Asset / (Liability) recognized in Statement of Financial Position (including experience adjustment impact)								
	1 Present Value of Defined Benefit Obligation	331,522,293	77,173,258	207,201,434	48,233,286	313,445,580	80,327,589	195,903,488	50,204,743
	2 Fair Value on Plan Assets	330,650,291	–	206,656,432	–	311,468,530	–	194,667,831	–
	3 Status [Surplus / (Deficit)]	(872,002)	(77,173,258)	(545,002)	(48,233,286)	(1,977,050)	(80,327,589)	(1,235,657)	(50,204,743)
	4 Experience Adjustment of Plan Assets [Gain / (loss)]	168,240	–	105,150	–	5,350,183	–	3,343,864	–
	5 Experience Adjustment of Obligation [(Gain) / Loss]	(12,054,193)	2,745,797	(7,533,871)	1,716,123	(10,091,549)	1,951,392	(6,307,218)	1,219,619

XI Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above. There was no change in the methods and assumptions used in the preparation of the Sensitivity Analysis from previous year.

		Figures in NRs.	Figures in ₹	Figures in NRs.	Figures in ₹
		DBO as at 31st Asadh, 2081 (15th July, 2024)	DBO as at 31st Asadh, 2081 (15th July, 2024)	DBO as at 31st Asadh, 2080 (16th July, 2023)	DBO as at 31st Asadh, 2080 (16th July, 2023)
	1 Discount rate +100 basis points	384,972,760	240,607,975	370,629,882	231,643,676
	2 Discount rate -100 basis points	435,582,276	272,238,923	419,940,764	262,462,978
	3 Salary Increase Rate +1%	431,977,107	269,985,692	416,322,741	260,201,713
	4 Salary Increase Rate -1%	387,817,740	242,386,088	373,528,558	233,455,349

Maturity Analysis Of The Benefit Payments

	1 Year 1	32,314,775	20,196,734	28,340,455	17,712,784
	2 Year 2	50,475,683	31,547,302	40,761,818	25,476,136
	3 Year 3	47,954,211	29,971,382	47,776,017	29,860,011
	4 Year 4	46,466,348	29,041,468	45,515,291	28,447,057
	5 Year 5	92,598,760	57,874,225	44,131,394	27,582,121
	6 Next 5 Years	131,821,394	82,388,371	191,896,086	119,935,054

b. Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and Other Funds" in Note 25.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

31. Additional Notes to the Consolidated Financial Statements

- (i) These financial statements were authorised for issue by the Board of Directors on 11th Ashwin 2081 (27th September 2024).
- (ii) The subsidiary (which along with Surya Nepal Private Limited, the parent, constitute the Group) considered in the preparation of these Consolidated Financial Statements is Surya Nepal Ventures Private Limited. Surya Nepal Ventures Private Limited is a wholly owned subsidiary of Surya Nepal Private Limited incorporated on 18th Asadh 2080 (3rd July 2023).
- (iii) Estimated amount of contracts remaining to be executed on capital account and not provided for NRs. 284,081,103 (₹ 177,550,689) {2079/80 - NRs. 210,028,171 (₹ 131,267,607)}.
- (iv) Remuneration to Managing Director :

Particulars	For the year ended 31st Asadh 2081 (15th July 2024) In NRs.	For the year ended 31st Asadh, 2081 (15th July, 2024) In ₹	For the year ended 31st Asadh, 2080 (16th July, 2023) In NRs.	For the year ended 31st Asadh, 2080 (16th July, 2023) In ₹
Salary & Allowances	54,093,638	33,808,524	46,747,878	29,217,424
Other Benefits *	4,458,509	2,786,568	4,543,610	2,839,756
Post Employment Benefits	**	**	**	**
Total	58,552,147	36,595,092	51,291,488	32,057,180

Note:

The Managing Director and some other employees of the Group had been granted stock options in the past by the Holding Company (ITC Limited) under the Employee Stock Option Scheme. Such options were granted at 'market price' [within the meaning of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]. Since such options are not tradable, no benefit is conferred upon the employee at the time of grant of options. The Group, however, has recorded employee benefits expense by way of share based payments to employees, in accordance with NFRS 2, at NRs. 24,049,411 (₹ 15,030,882) for the year ended 31st Asadh 2081 {2079/80 – NRs. 12,781,989 (₹ 7,988,743)}, out of which NRs. 11,973,757 (₹ 7,483,598) {2079/80 – NRs. 6,699,351 (₹ 4,187,094)} is attributable to the Managing Director. During the year, 9,450 options (2079/80 – 9,450 options) were granted to the Managing Director.

* Other Benefits includes amounts incurred / reimbursed by the Group towards Residential Rent and Maintenance, Fuel and Driver Salary for Vehicle, Vehicle Repairs and Maintenance etc.

** Post employment benefits are actuarially determined on overall basis for all employees.

- (v) Miscellaneous Expenses include reimbursement of expenses to statutory auditors amounting to NRs. 564,267 (₹ 352,667) {2079/80 - NRs. 592,666 (₹ 370,416)}.

(vi) Related Party Disclosures

Nature of relationship and name of the related parties:

1. Holding Company
ITC Limited, India
2. Fellow Subsidiary Companies
 - a) Srinivasa Resorts Limited, India
 - b) Fortune Park Hotels Limited, India
 - c) Bay Islands Hotels Limited, India
 - d) WelcomHotels Lanka (Private) Limited, Sri Lanka
 - e) Landbase India Limited, India
 - f) Russell Credit Limited, India and its subsidiary
Greenacre Holdings Limited, India
 - g) Technico Pty Limited, Australia and its subsidiaries
Technico Technologies Inc., Canada
Technico Asia Holdings Pty Limited, Australia and its subsidiary
Technico Horticultural (Kunming) Co. Limited, China
 - h) Technico Agri Sciences Limited, India
 - i) Wimco Limited, India
 - j) Pavan Poplar Limited, India
 - k) Prag Agro Farm Limited, India
 - l) ITC Infotech India Limited, India and its subsidiaries
ITC Infotech Limited, UK
ITC Infotech (USA), Inc. and its subsidiary
Indivate Inc., USA
ITC Infotech Do Brasil LTDA, Brazil
ITC Infotech Malaysia SDN. BHD
ITC Infotech France SAS
ITC Infotech GmbH, Germany
ITC Infotech de México, S.A. de C.V.
ITC Infotech Arabia Limited, Saudi Arabia[w.e.f. 1st Poush 2080(17th December 2023)]
 - m) Gold Flake Corporation Limited, India
 - n) ITC Integrated Business Services Limited, India and its subsidiary
MRR Trading & Investment Company Limited, India
 - o) North East Nutrients Private Limited, India
 - p) ITC IndiVision Limited, India
 - q) ITC Fibre Innovations Limited, India
 - r) ITC Hotels Limited, India [w.e.f. 12th Shrawan 2080 (28th July 2023)]
3. Associates of Holding Company
 - a) Gujarat Hotels Limited, India
 - b) International Travel House Limited, India
 - c) Delectable Technologies Private Limited, India
 - d) Mother Sparsh Baby Care Private Limited, India
 - e) Sproutlife Foods Private Limited, India
– being associates of the Holding Company, and
 - f) Tobacco Manufacturers (India) Limited, UK
– of which the Holding Company is an associate

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4. Associates of Holding Company's subsidiaries
 - a) Russell Investments Limited, India
 - b) Divya Management Limited, India
 - c) Antrang Finance Limited, India
 - being associates of Russell Credit Limited, India and
 - d) ATC Limited, India
 - being associate of Gold Flake Corporation Limited, India
5. Joint Ventures of Holding Company
 - a) Maharaja Heritage Resorts Limited, India
 - b) Logix Developers Private Limited, India
6. Joint Venture of Holding Company's Subsidiary
 - a) ITC Filtrona Limited, India (formerly known as ITC Essentra Limited, India)
 - being joint venture of Gold Flake Corporation Limited, India
7. Key Management Personnel:

Sanjiv Puri	Chairman & Non-Executive Director
Devraj Lahiri	Alternate Director to Mr. S Puri
Sandeep Kaul	Non-Executive Director
Supratim Dutta	Non-Executive Director
Rajendra Kumar Singhi	Non-Executive Director
Sashi Raj Pandey	Non-Executive Director
Siddhartha SJB Rana	Non-Executive Director
Ravi Kumar Rayavaram	Managing Director

Disclosure of transactions between the Group and related parties and the status of outstanding balances as at 31st Asadh, 2081 (15th July, 2024):

Related Party Transactions Summary	For the year ended 31st Asadh, 2081 (15th July, 2024) In NRs.				For the year ended 31st Asadh, 2080 (16th July, 2023) In NRs.			
	Holding Company	Fellow Subsidiaries	Associates of Holding Company	Joint Venture of Holding Company's Subsidiary	Holding Company	Fellow Subsidiaries	Associates of Holding Company	Joint Venture of Holding Company's Subsidiary
Purchase of Goods / Services	5,555,717,333	48,637,555	2,052,177	–	4,858,383,086	40,337,768	3,158,100	321,624
Cost of Stock Option Reimbursable	24,049,411	–	–	–	12,781,989	–	–	–
Hired Machine Expenses	56,110,154	–	–	–	50,073,532	–	–	–
Dividend Payments	6,696,547,200	–	–	–	6,137,510,400	–	–	–
Expenses recovered	7,194,931	–	–	–	3,585,186	–	–	–
Expenses reimbursed	70,842	–	–	–	156,272	–	–	–
Advances Given	3,596,510,651	–	–	–	–	–	–	–
Outstanding Balances								
Advances / Other Receivables	2,977,505,834	–	–	–	307,448,520	–	–	–
Creditors / Payables	596,770,847	28,937,303	203,845	–	747,874,931	12535,069	88,570	–

Related Party Transactions Summary	For the year ended 31st Asadh, 2081 (15th July, 2024) In ₹				For the year ended 31st Asadh, 2080 (16th July, 2023) In ₹			
	Holding Company	Fellow Subsidiaries	Associates of Holding Company	Joint Venture of Holding Company's Subsidiary	Holding Company	Fellow Subsidiaries	Associates of Holding Company	Joint Venture of Holding Company's Subsidiary
Purchase of Goods / Services	3,472,323,333	30,398,472	1,282,611	–	3,036,489,429	25,211,105	1,973,813	201,015
Cost of Stock Option Reimbursable	15,030,882	–	–	–	7,988,743	–	–	–
Hired Machine Expenses	35,068,846	–	–	–	31,295,958	–	–	–
Dividend Payments	4,185,342,000	–	–	–	3,835,944,000	–	–	–
Expenses recovered	4,496,832	–	–	–	2,240,741	–	–	–
Expenses reimbursed	44,276	–	–	–	97,670	–	–	–
Advances Given	2,247,819,157	–	–	–	–	–	–	–
Outstanding Balances								
Advances / Other Receivables	1,860,941,146	–	–	–	192,155,325	–	–	–
Creditors / Payables	372,981,779	18,085,814	127,403	–	467,421,832	7,834,418	55,356	–

also refer to Note 31 (iv).

Transactions with subsidiaries of Tobacco Manufacturers (India) Limited's ultimate parent company comprise dividend payments NRs. 227,001,600 (₹ 141,876,000) (2079/80 – NRs. 208,051,200 (₹ 130,032,000)).

(vii) Contingent liabilities:

Claims against the Group not acknowledged as debts:

- a) Demands raised by Revenue Authorities on theoretical production of cigarettes:

Excise, Income Tax and Value Added Tax authorities issued Show Cause Notices (SCNs) and raised demands to recover taxes for different years on theoretical production of cigarettes. In all these proceedings, the authorities applied an input-output ratio allegedly submitted by the Group in the year 2047-48 (1990-91) and arrived at a theoretical production and demanded tax/duty on the differential production/turnover. This, despite the fact that the Group's cigarette factory was under 'physical control' of the Excise authorities and cigarettes produced were duly accounted for and certified as such by the Excise authorities.

The Revenue Authorities for the first time raised excise demands for the financial year ("FY") 2050-51 and 2051-52, (1993-94 and 1994-95) claiming that the Group did not produce cigarettes according to the input-output ratio submitted in the year 2047-48 (1990-91). The Group challenged these excise demands before the Hon'ble Supreme Court through a writ petition. A division bench of the Hon'ble Supreme Court decided the matter in favour of the Group (the "Division Bench Judgement") and rejected the above basis of theoretical production. The Ministry of Finance filed a review petition before the Full Bench of Hon'ble Supreme Court seeking review of the judgement of Division Bench. The full bench after hearing both the sides at length upheld the judgement of Division Bench by its order dated 12th Kartik 2066 (29th October 2009).

Similar demands had been raised for other financial years viz., Excise Demands for FY 2055-56 to FY 2059-60 (1998-99 to 2002-03) and Income Tax Demand for FY 2058-59 (2001-02), which were also challenged by the Group before the Hon'ble Supreme Court by way of writ petitions and the court was pleased to allow all the writ petitions setting aside the demands.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Further, the Inland Revenue Department had decided administrative review petitions in favour of the Group setting aside Value Added Tax demands for the financial years 2058-59 and 2064-65 (2001-02 and 2007-08) and Income Tax demand for the financial year 2062-63 (2005-06) following the aforesaid decisions of the Hon'ble Supreme Court.

During the pendency of the aforementioned review petition before the Hon'ble Supreme Court and thereafter, the Revenue Authorities raised demands, in the same subject matter of theoretical production for different years (as listed below), which were also challenged by the Group by way of writ petitions before Hon'ble Supreme Court of Nepal between the years 2064 to 2066 (2007 to 2010).

1. Excise demand letters for NRs. 278,026,266 (₹ 173,766,416) relating to the financial years 2060-61 to 2063-64 (2003-04 to 2006-07)
2. Value Added Tax (VAT) demand letters for NRs. 174,923,023 (₹ 109,326,889) relating to financial years 2059-60 to 2063-64 (2002-03 to 2006-07)
3. Income Tax demand letters for NRs. 215,232,624 (₹ 134,520,390) relating to financial years 2059-60 and 2060-61 (2002-03 and 2003-04).

The Group's writ petitions with regard to various tax demands mentioned hereinabove were disposed of by the Hon'ble Supreme Court on 2nd Baisakh 2078 (15th April 2021) holding that the Group should avail the alternate remedy by way of appeal to the Inland Revenue Department (IRD). The Administrative Review Petitions relating to above demands are currently pending for disposal with Inland Revenue Department.

The Management considers that all the demands listed above have no legal and factual basis; accordingly, the Management is of the view that there is no liability that is likely to arise, particularly in light of the fact that the issue underlying these demands has already been settled by the Hon'ble Supreme Court in favour of the Group.

- b) Other demands raised on account of:
1. Income Taxes for various assessment years amounting to NRs. 489,015,544 (₹ 305,634,715) {2079/80 - NRs. 166,098,340 (₹ 103,811,463)} (net of provisions) including interest on claims, where applicable, estimated to be NRs. 56,012,476 (₹ 35,007,798) {2079/80 - NRs. 91,046,089 (₹ 56,903,806)} against which the Group has filed appeals with the appropriate authorities/Courts.
 2. Value Added Tax matters under dispute, pertaining to various financial years amounting to NRs. 54,939,046 (₹ 34,336,904) {2079/80 - NRs. 52,745,221 (₹ 32,965,763)} including interest on claims, where applicable, estimated to be NRs. 18,724,863 (₹ 11,703,039) {2079/80 - NRs. 16,531,037 (₹ 10,331,898)} which are under appeal / reassessment.
 3. Health Risk Tax by Customs Authorities amounting to NRs. 37,412,000 (₹ 23,382,500) {2079/80 - NRs. 37,412,000 (₹ 23,382,500)} against which Group has filed appeals with the appropriate authority.
- (viii) The Group's significant leasing arrangements are in respect of operating leases for building premises (residential, office, godowns, etc.) and machines. These arrangements generally range between 1 year and 10 years. The lease arrangements have extension/termination options exercisable by either parties which may make the assessment of lease term uncertain. While determining the lease term, all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option are considered.

The amount of ROU Assets and Lease Liabilities recognised in the Statement of Financial Position are disclosed in Note 3E and Note 14 respectively. The total cash outflow for leases for the year is NRs. 163,065,141 (₹ 101,915,713) {2079/80 - NRs. 134,590,682 (₹ 84,119,176)} [including payments of NRs. 80,290,843 (₹ 50,181,777) {2079/80 - NRs. 93,783,448 (₹ 58,614,655)} in respect of short-term/low-value leases].

The undiscounted maturities of lease liabilities over the remaining lease term is as follows

Term	AS at 31st Asadh, 2081 (15th July, 2024) In NRs.	AS at 31st Asadh, 2081 (15th July, 2024) In ₹	As at 31st Asadh, 2080 (16th July, 2023) In NRs.	As at 31st Asadh, 2080 (16th July, 2023) In ₹
Not later than three years	177,038,166	110,648,854	91,022,499	56,889,062
Later than three years and not later than ten years	161,178,286	100,736,429	27,306,689	17,066,681

- (ix) Some of the employee(s) of the Group seconded from the Holding Company (ITC Limited), had been granted stock options under the ITC Employee Stock Option Scheme (ITC ESOS). These options vest over a period of three years from the date of grant and are exercisable within a period of five years from the date of vesting. Each option entitles the holder thereof to apply for and be allotted ten Ordinary Shares of ITC of Indian Rupee 1 each inter alia upon payment of exercise price.

These options had been granted at 'market price' within the meaning of Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The fair value of the options granted is determined by ITC, using the Black Scholes Option Pricing Model, for all the options covered under the ITC ESOS as a whole.

The Group has recognised the cost of options granted, as stated above, under the ITC Employee Stock Option Scheme (ITC ESOS) (equity - settled) in accordance with NFRS 2 - Share Based Payment and the Group's share of the cost of fair value of such options has been accounted for based on the advice / on-charge by ITC. Accordingly, an amount of NRs. 24,049,411 (₹ 15,030,882) {2079/80 - NRs. 12,781,989 (₹ 7,988,743)} (Refer Note 25) (which represents the on-charge from ITC) has been recognised as employee benefits expense with a corresponding payable, when such reimbursement is sought by ITC.

During the year, 18,350 options (2079/80 - 18,400 options) were granted to certain employee(s) seconded by the Holding Company. The total number of options outstanding stood at 92,862 options (2079/80 - 90,435 options).

- (x) Figures have been rounded off to the nearest Nepalese Rupee.
- (xi) Figures for the previous year have been re-arranged, wherever necessary, to conform to the figures of the current year. The same does not have any material impact on the financial statements.

32. Financial Instruments and Related Disclosures

1. Capital Management

The primary objective of the Group's capital management is to maximize the shareholder value. The Group aims at maintaining a strong capital base and augments its internal generations with a judicious use of borrowing facilities to fund spikes in working capital that arise from time to time as well as requirements to finance business growth.

The Group is not subject to any capital adequacy norms under regulations presently in force.

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2. Categories of Financial Instrument

(Amount in NRs.)

Particulars		Note	As at 31st Asadh 2081 (15th July 2024)		As at 31st Asadh 2080 (16th July 2023)	
			Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets						
a) Measured at amortised cost						
	i) Cash and Cash Equivalents	10	310,909,645	310,909,645	417,756,308	417,756,308
	ii) Other Bank Balances	11	6,426,081,618	6,426,081,618	7,350,078,592	7,350,078,592
	iii) Investments	8	150,715,506	150,715,506	3,879,612,797	3,879,612,797
	iv) Loans	4	26,970,247	16,458,769	27,270,571	16,569,126
	v) Trade Receivables	9	244,127,615	244,127,615	158,421,839	158,421,839
	vi) Other Financial assets	12	3,585,335	3,585,335	60,833,176	60,833,176
	Sub - total		7,162,389,966	7,151,878,488	11,893,973,283	11,883,271,838
b) Derivatives measured at fair value						
	i) Derivative instruments not designated as hedging instruments	12	2,610,588	2,610,588	7,099,160	7,099,160
	Sub - total		2,610,588	2,610,588	7,099,160	7,099,160
	Total financial assets		7,165,000,554	7,154,489,076	11,901,072,443	11,890,370,998
B. Financial liabilities						
a) Measured at amortised cost						
	i) Borrowings	16	–	–	500,000,000	500,000,000
	ii) Trade Payables	17	1,023,890,594	1,023,890,594	1,315,817,353	1,315,817,353
	iii) Lease Liabilities	14	226,857,162	226,857,162	93,111,064	93,111,064
	iv) Other financial liabilities	18	1,879,680,492	1,879,680,492	1,936,096,054	1,936,096,054
	Sub - total		3,130,428,248	3,130,428,248	3,845,024,471	3,845,024,471
b) Derivatives measured at fair value						
	i) Derivative instruments not designated as hedging instruments	18	2,616,647	2,616,647	7,878,105	7,878,105
	Sub - total		2,616,647	2,616,647	7,878,105	7,878,105
	Total financial liabilities		3,133,044,895	3,133,044,895	3,852,902,576	3,852,902,576

(Amount in ₹)

Particulars		Note	As at 31st Asadh 2081 (15th July 2024)		As at 31st Asadh 2080 (16th July 2023)	
			Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets						
a) Measured at amortised cost						
	i) Cash and Cash Equivalents	10	194,318,528	194,318,528	261,097,693	261,097,693
	ii) Other Bank Balances	11	4,016,301,011	4,016,301,011	4,593,799,120	4,593,799,120
	iii) Investments	8	94,197,191	94,197,191	2,424,757,998	2,424,757,998
	iv) Loans	4	16,856,404	10,286,731	17,044,107	10,355,704
	v) Trade Receivables	9	152,579,759	152,579,759	99,013,649	99,013,649
	vi) Other Financial assets	12	2,240,836	2,240,836	38,020,735	38,020,735
	Sub - total		4,476,493,729	4,469,924,056	7,433,733,302	7,427,044,899
b) Derivatives measured at fair value						
	i) Derivative instruments not designated as hedging instruments	12	1,631,618	1,631,618	4,436,975	4,436,975
	Sub - total		1,631,618	1,631,618	4,436,975	4,436,975
	Total financial assets		4,478,125,347	4,471,555,674	7,438,170,277	7,431,481,874

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

B. Financial liabilities						
a) Measured at amortised cost						
i) Borrowings	16	–	–	312,500,000	312,500,000	
ii) Trade Payables	17	639,931,621	639,931,621	822,385,846	822,385,846	
iii) Lease Liabilities	14	141,785,726	141,785,726	58,194,415	58,194,415	
iv) Other financial liabilities	18	1,174,800,308	1,174,800,308	1210,060,034	1,210,060,034	
Sub - total		1,956,517,655	1,956,517,655	2,403,140,294	2,403,140,294	
b) Derivatives measured at fair value						
i) Derivative instruments not designated as hedging instruments	18	1,635,404	1,635,404	4,923,816	4,923,816	
Sub - total		1,635,404	1,635,404	4,923,816	4,923,816	
Total financial liabilities		1,958,153,059	1,958,153,059	2,408,064,110	24,08,064,110	

3. Financial risk management objectives

The Group's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Group continues to focus on a system-based approach to risk management. The Group's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management framework is based on comprehensive internal policies and procedures across areas of operations. The Group has a process of regular reviews / audits for monitoring of such risks.

a) Market risk

Market risk comprises foreign currency risk and interest rate risk.

i. Foreign currency risk

The Group undertakes transactions denominated in foreign currency (mainly US Dollar, Euro and GBP) which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency (other than Indian Rupee) are subject to reinstatement risks.

The carrying amounts of foreign currency denominated financial assets and liabilities including derivatives contracts are as follows:

(Amount in NRs.)			
As at 31st Asadh, 2081 (15th July 2024)	USD	EURO	Total
Financial Assets	11,506,675	960,324	12,466,999
Financial Liabilities	25,148,732	348,720	25,497,452

(Amount in ₹)			
As at 31st Asadh, 2081 (15th July 2024)	USD	EURO	Total
Financial Assets	7,191,672	600,203	7,791,874
Financial Liabilities	15,717,958	217,950	15,935,908

(Amount in NRs.)			
As at 31st Asadh, 2080 (16th July 2023)	USD	EURO	Total
Financial Assets	37,892,840	3,912,201	41,805,041
Financial Liabilities	289,969,457	–	289,969,457

(Amount in ₹)			
As at 31st Asadh, 2080 (16th July 2023)	USD	EURO	Total
Financial Assets	23,683,025	2,445,126	26,128,151
Financial Liabilities	181,230,911	–	181,230,911

The Group uses derivatives, such as forward exchange contracts, to manage the business risk arising out of the underlying foreign currency transactions, which serves as an economic hedge. Such forward exchange contracts that were outstanding on respective reporting dates are as follows:

(Amount in Foreign Currency)

Currency	Cross Currency	As at 31st Asadh, 2081 (15th July 2024) Buy	As at 31st Asadh, 2080 (16th July 2023) Buy
US Dollar	NRs	2,932,322	1,437,718
Euro	NRs	383,068	237,248

Hedges of Foreign currency risk and derivative financial instruments

The Group uses derivatives to hedge its exposure to changes in movement in foreign currency. Where such derivatives are not designated under hedge accounting, changes in the fair value of such hedges are recognised in the Statement of Profit or Loss and Other Comprehensive Income. The counter parties in these derivative instruments are highly rated commercial banks and the Group considers the risk of non-performance by such counter parties as not material.

Foreign currency sensitivity

As the foreign currency risk on the Statement of Financial Position date is not significant, no sensitivity disclosures have been made.

ii. Interest rate risk

The objectives of the Group's interest rate risk management processes are to manage the impact of adverse interest rate movements on its statement of profit or loss and other comprehensive income and cash flows and to minimise counter party risks.

The Group is exposed to interest rate risk primarily with respect to its short terms borrowings from banks, which are used to fund spikes in working capital that

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

arise from time to time. Such risks arise primarily due to changes in money supply within the economy and/or liquidity in banking system. In view of the short term nature of such borrowings, impact of such interest rate risk is insignificant.

The Group's investments are predominantly held in fixed deposits and treasury bills issued by Nepal Rastra Bank. Fixed deposits are held with highly rated commercial banks and have a short term tenure and are not subject to interest rate volatility. The Group ensures optimisation of cash through fund planning and robust cash management practices.

b) Liquidity risk

The Group manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. The Group's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Group also maintains adequate credit lines with the commercial banks to fund spikes in working capital that arise from time to time.

The Group's Current assets aggregate to NRs. 13,651,321,983 (₹ 8,532,076,241) (2079/80 – NRs. 17,058,556,505 (₹ 10,661,597,817)) including Cash and cash equivalents and Other bank balances of NRs. 6,736,991,263 (₹ 4,210,619,539) (2079/80 – NRs. 7,767,834,900 (₹ 4,854,896,813)) against an aggregate Current liability (excluding borrowings) of NRs. 4,503,907,419 (₹ 2,814,942,138) (2079/80 – NRs. 4,598,728,710 (₹ 2,874,205,445)) on the reporting date.

Further, while the Group's total equity stands at NRs. 16,357,836,509 (₹ 10,223,647,821) (2079/80 – NRs. 16,662,862,655 (₹ 10,414,289,163)), it has Nil borrowings (2079/80 – NRs. 500,000,000 (₹ 312,500,000)). In such circumstances, liquidity risk or the risk that the Group may not be able to settle or meet its obligations as they become due does not exist.

c) Credit risk

The Group's short term surpluses are generally deployed in fixed deposits, call deposits with highly rated commercial banks and treasury bills issued by Nepal Rastra Bank. Such deposits and investments in treasury bills stood at NRs. 6,872,604,501 (₹ 4,295,377,813) (2079/80 – NRs. 11,609,900,833 (₹ 7,256,188,021)) at amortised cost. The commercial banks for placement of such deposits are short listed and exposure limits are determined on the basis of their credit rating, financial statements and other relevant information which are periodically reviewed.

The Group has policy of dealing on cash terms, to the extent practicable. Credit is extended in business interest in accordance with guidelines which takes into account various factors such as market feedback, past trading patterns, etc. Based on negotiations, bank guarantee is also taken from some of the customers to whom credit is extended. Such credit limits extended to trade receivables are monitored by the management committee and protective action initiated to recover the amount.

The Group during the course of its operations deals with a large number of customers limiting the risk of credit concentration. The Group's exposure to trade receivables on the reporting date, net of expected loss provisions stood at NRs. 244,127,615 (₹ 152,579,759) (2079/80 – NRs. 158,421,839 (₹ 99,013,649)). The Group's historical experience of collecting receivables and the level of default indicate that the credit risk is low. Loss allowances are recognized, where considered appropriate by the Management. There has been no movement in expected loss provision during the year (2079/80-Nil).

4. Fair value measurement

The following table presents the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

(Amount in NRs)

Particulars	Fair Value Hierarchy (Level)	Fair Value	Fair Value
		As at 31st Asadh 2081 (15th July 2024)	As at 31st Asadh 2080 (16th July 2023)
A. Financial Assets			
a) Measured at amortised cost			
i) Loans *	3	12,551,465	12,647,782
Sub-Total		12,551,465	12,647,782
b) Derivatives measured at fair value			
i) Derivative instruments not designated as hedging instruments	2	2,610,588	7,099,160
Sub-Total		2,610,588	7,099,160
Total financial assets		151,62,053	19,746,942
B. Financial liabilities			
a) Measured at amortised cost			
i) Lease Liabilities *	3	186,756,911	68,237,158
Sub-Total		186,756,911	68,237,158
b) Derivatives measured at fair value			
i) Derivative instruments not designated as hedging instruments	2	2,616,647	7,878,105
Sub-Total		2,616,647	7,878,105
Total financial liabilities		189,373,558	76,115,263

* Represents Fair Value of Non-current Financial Instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

(Amount in ₹)

Particulars	Fair Value Hierarchy (Level)	Fair Value	Fair Value
		As at 31st Asadh 2081 (15th July 2024)	As at 31st Asadh 2080 (16th July 2023)
A. Financial Assets			
a) Measured at amortised cost			
i) Loans *	3	7,844,666	7,904,864
Sub-Total		7,844,666	7,904,864
b) Derivatives measured at fair value			
i) Derivative instruments not designated as hedging instruments	2	1,631,618	4,436,975
Sub-Total		1,631,618	4,436,975
Total financial assets		9,476,284	12,341,839
B. Financial liabilities			
a) Measured at amortised cost			
i) Lease Liabilities *	3	116,723,069	42,648,224
Sub-Total		116,723,069	42,648,224
b) Derivatives measured at fair value			
i) Derivative instruments not designated as hedging instruments	2	1,635,404	4,923,816
Sub-Total		1,635,404	4,923,816
Total financial liabilities		118,358,473	47,572,039

* Represents Fair Value of Non-current Financial Instruments.

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period.

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

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value is determined using discounted cash flow basis.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Group has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

Abhishek Saraf
Vice President, Finance

Ravi K Rayavaram
Managing Director

Siddhartha SJB Rana
Director

S Dutta
Director

S Puri
Chairman

S R Pandey
Director

S Kaul
Director

R K Singhi
Director

Manish Amatya
Partner
N. Amatya & Co.
Chartered Accountants

Shashi Satyal
Partner
T R Upadhya & Co.
Chartered Accountants

Date: 11th Ashwin 2081 (27th September 2024)

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

Your Directors submit their 12th Report for the financial year ended 31st March, 2025.

1. COMPANY PERFORMANCE

Your Company remains committed to operational excellence, consistently enhancing efficiency and quality. During the year under review, your Company earned three Gold Awards at the 'Convention on Quality Concepts', 2024 organised by the Quality Circle Forum of India, Durgapur Chapter. Additionally, the Company secured a Gold and a Silver Award in National Poka-Yoke Competition and a Silver Award in Food Safety & Quality Kaizen Competition both organized by the Confederation of Indian Industry. These honours reinforce our dedication to productivity and industry leadership.

The Company's Revenue from Operations for the year stood at ₹15,887.16 lakhs (previous year ₹15,406.66 lakhs), while Profit After Tax for the year stood at ₹1,363.05 lakhs (previous year ₹1,490.03 lakhs). Total Comprehensive Income for the year stood at ₹1,360.28 lakhs (previous year ₹1,488.95 lakhs).

Your Company continues to constantly engage with the Government Authorities, both at Central and State level and has realised fiscal benefits aggregating ₹1,458.05 lakhs during the year, consisting of Central Goods & Services Tax, State Goods & Services Tax and Integrated Goods & Services Tax benefits from the State Government of Assam and the Government of India.

The key highlights of the financial performance of the Company are summarised in the table below:

(₹ in lakhs)

Particulars	Financial Year Ended	
	31.03.2025	31.03.2024
a) Revenue from Operations	15887.16	15406.66
b) Profit Before Tax	1379.04	1540.22
c) Tax expense	(15.99)	(50.19)
d) Profit After Tax	1363.05	1490.03
e) Other Comprehensive Income	(2.77)	(1.08)
f) Total Comprehensive Income	1360.28	1488.95
Retained Earnings		
a) At the beginning of the year	2635.96	2103.31
b) Add: Profit for the year	1363.05	1490.03
c) Less: Dividend Paid	(1460.00)	(956.30)
d) Add: Other Comprehensive Income	(2.77)	(1.08)
e) At the end of the year	2536.24	2635.96

2. DIVIDEND

The Directors of your Company are pleased to recommend a Dividend of ₹ 2 per Equity Share of ₹ 10/- each (fully paid up) for the year ended 31st March, 2025. Total cash outflow on this account will be ₹ 1,460 lakhs (previous year ₹ 1,460 lakhs).

3. DIRECTORS AND KEY MANAGERIAL PERSONNEL**a) Changes in Directors**

During the year under review, Mr. Neel Kingston Jasper (DIN: 07462201) stepped down as Non-Executive Director of your Company with effect from close of work on 25th November, 2024. Your Directors place on record their appreciation for valuable contribution made by Mr. Jasper during his association with the Company.

With the approval of the Members at the 11th Annual General Meeting held on 24th June, 2024, Mr. Ali Harris Shere (DIN: 10331133) was appointed as the Non-Executive Director of the Company, liable to retire by rotation.

The Board of Directors ('Board') at its Meeting held on 27th November, 2024 appointed Mr. Mayur Dogra (DIN: 09110374) as an Additional Non-Executive Director with effect from 27th November, 2024. In accordance with Section 161 of the Companies Act, 2013 ('the Act') and Article 80 of the Articles of Association of the Company, Mr. Dogra will vacate office at the ensuing Annual General Meeting ('AGM') and is eligible for appointment as a Director of the Company.

The Board at the meeting held on 18th April, 2025 recommended for the approval of the Members, appointment of Mr. Mayur Dogra as a Non-Executive Director of your Company, liable to retire by rotation. Requisite Notice under Section 160 of the Act proposing the appointment of Mr. Dogra and consent from him to act as a Director of your Company, if appointed, have been received by the Company.

Appropriate resolution seeking your approval to the aforesaid appointment is appearing in the Notice convening the ensuing AGM of the Company.

There were no other changes in the composition of the Board of Directors of the Company during the year under review.

b) Changes in Key Managerial Personnel

During the year, there was no change in the Key Managerial Personnel of the Company.

c) Retirement by Rotation

In accordance with the provisions of Section 152 of the Act and Article 77 of the Articles of Association of the Company, Messrs. Dharmarajan Ashok (DIN: 02009735), Ali Harris Shere (DIN: 10331133) and Samrat Deka (DIN: 00559110) will retire at the ensuing AGM of the Company and, being eligible, offer themselves for re-appointment. The Board has recommended their re-appointment.

d) Board and Board Committee

Your Board met six (6) times during the year under review.

Your Company is not required to constitute any Board Committee under the Act except a Corporate Social Responsibility Committee (CSR Committee). The CSR Committee comprises following members:

Mr. Dharmarajan Ashok	Chairman of the Committee
Mr. Samrat Deka	Member
Mr. Mayur Dogra	Member #
Mr. Neel Kingston Jasper	Member *

#appointed as a member w.e.f 27th November, 2024

*ceased to be a member w.e.f 25th November, 2024

The CSR Committee met two (2) times during the year under review.

4. COMPLIANCE WITH SECRETARIAL STANDARDS

Your Company has complied with applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 (10) of the Act.

5. BOARD EVALUATION

For the year under review, the Board carried out an evaluation of its own performance and that of the individual Directors and also functioning of the CSR Committee, as required under Section 134 of the Act. The evaluation was carried out, as in the previous year, through a structured evaluation process basis the parameters derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as fulfill expectations of other stakeholders through strategic supervision. Performance evaluation of individual Directors was carried out in the context of the role played by each Director, as a member of the Board in assisting the Board in realizing its role of strategic supervision of the functioning of the Company. Report on functioning of the CSR Committee was placed before the Board by the Chairman of the CSR Committee after discussion with the Committee members.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Act, the Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards and there are no material departures;
- selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis, and
- devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

7. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has formulated and adopted the CSR Policy in terms of Section 135 of the Act.

The Annual Report on CSR activities of the Company in terms of Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is provided as **Annexure 1**, forming part of this Report.

8. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**Conservation of Energy**

Your Company is committed to pursue energy conservation practices and continues to implement eco-friendly processes for energy and water preservation to minimise any kind of environmental pollution in the course of its operations. The unit has implemented an energy-efficient wire band system in Crème and Marie ovens, achieving an approximate 2.5%

reduction in fuel consumption. Additionally, a compressed air audit was conducted by an external agency to optimize compressor energy usage through targeted technical interventions.

Technology absorption

Your Company has adopted a unique approach by leveraging the Continuous-based monitoring Design of Experiments model on Crème line to predict failures using Artificial Intelligence and Machine Learning algorithms. This advanced technology integration enhances operational efficiency and optimizes performance.

Your Company has neither imported any technology nor incurred any expenditure on Research & Development during the year under review.

Foreign exchange earnings and outgo

There has been no foreign exchange earnings and outgo during the year under review.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has neither given any loan, guarantee nor has made any investment in terms of the provisions of Section 186 of the Act.

10. RISK MANAGEMENT

Risk management is an integral part of the Company's overall strategy and straddles its planning, execution and reporting processes and systems.

Your Board is fully committed to developing sound and effective systems for identification, assessment and mitigation of anticipated risks. Your Company believes that robust risk management systems and processes ensure adequate controls and monitoring mechanism.

In its commitment to manufacturing excellence, the unit continues to uphold FSSC 22000 Version 5.1 certification through regular surveillance audits, ensuring compliance with Global Food Safety Initiative (GFSI) benchmarking requirements. Furthermore, the unit successfully prepared for and participated in the audit conducted by DNV (Independent expert in assurance and risk management) for upgradation of the above certificate from FSSC 22000 Version 5.1 to 6; the audit was completed in March'25 and the certification is expected.

Corporate policies are in place setting out the philosophy and principles under which the management needs to conduct its operations within a control driven and risk managed environment. Risk focused audits are carried out periodically by the Internal Auditors, which lead to identification of areas where risk management processes need to be further strengthened. The Board monitors the internal control environment and risk management systems within the Company including implementation of the action plan emerging out of internal audit recommendations. Annual update is provided to the Board on the effectiveness of the Company's risk management systems and policies.

11. INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls (IFC) which form the basis of the Financial Statements are adequate and commensurate with the size and nature of business of the Company. The Company follows approved policies and standard operating procedures to prepare, review and report financial performance.

During the year under review, internal audit of the systems, processes and compliances for all major areas of operations of the Company was carried out by the Internal Audit team of ITC Limited, the Holding Company. The Internal Auditors independently evaluated adequacy of design and operating effectiveness of internal controls and compliance with policies laid down by the Company.

IFC system testing, including IT Automated and General Controls was conducted during the year by the Statutory Auditors, Messrs. Maheshwari & Associates.

12. COST RECORDS

The requirement of maintenance of cost records under Section 148(1) of the Act is not applicable to the Company.

13. AUDITORS

(a) Statutory Auditors

The Company's Statutory Auditors, Messrs. Maheshwari & Associates, Chartered Accountants, were appointed at the 11th AGM held on 24th June, 2024 for a period of 5 years to hold such office till the conclusion of the 16th AGM and the Board was authorised to fix the remuneration payable to Messrs. Maheshwari & Associates, as may be mutually agreed upon to conduct the audit and reimbursement of actual out of pocket expenses as may be incurred in conduct of such audit.

There is no qualification, reservation, adverse remark or disclaimer made by the Auditors in their Report on the financial statements of the Company for the year ended 31st March, 2025.

(b) Secretarial Auditors

Your Board appointed Messrs. MR & Associates, Practising Company Secretaries, Kolkata (Firm Registration No. P2003WB008000), as the Secretarial Auditor of the Company for the financial year ended 31st March, 2025 in terms of the provisions of Section 204 of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 to conduct the Secretarial Audit of the Company.

The Secretarial Audit Report issued by Messrs. MR & Associates is enclosed as **Annexure 2**, forming part of this Report.

There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

14. PARTICULARS OF RELATED PARTY TRANSACTIONS

All related party transactions entered into by the Company during the year were in the ordinary course of business and on arm's length basis.

Material related party transactions entered by your Company during the year under review are disclosed, as required under Section 134(3)(h) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, in Form AOC - 2 and is provided in **Annexure 3**, forming part of this Report.

15. SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

Your Company does not have any subsidiary, joint venture or associate Company.

16. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year, no significant and material order has been passed by the regulators, courts, or tribunals impacting the going concern status or the Company's operations in the future.

17. PARTICULARS OF EMPLOYEES

The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 relating to the names and other particulars of top ten employees in terms of remuneration drawn is provided in **Annexure 4**, forming part of this Report.

18. DEPOSITS

Your Company has not accepted any deposit from the public / members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

19. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company provides a gender friendly workplace. To ensure a safe and progressive work environment, an Internal Complaints Committee has been constituted by the Company as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, and the Rules thereunder.

During the year under review, no complaint for sexual harassment was received by the Company.

20. HUMAN RESOURCES DEVELOPMENT

Human Resource practices in your Company are guided by the principles of relevance, consistency and fairness. Your Company implements a purpose-driven culture that aligns with the Company's vision and value which is demonstrated through various people engagement programs such as "Samahroh", "Sampark", "Samvaad", etc.

Your Company fosters employee engagement by organising events such as Sports Month, Annual Day and Annual Picnics for its employees. The Company celebrates days of National importance such as Independence Day, Republic Day and Yoga Day with its employees and also organized free medical health checkup camps during the year. Your Company continued to nurture a culture in which its employees develop competencies and skill for current and future roles through training and development programs.

Industrial Relations during the year under review was generally cordial.

The Board extends its sincere appreciation for the dedicated efforts of the committed team of employees.

21. ENVIRONMENT, HEALTH AND SAFETY

Your Company's Environment, Health and Safety ("EHS") strategies are aimed at conducting environment friendly and safe operations in its Unit and providing a safe and healthy workplace for each employee. Your Company is committed to implementing environmentally sustainable initiatives in its operations.

During the year under review, the Unit of the Company implemented various safety measures such as Fire sprinkler installation at Finished Goods storage area, Fire hydrant system extension to Effluent Treatment Plant and Sewage Treatment Plan. The Unit conducted external fire-fighting training for its employees and also held regular safety meetings with employees and management representatives to ensure compliance with safety protocols.

The Occupational Health and Safety Management System of your Company has been assessed and found to conform to the requirements of ISO 45001:2018.

ACKNOWLEDGEMENT

The Directors acknowledge the invaluable support and co-operation received from all stakeholders including our customers, members, business partners, banks, employees, Central and State Governments.

Your Directors look forward to the future with confidence.

By order of the Board

North East Nutrients Private Limited

Dated : 18th April, 2025
Place : Bengaluru

(A. H. Shere)
Chairman

(M. Dogra)
Director

Annexure 1 to the Report of Board of Directors for the Financial Year ended 31st March, 2025

ANNUAL REPORT ON CSR ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Brief outline on CSR Policy of the Company:

North East Nutrients Private Limited, being a subsidiary of ITC Limited ('ITC'), discharges its corporate social responsibilities by aligning itself with the CSR Policy of ITC and by undertaking CSR activities in areas or subjects which are independent of the normal conduct of the Company's business and are covered under the activities listed in Schedule VII read with Section 135 of the Companies Act, 2013 ('Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company's CSR Programmes are implemented (i) directly, or (ii) through a registered public trust or registered society or a company under Section 8 of the Act, established by ITC or otherwise, having track record of at least 3 years in undertaking CSR activities, or (iii) through other eligible implementing agencies. The Company may also collaborate with ITC or other companies for undertaking CSR Activities in such a manner that the respective companies are in a position to report separately on the CSR activities being undertaken by them.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Dharmarajan Ashok (Chairman of the Committee)	Non-Executive Director	2	2
2	Mr. Samrat Deka	Non-Executive Director	2	2
3	Mr. Neel Kingston Jasper*	Non-Executive Director	2	1
3	Mr. Mayur Dogra [#]	Additional Non- Executive Director	2	1

*Ceased to be a Director of the Company with effect from 25th November, 2024.

[#]Appointed as a Director of the Company with effect from 27th November, 2024.

3. Provide the web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company - **Not Applicable**
4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable - **Not Applicable**
5. (a) Average net profit of the Company as per Section 135(5) - ₹ 1,558.37 Lakhs
(b) Two percent of average net profit of the Company as per Section 135(5) - ₹ 31.20 Lakhs
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years - NIL
(d) Amount required to be set-off for the financial year, if any - NIL
(e) Total CSR obligation for the financial year [5b+5c-5d] - ₹ 31.20 Lakhs
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) - ₹ 31.43 Lakhs
(b) Amount spent in Administrative Overheads - ₹ 0.16 Lakh
(c) Amount spent on Impact Assessment, if applicable - **Not Applicable**
(d) Total amount spent for the financial year [6a+6b+6c] - ₹ 31.59 Lakhs
(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
31.59	-	-	-	-	-

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (₹ in lakhs)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per Section 135(5)	31.20
(ii)	Total amount spent for the financial year	31.59
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.39
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.39*

*The total CSR spend during the FY 2024-25 amounts to ₹ 31.59 lakhs against an obligation of ₹ 31.20 lakhs. The Company does not propose to carry forward and set off the excess expenditure of ₹ 0.39 lakh in succeeding financial years.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135 (6) (in ₹)	Amount Spent in the financial year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any	Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer	
1	2021-22	Not Applicable					
2	2022-23						
3	2023-24						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/ acquired

Not Applicable

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5) - **Not Applicable**

Dated: 18th April, 2025

(D. Ashok)
Chairman - CSR Committee
Kolkata

(S. Deka)
Director
Mangaldoi

Annexure 2 to the Report of Board of Directors for the Financial Year ended 31st March, 2025

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
North East Nutrients Private Limited,
Kanak Towers, 3rd Floor,
7A, Anandilal Poddar Sarani,
Kolkata – 700 071.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NORTH EAST NUTRIENTS PRIVATE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period covering the Financial Year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2025 according to the provisions of:

- i) The Companies Act, 2013 ('the Act'), amendments and the rules made thereunder;
- ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, to the extent applicable;
- iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (Not applicable to the Company during the audit period)
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)
- v) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/guidelines/ circulars as may be issued by SEBI from time to time, to the extent applicable.
- vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the audit period, as the Company is an unlisted entity:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

We further report that based on the compliance certificate issued by the Management placed before the Board of Directors, the following laws are specifically applicable to the Company, other than general laws like factory related laws, labour laws, environment laws etc.;

- (i) Food Safety & Standards Act, 2006 and Rules made thereunder;
- (ii) Legal Metrology Act, 2009 and Rules made thereunder

We have also examined compliance with the applicable clauses of the following:

- (i) The Listing Agreements entered into by the Company; (Not applicable to the Company during the audit period).
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India and to the extent amended and notified from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, to the extent applicable to the Company.

We further report that,

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review was carried out in compliance with provisions of the Act. The Ministry of Corporate Affairs (MCA) vide Notification dated July 05, 2017 notified the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, thereby exempting wholly owned subsidiary, Joint Venture and Dormant company which are unlisted public companies from the requirement of appointing Independent Directors and hence, no Audit Committee and Nomination and Remuneration Committee exist as on the Financial Year ended 31st March 2025.

Adequate notice is given to all directors to schedule the Board Meetings, agendas and detailed notes on agendas were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were unanimous and there was no instance of dissent in Board or Committee meetings.

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed "ANNEXURE - A" and forms an integral part of this Report.

For MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

Place: Kolkata
Date: 18/04/2025

[CS Mohan Ram Goenka]
Partner
FCS No.: 4515
C P No: 2551
UDIN: F004515G000151508

**ANNEXURE – A TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025**

To,
The Members,
North East Nutrients Private Limited,
Kanak Towers, 3rd Floor,
7A, Anandilal Poddar Sarani,
Kolkata – 700 071.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of the management. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and also based on opinions furnished to us by the Company. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. As regards the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said provisions is the responsibility of the management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said provisions of the Act.
6. Wherever our Audit has required our examination of books and records maintained by the Company, we have relied upon electronic versions of such books and records, as provided to us through online communication. Considering the effectiveness of information technology tools in the audit processes, we have conducted online verification and examination of records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, we have followed the guidance as issued by the Institute.
7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances, if any, may not be detected, even though the audit is properly planned and performed in accordance with audit practices.
8. The contents of this Report has to be read in conjunction with and not in isolation of the observations, if any, in the report(s) furnished/to be furnished by any other auditor(s)/agencies/authorities with respect to the Company.
9. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MR & Associates
Company Secretaries
A Peer Reviewed Firm
Peer Review Certificate No.: 5598/2024

Place: Kolkata
Date: 18/04/2025

[CS Mohan Ram Goenka]
Partner
FCS No.: 4515
C P No: 2551
UDIN: F004515G000151508

Annexure 3 to the Report of Board of Directors for the Financial Year ended 31st March, 2025

FORM AOC – 2

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

(Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangements or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	ITC Limited ('ITC'), Holding Company
(b)	Nature of contracts / arrangements / transactions	Manufacturing & Sale Agreement
(c)	Duration of the contracts / arrangements / transactions	Period of 5 years effective 24th August, 2020 with an option to extend or renew on such terms as may be mutually agreed between the Company and ITC.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transaction during the year ₹ 17,252.20 lakhs (including applicable taxes).
(e)	Date(s) of approval by the Board	17th August, 2020
(f)	Amount paid as advances, if any	Nil

By order of the Board
North East Nutrients Private Limited
(A. H. SHERE) (M. DOGRA)
Chairman Director

Dated : 18th April, 2025
Place : Bengaluru

Annexure 4 to the Report of Board of Directors for the Financial Year ended 31st March, 2025

TOP 10 EMPLOYEES IN TERMS OF REMUNERATION DRAWN DURING THE FINANCIAL YEAR 2024-25

(Pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Sl. No.	Name	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of Employment / Deputation	Position held / Previous Employment
A	B	C	D	E	F	G	H	I	J
1	Mr. Mehul Patni*	30	Chief Financial Officer	60,73,264	40,21,412	A.C.A.	8	01.07.23	Senior Manager Finance, FBD, ITC Limited
2	Mr. Suresh Kannan C.*	45	Manager – Process Excellence	30,59,004	22,51,468	Diploma in Mechanical Engineering and Plastic Mould Design	24	04.09.22	Regional Manager, South – Confectionery, FBD, ITC Limited
3	Ms. Savitha Bai S.*	42	Manager & Company Secretary	20,20,903	15,44,734	B.Com, A.C.S., MBL	22	01.03.16	Manager, Finance, FBD, ITC Limited
4	Mr. Sanjeeb Kumar Kanu	53	Assistant Manager – Finance	19,31,207	16,14,411	M.Com	22	08.12.15	Deputy Manager – Accounts, FENA Private Limited
5	Mr. Rambhu Kumar Sah *	37	Unit Finance Manager	18,92,469	14,16,054	CA (Inter), ICMA (Inter)	10	01.10.23	Assistant Manager – Finance, FBD, ITC Limited
6	Mr. Kishor Kumar Mahto *	35	Head of Operations	16,20,403	12,72,907	B. Tech (Mechanical Engineering)	12	01.10.24	Manager, Manufacturing, FBD, ITC Limited
7	Mr. Mrinmoy Koushik	41	Manager – HR & Admin	15,69,769	13,91,773	M.B.A. (HR)	18	01.09.20	Manager HR & Admin, SRD Nutrients Private Limited
8	Ms. Indu Choudhury	38	Assistant Manager – Finance	8,78,002	8,07,406	M.Com, ICMA	10	01.12.17	Assistant Manager – Accounts, North West Carrying Company
9	Mr. Anil Kumar Mandal	43	Executive – Logistic & Procurement	8,20,788	7,52,292	B.A.	18	18.12.15	Store Manager – CMJ Beverage
10	Mr. Binanda Bormudoi	38	Assistant Manager – HR & Admin	7,50,742	7,03,246	M.B.A. (HR)	15	13.05.20	HR Executive – Emami Limited

* On deputation from ITC Limited, the Holding company (ITC).

Notes:

- In respect of employees on deputation, gross remuneration disclosed above is the deputation cost which is borne by the Company.
- Gross Remuneration includes salary, allowances, performance bonus, contribution to Provident Fund & approved Pension Fund and other benefits / applicable perquisites, as the case may be, except the contribution to approved Gratuity Fund and provisions for leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net Remuneration comprises cash income less:
 - income tax, surcharge (as applicable) & education cess deducted at source.
 - Employee's own contribution to Provident Fund.
- All appointments (except deputed employees) are /were contractual in accordance with terms and conditions as per Company's rules.
- The aforesaid employees are neither relatives of any Directors of the Company nor hold any Equity share in the Company.

Dated : 18th April, 2025

Place : Bengaluru

By order of the Board
North East Nutrients Private Limited
(A. H. SHERE) **(M. DOGRA)**
 Chairman Director

INDEPENDENT AUDITOR'S REPORT**To the members of NORTH EAST NUTRIENTS PRIVATE LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of NORTH EAST NUTRIENTS PRIVATE LIMITED ("the Company"), which comprise the Balance sheet as at 31st March, 2025 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 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 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 financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act ("SA"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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

- The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the director's report, including annexure to boards report and shareholder's information but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the 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 financial statements, management and Board of Directors 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 intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

Other Matters

The financial statements of the Company for the year ended March 31, 2024, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 03, 2024.

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.
- 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 relevant books of account.
- d) In our opinion, the aforesaid 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 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g) In our opinion and to the best of our information and according to the explanations given to us, the company being a private company, section 197 of the Act related to the managerial remuneration is not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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. (a) The Management has represented that, to the best of it's 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.

- (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on our audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. As stated in note 26 to the financial statements, the Board of Directors of the company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
 - vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended March 31, 2025 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 the audit trail feature being tampered with and the audit trail 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.

For **Maheshwari & Associates**

Chartered Accountants

Firm's Registration No.: 311008E

Sateesh Patil

(Partner)

Date: 18th April, 2025

Place: Bengaluru

(Membership No.227311)

UDIN: 25227311BMKONY3290

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to 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 **North East Nutrients 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.

Management's Responsibility for Internal Financial Controls

The Company's management is 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 Guidance Note on Audit of Internal Financial Controls with reference to financial statements 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 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 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 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. 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 system 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial 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.

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 system 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 criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls with reference to financial statements issue by the Institute of Chartered Accountants of India.

For **Maheshwari & Associates**
Chartered Accountants
Firm's Registration No.: 311008E
Sateesh Patil
(Partner)
(Membership No.227311)
UDIN: 25227311BMKONY3290

Date: 18th April, 2025
Place: Bengaluru

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 property, plant and equipment:
 - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and capital-work-in-progress.
 - B. As the Company does not hold any intangible assets, reporting under clause 3(i) of the Order is not applicable.
 - (b) The Property, Plant and Equipment and capital work-in-progress were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals.
No material discrepancies were noticed on such verification.
 - (c) Based on our examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties disclosed in the financial statements included in property, plant and equipment are held in the name of the company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year. The Company does not have any intangible assets.
 - (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 inventories were physically verified during the year by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventories when compared with books of account.

- (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(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) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (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) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to 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 Services tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six month 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 March 31, 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 unutilized 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, prima facie, not been used during the year for long-term purposes by the Company. (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable. (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 report 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 the 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 (and upto the date of this report). (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 188 of the Companies Act for all the 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. The Company is a private company and hence the provisions of section 177 of the Companies Act, 2013 are not applicable to the Company. (xiv)(a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business. (b) We have considered the internal audit report issued to the Company after the balance sheet date covering the period January 2024 to December 2024.	(xv) In our opinion during the year the Company has not entered into any non-cash transaction with its directors or directors of it's holding company, subsidiary company, associate company 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. (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 resignation of the statutory auditors during the year and we have taken into consideration the issues, objections or concerns raised by the outgoing auditors. (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) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provisions of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year. (xxi) The financial statements are not consolidated financial statements, accordingly, reporting under paragraph 3(xxii) of the Order is not applicable

For Maheshwari & Associates
Chartered Accountants
Firm's Registration No.: 311008E
Sateesh Patil
(Partner)
(Membership No.227311)
UDIN: 25227311BMKONY3290

Date: 18th April, 2025
Place: Bengaluru

BALANCE SHEET AS AT 31ST MARCH, 2025

CIN : U15122WB2013PTC196135

Address : KANAK TOWERS, 3RD FLOOR, 7A, ANANDILAL PODDAR SARANI, KOLKATA, WEST BENGAL, INDIA, 700071

	Note	As at 31st March, 2025 Amount (₹ in Lakhs)	As at 31st March, 2024 Amount (₹ in Lakhs)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	2A	5,472.55	5,828.74
(b) Capital work-in-progress	2B	0.12	6.11
(c) Deferred tax assets (net)	3	1,065.66	841.19
(d) Other non-current assets	4	80.74	62.88
Total non-current assets		6,619.07	6,738.92
Current assets			
(a) Inventories	5	1,197.29	908.15
(b) Financial assets			
(i) Investments	6	3,040.31	2,665.10
(ii) Trade receivables	7	550.45	633.73
(iii) Cash and cash equivalents	8A	163.57	257.49
(iv) Bank balances other than cash and cash equivalents	8B	500.00	510.00
(v) Other financial assets	9	0.37	1.16
(c) Other current assets	4	438.57	777.51
Total current assets		5,890.56	5,753.14
Total assets		12,509.63	12,492.06
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	7,300.00	7,300.00
(b) Other equity		4,336.34	4,436.06
Total Equity		11,636.34	11,736.06
Liabilities			
Non-current liabilities			
(a) Provisions	11	177.83	146.94
Total non-current liabilities		177.83	146.94
Current liabilities			
(a) Financial Liabilities			
(i) Trade payables			
(A) Total Outstanding dues of micro and small enterprises	20 (iii)	29.00	37.13
(B) Total Outstanding dues of creditors other than micro and small enterprises		509.55	432.91
(ii) Other financial liabilities	12	14.36	15.43
(b) Provision	13	7.96	6.69
(c) Other current liabilities	14	134.59	116.90
Total current liabilities		695.46	609.06
Total equity and liabilities		12,509.63	12,492.06

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For **MAHESHWARI & ASSOCIATES****Chartered Accountants**

(Firm's Registration No. 311008E)

SATEESH PATIL**Partner**(Membership No. 227311)
Bengaluru

18th April, 2025

For and on behalf of the Board of Directors
NORTH EAST NUTRIENTS PRIVATE LIMITED

A. H. SHERE Chairman (DIN 10331133) Bengaluru	S. DEKA Director (DIN 00559110) Mangaldoi	M. DOGRA Director (DIN 09110374) Gurugram
MEHUL PATNI Chief Financial Officer Bengaluru	SAVITHA BAI S. Manager & Company Secretary Bengaluru	

18th April, 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

CIN : U15122WB2013PTC196135

Address : KANAK TOWERS, 3RD FLOOR, 7A, ANANDILAL PODDAR SARANI, KOLKATA, WEST BENGAL, INDIA, 700071

	Note	For the year ended 31st March, 2025 Amount (₹ in Lakhs)	For the year ended 31st March, 2024 Amount (₹ in Lakhs)
I Revenue from operations	15	15,887.16	15,406.66
II Other income	16	192.81	173.22
III Total Income (I+II)		16,079.97	15,579.88
IV EXPENSES			
Cost of material consumed		10,458.11	9,836.49
Changes in inventories of finished goods		(62.85)	53.08
Employee benefits expense	17	802.77	700.60
Depreciation and amortization expense	2A	448.21	701.91
Other expenses	18	3,054.69	2,747.58
Total expenses (IV)		14,700.93	14,039.66
V Profit before tax (III- IV)		1,379.04	1,540.22
VI Tax expense:			
Current Tax	24	240.46	268.91
MAT credit entitlement	24	(196.85)	(233.57)
Deferred Tax	24	(27.62)	14.85
VII Profit for the year (V-VI)		1,363.05	1,490.03
VIII Other comprehensive income for the year			
Items that will not be reclassified to profit or loss:			
– Remeasurements of defined benefit plans	20 (ii)	(2.77)	(1.08)
VIII Total other comprehensive income for the year		(2.77)	(1.08)
IX Total comprehensive income for the year (VII+VIII)		1,360.28	1,488.95
X Earnings per equity share (Face Value Rs.10 per share): Basic and Diluted (in ₹)	19	1.87	2.04

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For MAHESHWARI & ASSOCIATES

Chartered Accountants

(Firm's Registration No. 311008E)

SATEESH PATIL

Partner

(Membership No. 227311)
Bengaluru

18th April, 2025

For and on behalf of the Board of Directors

NORTH EAST NUTRIENTS PRIVATE LIMITED

A. H. SHERE
Chairman(DIN 10331133)
BengaluruMEHUL PATNI
Chief Financial Officer
BengaluruS. DEKA
Director(DIN 00559110)
MangaldoiM. DOGRA
Director(DIN 09110374)
GurugramSAVITHA BAI S.
Manager & Company Secretary
Bengaluru
18th April, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

CIN : U15122WB2013PTC196135

Address : KANAK TOWERS, 3RD FLOOR, 7A, ANANDILAL PODDAR SARANI, KOLKATA, WEST BENGAL, INDIA, 700071

A. Equity Share Capital

Amount (₹ in Lakhs)

	Balance at the beginning of the reporting year	Changes in Equity Share Capital due to prior period items	Restated balance at the beginning of the reporting period	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	7,300.00	-	7,300.00	-	7,300.00
For the year ended 31st March, 2024	7,300.00	-	7,300.00	-	7,300.00

B. Other Equity

Amount (in Lakhs)

	Reserves and Surplus		Items of other comprehensive income	Total
	Capital redemption reserve	Retained earnings	Remeasurements of defined benefit plans	
Balance as at 1st April 2024	1,800.00	2,625.94	10.02	4,436.06
Profit for the year	-	1,363.05	-	1,363.05
Less: Dividend Paid	-	(1,460.00)	-	(1,460.00)
Other Comprehensive Income (Net of Tax)	-	-	(2.77)	(2.77)
Balance as at 31st March, 2025	1,800.00	2,528.98	7.26	4,336.34
Balance as at 1st April, 2023	1,800.00	2,092.21	11.10	3,903.41
Profit for the year	-	1,490.03	-	1,490.03
Less : Dividend Paid	-	(956.30)	-	(956.30)
Other Comprehensive Income (net of tax)	-	-	(1.08)	(1.08)
Balance as at 31st March 2024	1,800.00	2,625.94	10.02	4,436.06

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For MAHESHWARI & ASSOCIATES

Chartered Accountants

(Firm's Registration No. 311008E)

SATEESH PATIL

Partner

(Membership No. 227311)
Bengaluru

18th April, 2025

For and on behalf of the Board of Directors
NORTH EAST NUTRIENTS PRIVATE LIMITEDA. H. SHERE
Chairman(DIN 10331133)
BengaluruMEHUL PATNI
Chief Financial Officer
BengaluruS. DEKA
Director(DIN 00559110)
MangaldoiM. DOGRA
Director(DIN 09110374)
GurugramSAVITHA BAI S.
Manager & Company Secretary
Bengaluru
18th April, 2025

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2025

CIN : U15122WB2013PTC196135

Address : KANAK TOWERS, 3RD FLOOR, 7A, ANANDILAL PODDAR SARANI, KOLKATA, WEST BENGAL, INDIA, 700071

	For the year ended 31st March, 2025 Amount (₹ in Lakhs)	For the year ended 31st March, 2024 Amount (₹ in Lakhs)
A. Cash flow from operating activities		
Profit before tax	1,379.04	1,540.22
Adjustments for:		
Depreciation and amortisation expense	448.21	701.91
(Profit) / Loss on sale / withdrawal of PPE	40.15	32.13
Income from investments in mutual funds	(149.80)	(131.35)
Interest income	(43.01)	(41.86)
Operating profit before working capital changes	1,674.59	2,101.05
Changes in working capital:		
Adjustments for :		
Trade receivables and other current assets	436.48	(556.42)
Inventories	(289.14)	330.78
Adjustment for:		
Trade payables, other liabilities and provisions	114.51	228.40
Cash generated from operations	1,936.44	2,103.81
Net income tax paid	(272.57)	(239.61)
Net cash from operating activities (A)	1,663.87	1,864.20
B. Cash flow from investing activities		
Purchase of fixed assets	(126.18)	(348.33)
Proceeds from sale of PPE	—	39.71
Interest income received	43.80	41.77
Investment in Mutual Funds	(2,809.86)	(1,969.90)
Proceeds from redemption of Mutual Funds	2,584.45	1,514.35
Maturity of fixed deposit with Bank	510.00	511.00
Fixed deposit in bank	(500.00)	(510.00)
Net cash used in investing activities (B)	(297.79)	(721.40)
C. Cash flow from financing activities		
Dividend paid	(1,460.00)	(956.30)
Net cash from/(used in) financing activities (C)	(1,460.00)	(956.30)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(93.91)	186.50
Cash and cash equivalents at the beginning of the year	257.49	70.99
Cash and cash equivalents at the end of the year	163.57	257.49

Note:

The above cash flow statement has been prepared under the "Indirect Method" as set out in IND AS-7 "Statement of Cash Flow"

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For **MAHESHWARI & ASSOCIATES***Chartered Accountants*

(Firm's Registration No. 311008E)

SATEESH PATIL**Partner**

(Membership No. 227311)

Bengaluru

For and on behalf of the Board of Directors

NORTH EAST NUTRIENTS PRIVATE LIMITED

A. H. SHERE
Chairman(DIN 10331133)
BengaluruS. DEKA
Director(DIN 00559110)
MangaldoiM. DOGRA
Director(DIN 09110374)
GurugramMEHUL PATNI
Chief Financial Officer
BengaluruSAVITHA BAI S.
Manager & Company Secretary
Bengaluru
18th April, 2025

18th April, 2025

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025

1. COMPANY OVERVIEW AND MATERIAL ACCOUNTING POLICIES**A. COMPANY OVERVIEW**

North East Nutrients Private Limited (the 'Company') [CIN: U15122WB2013PTC196135] is a Company incorporated on 5th August, 2013 with its registered office located at Kanak Towers - 3rd Floor, 7A, Anandilal Poddar Sarani, Kolkata – 700 071. The Company has a biscuits manufacturing facility at Mangaldai, Assam.

B. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards notified under section 133 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013, (collectively "Ind AS"). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

C. BASIS OF PREPARATION

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies below.

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. Fair value for measurement and/or disclosure purposes in the financial statements is determined on such a basis.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

D. OPERATING CYCLE

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

E. PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will be realized. All other repairs and maintenance are charged to the Statement of Profit and Loss.

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 asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of Property, plant and equipment are depreciated in a manner that amortises the cost of the assets after commissioning (or other amount substituted for cost), less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 – 60 years
Plant and Equipment	10 – 15 years
Furniture and Fixtures	10 years
Vehicles	8 years
Office Equipments	5 years

Property, plant and equipments' residual values and useful lives are reviewed, and are treated as changes in accounting estimates, at each balance sheet date.

F. IMPAIRMENT OF ASSETS

Impairment loss, if any, is provided, to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

G. INVENTORIES

Inventories are stated at lower of cost and net realisable value. The cost of inventories is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Cost of purchased inventories are determined after deducting rebates and discounts.

Obsolete, slow moving and defective inventories are identified at the time of periodic physical verification of inventories and, where necessary, a markdown is made for such inventories.

H. FINANCIAL INSTRUMENTS, FINANCIAL ASSETS, FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include investments, trade receivable, advances, security deposits, cash & cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

Company becomes party to contractual obligations. The transaction price includes transaction costs unless the assets is being fair valued through the statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose of which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principle and/or interest.
- (b) Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with Unrealised gains and losses arising from changes in the fair value, interest income and dividend income, if any, are recognised under 'other income' in the Statement of Profit and Loss in the period in which they arise.

Trade receivable, advances, security deposits, cash and cash equivalents etc are classified for measurement at amortised cost while investment may fall under any of aforesaid classes.

FINANCIAL LIABILITIES

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

Financial liabilities are derecognised when the liability is extinguished, that is, when contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

I. REVENUE RECOGNITION

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and discounts to customers. Revenue excludes Goods and Services Tax, where applicable on the sale of goods and services.

Revenue from the sale of goods is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.

J. GOVERNMENT GRANT

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant.

Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet and deducted from the carrying amount of the asset.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as income when they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

K. EMPLOYEE BENEFITS

The Company makes contributions to both defined benefit and defined contribution schemes. Provident Fund contributions are in the nature of defined contribution scheme. They are deposited with the Government and recognised as expense.

The Company's defined benefit gratuity plan is unfunded. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the statement of profit and loss. Gain or Loss on account of re-measurements are recognised immediately through Other Comprehensive Income in the period in which they occur.

Employee Benefits – Short-term benefits: Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

L. DIVIDEND DISTRIBUTION

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

M. LEASES

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.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use asset is tested for impairment whenever there is any indication that it's carrying amount may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company may adopt the incremental borrowing rate for the entire portfolio of leases as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in the statement of Profit and Loss.

Short-term leases and leases of low-value assets: Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

underlying asset, when new, in order of magnitude ₹ 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

N. TAXES ON INCOME

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates enacted or substantively enacted during the period, together with any adjustment to tax payable in respect of previous years. Income tax, in so far as it relates to items disclosed under Other Comprehensive Income or Equity, are disclosed separately under Other Comprehensive Income or Equity, as applicable.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Minimum Alternate Tax (MAT):

MAT paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability is recognised as an asset in the balance sheet when the asset can be measured reliably, and it is probable that the future economic benefit associated with the asset will be realised.

O. OPERATING SEGMENTS

Operating Segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

Segments are organized based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

P. PROVISIONS AND CLAIMS

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate

can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

In respect of claims against the Company not acknowledged as debts, a careful evaluation of the facts and legal aspects of the matter involved is undertaken and appropriately disclosed.

Q. USE OF ESTIMATES AND JUDGEMENTS

The preparation of financial statement in conformity with generally accepted accounting principles requires managements to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current event and actions, actual results could differ from these estimates.

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

(a) Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i. Useful lives of Property, Plant and equipment:

As described in the significant accounting policies, the Company reviews the estimated useful lives of Property, Plant and equipment at the end of reporting period.

ii. Fair Value measurements and valuation processes:

Some of the Company's assets are measured at fair value for financial reporting purpose. In estimating the fair value of an asset, the Company uses market-observable data to the extent it is available.

iii. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon the assumption determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the financial statements.

All figures in Lakhs

Particulars	Gross Block						
	As at 1st April, 2023	Additions	Withdrawals and adjustments	As at 31st March, 2024	Additions	Withdrawals and adjustments	As at 31st March, 2025
2A. Property, plant and equipment							
Land	397.35	307.05	-	704.40	-	-	704.40
Buildings	5,638.78	2.40	(3.93)	5,645.11	4.67	-	5,649.78
Plant and Equipment	6,471.20	27.03	262.11	6,236.12	88.72	93.86	6,230.98
Furniture and Fixtures	93.49	2.99	-	96.48	6.21	-	102.69
Vehicles	43.04	-	-	43.04	30.12	-	73.16
Office Equipment	69.58	2.75	(2.89)	75.22	2.45	-	77.67
Total	12,713.44	342.22	255.29	12,800.37	132.17	93.86	12,838.68
2B. Capital work-in-progress [Refer note 2(c)]	-	348.33	342.22	6.11	126.18	132.17	0.12
Total	12,713.44	690.54	597.51	12,806.48	258.35	226.03	12,838.80

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

Particulars	Depreciation and Amortisation						Net Book Value		
	As at 1st April, 2023	For the year	Withdrawals & adjustments	As at 31st March, 2024	For the year	Withdrawals & adjustments	As at 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
2A. Property, plant and equipment									
Land	-	-	-	-	-	-	-	704.40	704.40
Buildings	1,499.41	166.45	(1.46)	1,664.40	163.55	-	1,827.95	3,821.83	3,980.71
Plant and Equipment	4,824.49	520.82	(180.94)	5,164.37	267.58	(53.71)	5,378.24	852.74	1,071.75
Furniture and Fixtures	46.48	9.47	-	55.95	9.39	-	65.34	37.35	40.53
Vehicles	34.50	3.73	-	38.23	2.42	-	40.65	32.51	4.81
Office Equipment	48.27	1.44	(1.03)	48.68	5.27	-	53.95	23.72	26.54
Total	6,453.15	701.91	(183.43)	6,971.63	448.21	(53.71)	7,366.13	5,472.55	5,828.74
2B. Capital work-in-progress [Refer note 2(c)]	-	-	-	-	-	-	-	0.12	6.11
Total	6,453.15	701.91	(183.43)	6,971.63	448.21	(53.71)	7,366.13	5,472.67	5,834.85

2(c) Capital Work in progress ageing analysis

As at 31st March, 2025	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	0.12	-	-	-	0.12
Project temporarily suspended	-	-	-	-	-
Total	0.12	-	-	-	0.12

As at 31st March, 2024	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	6.11	-	-	-	6.11
Project temporarily suspended	-	-	-	-	-
Total	6.11	-	-	-	6.11

2D. The Company does not have any Capital-work-in progress where completion is overdue or has exceeded its cost compared to its original plan. Intangibles under development as at 31st March, 2025 is Nil (31st March, 2024 : Nil)

	As at 31st March, 2025 Amount (in lakhs)		As at 31st March, 2024 Amount (in lakhs)	
	Current	Non-Current	Current	Non-Current
	-	1,065.66	-	841.19
	-	1,065.66	-	841.19

3. Deferred Tax Assets

Particulars	As at 1st April, 2024	Current year credit/(charge) to profit and loss account	Adjustment of MAT Credit pertaining to previous year	As at 31st Mar, 2025
Deferred Tax Assets				
MAT credit entitlement (A)	1,284.71	194.68	2.17	1,481.56
Deferred tax assets/(liabilities) in relation to:				
Provision for expenses (i)	45.94	24.30	-	70.24
Provision for employee benefit expenses(ii)	48.14	9.02	-	57.16
Impact of difference in carrying amount of property, plant and equipment as per tax accounts and books (iii)	(511.15)	4.93	-	(506.22)
Other timing difference (iv)	(26.45)	(10.63)	-	(37.08)
Deferred tax credit/(charge) as per profit and loss statement (B)=(i+ii+iii+iv)	(443.52)	27.62	-	(415.90)
Net Deferred Tax Asset (A+B)	841.19	222.30	2.17	1,065.66

Particulars	As at 1st April, 2023	Current year credit/(charge) to profit and loss account	Adjustment of MAT Credit pertaining to previous year	As at 31st Mar, 2024
Deferred Tax Assets				
MAT credit entitlement (A)	1,051.14	235.60	(2.03)	1,284.71
Deferred tax assets/(liabilities) in relation to:				
Provision for expenses (i)	42.21	3.73	-	45.94
Provision for employee benefit expenses(ii)	44.34	3.80	-	48.14
Impact of difference in carrying amount of property, plant and equipment as per tax accounts and books (iii)	(515.22)	4.07	-	(511.15)
Other timing difference (iv)	-	(26.45)	-	(26.45)
Deferred tax credit/(charge) as per profit and loss statement (B)=(i+ii+iii+iv)	(428.67)	(14.86)	-	(443.52)
Net Deferred Tax Asset (A+B)	622.47	220.75	(2.03)	841.19

	As at 31st March, 2025 Amount (in lakhs)		As at 31st March, 2024 Amount (in lakhs)	
	Current	Non-Current	Current	Non-Current
4. Other Assets				
(A) Advances other than capital advances				
Unsecured, considered good				
i) Security Deposits				
1) With statutory authorities	-	51.45	-	51.45
ii) Advance Tax	-	29.29	-	11.43
iii) Advance with Government authorities	411.93	-	737.62	-
iv) Prepaid expenses	22.35	-	25.88	-
v) Other advances	4.29	-	14.01	-
TOTAL	438.57	80.74	777.51	62.88

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

	As at 31st March, 2025 Amount (in lakhs)		As at 31st March, 2024 Amount (in lakhs)	
	Current	Non-Current	Current	Non-Current
5. Inventories				
(At lower of cost or net realisable value)				
Raw materials (including packing materials)	626.14	—	452.33	—
Finished goods (manufactured)	162.74	—	99.89	—
Stores and spares	408.41	—	355.93	—
TOTAL	1,197.29	—	908.15	—
	As at 31st March, 2025 Amount (in lakhs)		As at 31st March, 2024 Amount (in lakhs)	
6. Investments - Current				
Investment in Mutual Funds (measured at FVTPL)		3,040.31		2,665.10
6.1. Details of Investment in mutual funds				
ICICI Prudential Liquid Fund - Regular Growth				
2025 - NIL (2024 - 1,08,867.31) Units of Rs.100 each		—		385.80
HDFC Liquid Fund - Regular Growth				
2025 - NIL (2024 - 10,701.186) Units of Rs.1000 each		—		502.73
SBI Liquid Fund Regular Growth				
2025 - 16,616.01 (2024 - 16,616.01) Units of Rs. 1,000 each		667.26		622.38
SBI Magnum Ultra Short Duration Fund - Regular Growth				
2025 - 15639.761 (2024 - NIL) Units of Rs. 1,000 each		917.33		—
UTI Liquid Fund - Regular Plan Growth				
2025 - 2253.018 (2024 - 19,002.268) Units of Rs. 1,000 each		94.94		746.15
Axis Liquid Fund - Regular Growth				
2025 - 30090.12 (2024 - 15,314.98) Units of Rs. 1,000 each		860.55		408.04
Axis Money Market Fund - Regular Growth				
2025 - 35636.419 (2024 - NIL) Units of Rs. 1,000 each		500.23		—
TOTAL		3,040.31		2,665.10
7. Trade Receivables - Current				
Unsecured, considered good (Refer note 22)		550.45		633.73
TOTAL		550.45		633.73
8A. Cash and cash equivalents @				
Balances with Banks				
In Current account		33.57		30.49
In Deposit account		130.00		227.00
TOTAL		163.57		257.49
The Company does not have any significant cash and cash equivalents that are not available for use.				
@ Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less				
8B. Bank balances other than cash and cash equivalents				
In deposit accounts#		500.00		510.00
TOTAL		500.00		510.00
# Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date				
9. Other Financial Assets				
Interest accrued but not due on fixed deposits with a bank		0.37		1.16
TOTAL		0.37		1.16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 Amount (in lakhs)	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 Amount (in lakhs)
10. Equity Share capital				
Authorised				
Equity shares of ₹ 10.00 each	7,50,00,000	7,500.00	7,50,00,000	7,500.00
Preference shares of ₹ 100.00 each	20,00,000	2,000.00	20,00,000	2,000.00
Issued, Subscribed and paid up				
Equity Shares of ₹ 10 each, fully paid	7,30,00,000	7,300.00	7,30,00,000	7,300.00
A) Reconciliation of number of Equity Shares outstanding				
As at beginning of the year	7,30,00,000	7,300.00	7,30,00,000	7,300.00
Add: Issue of Shares	—	—	—	—
As at end of the year	7,30,00,000	7,300.00	7,30,00,000	7,300.00
B) Shareholders holding more than 5% of the Equity Shares in the Company and Promoters Holding				
	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 %	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 %
ITC Limited (Holding Company)	5,54,80,000	76.00	5,54,80,000	76.00
Mukul Chandra Deka	43,80,000	6.00	43,80,000	6.00
Rajib Kumar Deka	43,80,000	6.00	43,80,000	6.00
Anupam Deka	43,80,000	6.00	43,80,000	6.00
Samrat Deka	43,80,000	6.00	43,80,000	6.00
C) Rights, preferences and restrictions attached to the Equity Shares				
The Equity Shares of the Company, having par value of ₹ 10.00 per share, rank pari passu in all respects including voting rights and entitlement to dividend.				
D) No shares are bought back by the Company during the period of five years immediately preceding the Balance Sheet date.				
E) No shares are allotted without payment being received in cash during the five years immediately preceding the Balance Sheet date.				
F) No bonus shares are allotted during five years immediately preceding the Balance Sheet date.				
		As at 31st March, 2025 Amount (in lakhs)	As at 31st March, 2024 Amount (in lakhs)	
11. Provisions -non current				
Provision for employee benefits [Refer note 20(ii)(a)]				
Retirement benefits		177.83		146.94
TOTAL		177.83		146.94
12. Other Financial liabilities				
Other payables		14.36		15.43
TOTAL		14.36		15.43
13. Provisions - Current				
Provision for employee benefits [Refer Note 20(ii)(a)]				
Retirement benefits		7.96		6.69
TOTAL		7.96		6.69
14. Other current liabilities				
Statutory liabilities		134.59		116.90
TOTAL		134.59		116.90
		For the year ended 31st March, 2025 Amount (in lakhs)	For the year ended 31st March, 2024 Amount (in lakhs)	
15. Revenue from operations				
Sale of products		14,620.51		14,147.56
Revenue from sale of products		14,620.51		14,147.56
Other operating revenues				
Subsidies - GST, Insurance & Freight		1,146.78		1,146.29
Income from scrap sale		119.87		112.81
TOTAL		15,887.16		15,406.66
16. Other income				
Interest income from bank deposits measured at amortised cost		38.04		38.16
Income from Investments in Mutual Fund*		149.80		131.35
Income from Security Deposit		4.97		3.71
TOTAL		192.81		173.22

*Income from investment in mutual fund comprises

a) Financial assets mandatorily measured at FVTPL 2025 - ₹ 127.32 Lakhs (2024 - ₹ 90.81 Lakhs)

b) Net gain on sale of investments 2025 - ₹ 22.48 Lakhs (2024 - ₹ 40.54 Lakhs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

	For the year ended 31st March, 2025 Amount (in lakhs)	For the year ended 31st March, 2024 Amount (in lakhs)
17. Employee benefits expense		
Salaries and wages	638.65	550.79
Contribution to provident and other funds	31.44	31.34
Staff welfare expenses	132.68	118.47
TOTAL	802.77	700.60
18. Other Expenses		
Power and fuel	754.01	751.22
Consumption of stores and spare parts	220.81	189.34
Rent	70.21	82.28
Rates and taxes	12.30	9.75
Insurance	40.04	38.99
Repairs		
- Machinery	49.58	30.26
- Building	1.70	0.19
- Others	45.68	33.89
Outward freight and handling charges	401.36	340.32
Contractual charges	1,081.00	910.71
Information technology services	45.49	35.33
Travelling and conveyance	18.64	14.79
Consultancy / professional fees	220.79	222.09
Loss on sale / withdrawal of PPE	40.15	32.13
Corporate social responsibility expenses [Refer note 20(vii)]	31.59	29.65
Miscellaneous expenses	21.34	26.64
TOTAL	3,054.69	2,747.58
Consultancy / professional fees include :		
Auditors' remuneration and expenses *		
statutory audit fees	6.00	8.00
tax audit fees	1.00	1.25
reimbursement of expenses	-	0.62
	7.00	9.87
* Excluding taxes		
19. Earnings per equity share has been computed as under:		
(a) Profit for the year (₹)	1,363.05	1,490.03
(b) Weighted average number of Equity shares outstanding	7,30,00,000	7,30,00,000
(c) Earnings per equity share on profit for the year (Face value ₹ 10.00 per share)	10.00	10.00
- Basic and diluted [(a)/(b)]	1.87	2.04

20. Additional Notes to the Financial Statements**20. (i) Contingent liabilities and commitments :**

(a) Contingent liabilities: 2025 Nil (2024 - Nil)

(b) Commitments

- Estimated amount of contracts remaining to be executed on capital accounts (net of advances) and not provided for: 2025 - ₹ 78.77 lakhs (2024 - ₹ 15.70 lakhs).

20. (ii) (a) Defined Benefit Plans - As per Actuarial Valuations as on 31st March, 2025 and recognized in the financial statements in respect of gratuity:

Description of Plans

The liabilities arising in the defined benefit scheme of gratuity are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method.

Risk Management

The defined benefit plan of gratuity exposes the Company to actuarial deficit arising out of interest rate risk, salary cost inflation risk, longevity risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the liabilities, leading to accounting deficit in the funds. Increase in salary due to adverse inflationary pressures might lead to higher liabilities. The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

Particulars		For the year ended 31st March, 2025 in lakhs	For the year ended 31st March, 2024 in lakhs
		Gratuity	Gratuity
		Unfunded	Unfunded
I	Components of Employer Expense		
	- Recognised in Profit or Loss		
1	Current service cost	24.70	22.07
2	Past service cost	-	-
3	Net interest cost	10.55	9.54
4	Total expense recognised in the Statement of Profit and Loss	35.25	31.61
	Re-measurements recognised in other comprehensive income		
5	(Return) on plan assets (excluding amounts included in Net interest cost)	-	-
6	Effect of changes in demographic assumptions	(0.00)	(0.00)
7	Effect of changes in financial assumptions	(5.44)	(8.88)
8	Changes in asset ceiling (excluding interest income)	-	-
9	Effect of experience adjustments	(2.67)	(7.80)
10	Total re-measurements included in Other Comprehensive Income	2.77	1.08
11	Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)	38.02	32.69
	Particulars	Gratuity	Gratuity
II	Actual returns	-	-
III	Net Asset/(Liability) recognised in Balance Sheet		
1	Present value of Defined Benefit Obligation	185.79	153.63
2	Fair value of plan assets	-	-
3	Status [Surplus/(Deficit)]	(185.79)	(153.63)

Net Asset/(Liability) recognised in Balance Sheet		As at 31st March, 2025		As at 31st March, 2024	
		Current	Non-current	Current	Non-current
Gratuity		7.96	177.83	6.69	146.94

Particulars		As at 31st March, 2025 in lakhs	As at 31st March, 2024 in lakhs
IV	Change in Defined Benefit Obligation (DBO)		
1	Present value of DBO at the beginning of the year	153.63	133.64
2	Current service cost	24.70	22.07
3	Interest cost	10.55	9.54
4	Cash flows	(5.86)	(12.70)
5	Remeasurement losses / (gains):	-	-
	Effect of changes in demographic assumptions	-	-
	Effect of changes in financial assumptions	5.44	8.88
	Effect of experience adjustments	(2.67)	(7.80)
6	Present Value of DBO at the end of the year	185.79	153.63

V	Actuarial Assumptions	As at 31st March, 2025	As at 31st March, 2024
1	Discount rate	6.75%	7.00%
2	Weighted expected rate of salary increase	12%	12%
3	Retirement age	60	60
4	Attrition rate	8%	8%
5	Mortality table	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
	The estimates of future salary increase, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

Sensitivity analysis

	Particulars	As at 31st March, 2025	As at 31st March, 2024
1	Discount rate +100 basis points	208.05	136.63
2	Discount rate -100 basis points	166.71	174.07
3	Salary Increase Rate +1%	178.00	172.31
4	Salary Increase Rate -1%	194.79	137.67
5	Attrition Rate +1%	165.42	147.13
6	Attrition Rate -1%	210.20	161.20

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

- (b) Provident Fund contributions are in the nature of defined contribution scheme. They are deposited with the Government and recognised as expense. Amounts towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note 17 2025 ₹ 31.44 Lakhs (2024 - ₹ 31.34 Lakhs).

- (c) Leave is paid on a yearly basis and is not considered to be a long-term retirement benefit.

20. (iii) Micro and Small Enterprises :

Payable to Micro and Small Enterprises as at 31st March 2025 is ₹ 29.00 Lakhs (2024 - ₹ 37.13 Lakhs) on account of trade payables and 2025 - Nil (2024 - Nil) on account of other current liabilities. There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(₹ in lakhs)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year; - Principal - Interest	Principal - Rs.29.00* Interest – Nil	Principal - Rs.37.13* Interest – Nil
The amount of interest paid by the buyer in terms of section 16 of the Micro, small, and medium enterprises Development Act, 2006 (the Act) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	–	–
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the said Act;	–	–
The amount of interest accrued and remaining unpaid at the end of each year; and	–	–
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	–	–

*Dues not outstanding for more than 45 days.

20. (iv) The Company has entered into cancellable operating lease arrangement for office space, residential accommodation and plant & equipment. The lease rentals payable is charged as 'Rent' under Note 18.
20. (v) The Company operates in a single business segment of manufacturing biscuits and the principal geographical segment is India. The chief operating decision maker (CODM) is the Board of Directors. The entire sales of finished goods of the Company are to ITC Limited (Holding Company).
20. (vi) Financial instruments and related disclosures

1. Capital Management

The Company funds its operations through equity. The Company aims to maintain an adequate supply of funds towards future growth of its business as a going concern.

The capital structure of the Company consists of equity of ₹ 11,636.34 Lakhs and no debt. The Company is not subject to any externally imposed capital requirement.

2. Categories of Financial Instruments

Particulars		Note	As at 31st March, 2025		As at 31st March, 2024	
			Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets						
a) Measured at amortised cost						
	i) Cash and Cash Equivalents	8A	163.57	163.57	257.49	257.49
	ii) Other Bank Balances	8B	500.00	500.00	510.00	510.00
	iii) Trade Receivables	7	550.45	550.45	633.73	633.73
	iv) Other Financial Assets	9	0.37	0.37	1.16	1.16
b) Measured at Fair Value Through Profit or loss						
	i) Investment in Mutual Funds	6	3,040.31	3,040.31	2,665.10	2,665.10
	Total financial assets		4,254.70	4,254.70	4,067.48	4,067.48
B. Financial liabilities						
a) Measured at amortised cost						
	ii) Trade Payables		538.55	538.55	470.05	470.05
	iii) Other financial liabilities	12	14.36	14.36	15.43	15.43
	Total financial liabilities		552.91	552.91	485.48	485.48

3. Financial risk management objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company is striving to develop a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

Market risk

The Company is not an active investor in Equity market. The Company's investments are predominantly held in debt mutual funds. The Company also invest in mutual fund schemes of leading fund houses. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

which the Company has invested such price risk are not significant. Commodity price risk arising out of movement of prices of raw materials, packing materials, consumables etc. are transferred to customers. Derivative transactions are not undertaken.

i. **Interest rate risk**

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the financial assets and liabilities of the Company are either short term or fixed interest-bearing instruments, the Company's net exposure to interest risk is negligible.

ii. **Commodity Price risk**

The Company's exposure to commodity price risk is negligible as it follows the policy of passing on such risk to its customers and maintain adequate inventory cover for its operations.

a) **Liquidity risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	As at 31st March, 2025						
	Contractual Cash flows* (Figures in lakhs)						
	Carrying value	Less than 3 months	More than 3 months upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
Trade Payables	538.55	538.55	-	-	-	-	538.55
Other Financial Liabilities	14.36	14.36	-	-	-	-	14.36
	552.91	552.91	-	-	-	-	552.91

Particulars	As at 31st March, 2024						
	Contractual Cash flows* (Figures in lakhs)						
	Carrying value	Less than 3 months	More than 3 months upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Beyond 3 years	Total
Trade Payables	470.05	470.05	-	-	-	-	470.05
Other Financial Liabilities	15.43	15.43	-	-	-	-	15.43
	485.48	485.48	-	-	-	-	485.48

* The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the Company is required to pay. The table includes principal cash flows.

b) **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

The Company has sales to a single customer which is also the holding Company. Hence, there is no credit risk to the Company.

4. **Fair value measurement****Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Derivatives are valued using valuation techniques with market observable inputs such as foreign exchange spot rates and forward rates at the end of the reporting period, yield curves, risk free rate of returns, volatility etc., as applicable.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables and payables and other current financial assets and liabilities are equal to the carrying amounts of these items due to their short-term nature.

There has been no change in the fair valuation methodology as compared to previous year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

Particulars	Fair Value Hierarchy (Level)	Fair Value	
		As at 31st March, 2025	As at 31st March, 2024
A. Financial assets			
Measured at Fair Value Through Profit or Loss			
Investment in Mutual Funds	1	3,040.31	2,665.10
Total financial assets		3,040.31	2,665.10
B. Financial liabilities			
Measured at amortised cost		-	-
Total financial liabilities		-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

20. (vii) Expenditure incurred under Section 135 of the Companies Act, 2013 on Corporate Social Responsibility (CSR) activities :

Particulars	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(i) Amount required to be spent by the company during the year	31.20	29.50
(ii) Amount of expenditure incurred	31.59	29.65
(iii) Shortfall at the end of the year	Nil	Nil
(iv) Total of previous years shortfall	Nil	Nil
(v) Reason for shortfall	NA	NA
(vi) Nature of CSR activities	Promoting education among children through digital means & by setting up mini-STEM labs in schools; installation of solar powered streetlights	Promoting education among children through digital means
(vii) Details of related party transactions	NA	NA
(viii) Where a provision is made with respect to a liability incurred by entering a contractual obligation	0.16	NA

CSR expenditure does not include any spends on construction / acquisition of assets.

21. Trade payables

Aging of trade payables:

(₹ in Lakhs)

Trade Payable as at 31st March, 2025	Outstanding for the following periods from due date						Total
	Not Due	Unbilled Payable	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed Dues – Micro and Small Enterprises	29.00	-	-	-	-	-	29.00
Undisputed Dues – Other than Micro and Small Enterprises	262.01	247.56	-	-	-	-	509.57
Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed dues- Other than Micro and Small Enterprises	-	-	-	-	-	-	-
Total	291.01	247.56	-	-	-	-	538.57

Trade Payable as at 31st March, 2024	Outstanding for the following periods from due date						Total
	Not Due	Unbilled Payable	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
Undisputed Dues – Micro and Small Enterprises	37.13	-	-	-	-	-	37.13
Undisputed Dues – Other than Micro and Small Enterprises	264.64	168.27	-	-	-	-	432.91
Disputed dues – Micro and Small Enterprises	-	-	-	-	-	-	-
Disputed dues- Other than Micro and Small Enterprises	-	-	-	-	-	-	-
Total	301.77	168.27	-	-	-	-	470.04

22. Trade receivables

Aging for trade receivables:

(₹ in Lakhs)

Trade Receivables as at 31st March, 2025	Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables							
- considered good	550.45	-	-	-	-	-	550.45
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables	-	-	-	-	-	-	-
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Total Receivable	550.45	-	-	-	-	-	550.45

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

Trade Receivables as at 31st March, 2024	Unbilled Receivable	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables							
- considered good	633.73	-	-	-	-	-	633.73
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
- considered good	-	-	-	-	-	-	-
- which have significant increase in credit risk	-	-	-	-	-	-	-
- credit impaired	-	-	-	-	-	-	-
Total Receivable	633.73	-	-	-	-	-	633.73

23. Financial Ratios

Ratio (numerator/denominator)	For the period ended 31st March 2025	For the period ended 31st March 2024	% Variance	Reason for variance
Current Ratio (Current Assets/Current Liabilities)	8.47	9.45	-10%	-
Debt-Equity Ratio (Debt/Equity)	NA	NA	NA	-
Debt Service Coverage Ratio (Earnings for Debt Service*/Debt Service#)	NA	NA	NA	-
Return on Equity (PAT/Closing Net Worth)	12%	13%	-8%	-
Inventory Turnover Ratio (Sales/Closing Inventory)	12.2	15.6	-22%	-
Trade Receivables turnover ratio (Sale/Closing Trade Receivables)	26.6	22.3	19%	-
Trade Payables turnover ratio (Sale/Closing Trade Payables)	27.1	30.1	-10%	-
Net Capital turnover Ratio (Sale /Working Capital**)	2.8	2.8	2%	-
Net Profit Ratio (Net Profit/Sales)	9.3%	10.5%	-11%	-
Return on Capital employed (PBIT/Capital Employed)	11.4%	12.6%	-10%	-
Return on Investment (Income from Treasury Surplus/Average Treasury Surplus)	7.56%	7.27%	4%	-

*Earnings for Debt Service: Profit for the year + Depreciation + Finance Cost

Debt service includes redemption of preference shares and dividend paid thereupon

**Working Capital: Current Assets - Current Liabilities

24. Tax Expense

		Amount (in Lakhs)
(a)	Income Tax recognised in statement of Profit & Loss Particulars	
		For the year ended 31st Mar, 2025
		For the year ended 31st Mar, 2024
	Current tax	
	MAT for the year	194.69
	Add: Tax as per normal income tax provisions for the year	45.78
		240.46
	MAT credit entitlement	
	MAT credit entitlement for the year	(194.69)
	MAT credit entitlement for previous years	(2.17)
		(196.85)
	Deferred tax	
	Deferred tax for the year	(27.62)
	Total	15.99
		50.19
(b)	Income Tax recognised in other comprehensive income Particulars	
		For the year ended 31st Mar, 2025
		For the year ended 31st Mar, 2024
	Deferred Tax	-
	Reimbursement of defined benefit obligation	-
	Total Income Tax recognised in other comprehensive income	-
(c)	Reconciliation of Tax expense and accounting profit Particulars	
		For the year ended 31st Mar, 2025
		For the year ended 31st Mar, 2024
	Profit before tax	1,379.04
	Applicable Tax Rate (Current Tax)	27.82%
	Income Tax calculated at applicable rate	383.65
	Adjustment on account of :	
	Incentive U/s 80IE and timing difference	(374.28)
	Adjustments related to previous year	(2.17)
	Permanent differences	8.79
		(367.66)
	Income tax expense recognised in statement of profit and loss	15.99
		50.19

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

25. Related Party Disclosures

- 1 The company has the following related parties

Holding Company

ITC Limited

Key Management Personnel

Ali Harris Shere

Neel Kingston Jasper

Mayur Dogra

Dharmarajan Ashok

Samrat Deka

Non- Executive Chairman

Non- Executive Director (till 25th November, 2024)

Additional Non- Executive Director (w.e.f 27th November, 2024)

Non- Executive Director

Non- Executive Director

Members- Management Committee

Mehul Patni

Savitha Bai S.

Chief Financial Officer

Manager & Company Secretary

- 2 Related Parties with whom the Company had transactions

ITC Limited

ITC Infotech India Limited

M/s Sunandaram Deka

M/s Repose

M/s Repose Highway Private Limited

M/s Zironee

Holding Company

Fellow Subsidiary

Partnership firm in which one of the directors is a partner

Partnership firm in which one of the directors is a partner

Private Company in which one of the directors is a member

Partnership firm in which relative of one of the directors is a partner

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2025 (Contd.)

25. Related Party Disclosures (contd.)

(All Figure in Lakhs)

3. DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS AT 31ST MARCH, 2025

RELATED PARTY TRANSACTIONS SUMMARY				Holding Company		Fellow Subsidiaries		Firm in which Director is interested								KMP		Total	
				ITC Limited		ITC Infotech India Limited		M/s Sunandaram Deka		M/s Repose		M/s Repose Highway Private Limited		M/s Zironnee					
				2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024		
1	Sale of goods (incl GST)			17,312.44	16,816.24	-	-	-	-	-	-	-	-	-	-	17,312.44	16,816.24		
2	Sale of capital goods (incl GST)			-	46.86	-	-	-	-	-	-	-	-	-	-	-	46.86		
3	Purchase of goods/ services (incl GST)			733.89	34.74	-	-	0.29	3.87	3.57	0.38	0.29	91.85	82.27	-	829.99	121.16		
4	Leasing or rental services (incl GST)			30.31	41.22	-	-	-	-	-	-	-	42.04	41.38	-	72.35	82.60		
5	Management services (incl GST)			-	-	9.20	8.78	218.06	218.06	-	-	-	-	-	-	227.27	226.84		
6	Labour contract services (incl GST)			-	-	-	-	1,146.88	1,008.33	-	-	-	-	-	-	1,146.88	1,008.33		
7	Internal Audit fees (incl GST)			4.25	2.53	-	-	-	-	-	-	-	-	-	87.60	4.25	2.53		
8	Dividend Paid			1,109.60	726.79	-	-	-	-	-	-	-	-	-	-	1,197.20	784.17		
9	Remuneration of managers on deputation reimbursed			158.85	115.71	-	-	-	-	-	-	-	-	-	-	158.85	115.71		

RELATED PARTY BALANCES				Holding Company		Fellow Subsidiaries		Firm in which Director is interested						KMP		Total	
				ITC Limited		ITC Infotech India Limited		M/s Sunandaram Deka		M/s Repose		M/s Zironnee		M/s Repose Highway Private Limited			
				2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Balances as at 31st March, 2025 (unsecured unless otherwise stated)																	
	Receivables*			550.45	633.73	-	-	-	-	-	-	-	-	-	-	550.45	633.73

* The amount of receivable from ITC Limited will be settled in cash. ₹ 550.45 lakhs (PY ₹ 633.73 lakhs)

26. The Board of Directors at their meeting held on 18th April, 2025 recommended a dividend of Rs. 2.00 per equity share for the financial year ended 31st March, 2025 aggregating to Rs. 1,460.00 Lakhs, for the approval of shareholders at the ensuing Annual General Meeting.

27. The financial statements were approved for issue by the Board of Directors on 18th April, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

For and on behalf of the Board of Directors

A. H. SHERE
Chairman
(DIN 10331133)
Bengaluru

M. DOGRA
Director
(DIN09110374)
Gurugram

MEHUL PATNI
Chief Financial Officer
Bengaluru

SAVITHA BAI S.
Manager & Company Secretary
Bengaluru

18th April, 2025

REPORT OF THE BOARD OF DIRECTORS & MANAGEMENT DISCUSSION AND ANALYSIS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

- Your Directors submit their 31st Report for the financial year ended 31st March, 2025.

2. ECONOMIC ENVIRONMENT

The year under review was characterised by significant financial market volatility and uncertainty in the global economic landscape, primarily driven by escalating trade tensions and geopolitical conflicts. Global economies witnessed softening in inflation accompanied by concerns on slowdown in economic growth. This led to global Central Banks commencing Policy rate cuts during FY 2024-25. The global economy is expected to witness continued volatility until resolution of tariff related uncertainties and trade deals between major economies.

Indian economy demonstrated resilience with Real GDP estimated to have grown by 6.5% in FY 2024-25 (vs. 9.2% in FY 2023-24). Domestic inflation moderated in FY 2024-25 to 4.6% from 5.4% in FY 2023-24. India's external sector balance position remained comfortable with Current Account deficit for FY 2024-25 estimated to be 0.7% of GDP, primarily due to higher service exports and strong remittance flows.

In the above backdrop, the Reserve Bank of India reduced the benchmark policy rates by 25 bps in February, 2025 and took multiple steps to infuse liquidity in the Banking system towards the later half of the year. This moderating inflation outlook led to decline in the market interest rates for short tenure securities. The decline in interest rates at longer maturities was further aided by robust demand from Foreign Portfolio Investors along with an improving fiscal position.

3. FINANCIAL PERFORMANCE

Your Company delivered another year of good performance across all financial parameters. Revenue from operations for the year was ₹ 6,135.71 lakhs (previous year: ₹ 5,667.70 lakhs) and Net Profit for the year was ₹ 4,748.90 lakhs (previous year: ₹ 3,939.16 lakhs), primarily led by higher surplus liquidity during the year coupled with higher yields on funds deployed by the Company. During the year, the Company transferred its investments in the Equity Shares of EIH Limited and HLV Limited to ITC Limited, the Holding Company ('ITC'), at their respective book value and the cumulative mark-to-market gain of ₹ 52,795.11 lakhs recognised previously in Other Comprehensive Income was reversed. Consequently, the Total Comprehensive Income for the year stood at (-) ₹ 48,429.16 lakhs (previous year: ₹ 44,267.45 lakhs). Temporary surplus liquidity of your Company is primarily deployed in debt mutual funds, bonds, government securities, bank fixed deposits and certificate of deposit. Your Company continues to closely monitor its investments in line with market interest rate movements and explore opportunities to make strategic investments for the ITC Group.

The financial results of your Company, summarised, are as under:

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
Profits		
a. Profit Before Tax	5,897.75	4,877.72
b. Less : Tax Expense	1,148.85	938.56
c. Profit After Tax	4,748.90	3,939.16
d. Add : Other Comprehensive Income	(53,178.06)	40,328.29
e. Total Comprehensive Income	(48,429.16)	44,267.45
Retained Earnings		
a. At the beginning of the year	11,313.25	9,950.22
b. Add : Profit for the year	4,748.90	3,939.16
c. Add : Other Comprehensive Income	(0.21)	(0.29)
d. Less : Transfer from Retained Earnings to Special Reserve	949.78	787.83
e. Less : Final Dividend paid	1,939.44	1,874.79
f. Add : Transfer from Equity Instruments through Other Comprehensive Income on sale of Equity Shares	(33.12)	86.78
g. At the end of the year	13,139.60	11,313.25

4. DIVIDEND

The Directors of your Company are pleased to recommend a Final Dividend of ₹ 0.36 per Equity Share (previous year: ₹ 0.30 per Equity Share) of ₹ 10/- each (to be paid in proportion to the amount paid-up on each Equity Share), aggregating ₹ 2,327.32 lakhs, for the financial year ended 31st March, 2025.

5. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Changes in Directors

Ms. Priti Balaji (DIN: 08900013), consequent to her superannuation from the services of ITC, has stepped down as a Non-Executive Director of your Company with effect from 29th April, 2025. Your Directors place

on record their appreciation for the contribution made by Ms. Balaji during her tenure as a Director of the Company.

The Board of Directors of the Company ('the Board') at the Meeting held on 26th April, 2025, on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Minakshi Biyani (DIN: 11069808) as an Additional Director of the Company with effect from 29th April, 2025. In accordance with Section 161 of the Companies Act, 2013 ('the Act') and Article 130 of the Articles of Association of the Company, Ms. Biyani will vacate office at the ensuing Annual General Meeting ('AGM') and is eligible for appointment as a Director of the Company. Accordingly, on the recommendation of the Committee, the Board at the aforesaid meeting also recommended for the approval of the Members, the appointment of Ms. Biyani as a Non-Executive Director of your Company, liable to retire by rotation. Requisite Notice under Section 160 of the Act has been received by the Company for appointment of Ms. Biyani, who has also filed her consent to act as a Director of your Company, if appointed. Appropriate resolution seeking your approval to the said appointment is appearing in the Notice convening the ensuing AGM of the Company.

(b) Changes in Key Managerial Personnel

During the year, Mr. Aditya Marodia completed his term of appointment as the Manager of the Company with effect from close of work on 31st December, 2024. The Board, on the recommendation of the Nomination and Remuneration Committee, re-appointed Mr. Marodia as the Manager of the Company for a further period of two years with effect from 1st January, 2025, in accordance with the provisions of Sections 196, 197 and 203 of the Act, subject to the approval of the Members of the Company.

Appropriate resolution seeking your approval to the aforesaid re-appointment is appearing in the Notice convening the ensuing AGM of the Company.

(c) Attributes, qualifications and appointment of Directors

In terms of the Guidelines on Corporate Governance of your Company, the Board will comprise such number of Directors as it may deem fit within the limit prescribed by the statute. In terms of the Articles of Association of your Company, the strength of the Board shall not be less than three nor more than twelve.

As reported in the earlier years, the attributes and qualifications of the Directors provided in Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 were adopted by the Nomination and Remuneration Committee. In terms of the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023 ('Scale Based Regulations'), the Company has a Policy for ascertaining 'fit and proper criteria' of Directors, approved by the Board. All the Directors of the Company fulfil the said fit and proper criteria for appointment as Directors. Due diligence for this purpose is undertaken by the Nomination and Remuneration Committee at the time of appointment of Directors.

(d) Retirement by Rotation

All the Directors of the Company are liable to retire by rotation and one-third of them retire every year and are eligible for re-election. In accordance with the provisions of Section 152 of the Act read with the Articles of Association of the Company, Mr. Trasi Sadashiva Madhava Shenoy (DIN: 09476476) and Mr. Rajendra Kumar Singh (DIN: 00009931), Directors, will retire by rotation at the ensuing AGM of the Company, and being eligible, offer themselves for re-election. Your Board has recommended their re-election.

(e) Board evaluation

The Board carried out annual performance evaluation of its own performance and that of the individual Directors as also functioning of the Board Committees, in terms of Section 134 of the Act. The performance evaluation of the Board and the Directors, as in the earlier years, was based on criteria approved by the Nomination and Remuneration Committee. Reports on functioning of the Board Committees were placed before the Board.

(f) Remuneration Policy

The Remuneration Policy of the Company for the Key Managerial Personnel, Senior Management and other employees, as approved by the Board, is enclosed as Annexure 1 to this Report.

6. BOARD AND BOARD COMMITTEES

During the financial year 2024-25, seven Board Meetings were held. The Company presently has six Board Committees, details of which are given in the Report and Accounts under the section 'Report on Corporate Governance'.

7. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

8. DISCLOSURES UNDER RBI REGULATIONS

The disclosures as required under the Scale Based Regulations are provided in the Notes to the Financial Statements of the Company, and the Schedule required in terms of the said Regulations is appended to the Balance Sheet.

9. SUBSIDIARY AND ASSOCIATES

During the year under review, the Company sold its entire shareholding in Greenacre Holdings Limited ('GHL') to ITC, consequent to which GHL ceased to be a wholly owned subsidiary of the Company with effect from 29th November, 2024.

The statement in Form AOC-1 containing the salient features of the financial statements of the Company's associates is attached to the Financial Statements of the Company.

The Company, being an intermediate wholly owned subsidiary, is not required to prepare Consolidated Financial Statements. However, brief details of the performance and financial position of the Company's associates are given below:

Name of Associates	Total Income (₹ in lakhs)		Net Profit (₹ in lakhs)	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
Divya Management Limited	166.38	104.16	113.18	55.48
Antrang Finance Limited	134.09	77.20	95.05	46.09
Russell Investments Limited	528.90	507.13	451.23	380.35

10. HUMAN RESOURCES

Human Resource Development practices in your Company are aligned with those of the Holding Company, and are guided by the principles of relevance, consistency and fairness. A productive workplace has been and remains a key requirement for successful business performance of your Company. The Company had 12 (twelve) employees as on 31st March, 2025, including six employees on deputation from ITC and its group companies.

The details of top ten employees of the Company, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including details of employees who had drawn remuneration more than the limit specified in the said Rule, are provided in **Annexure 2** to this Report.

The Company seeks to create equal opportunities for men and women and is committed to a gender-friendly workplace. Your Company has an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint for sexual harassment was received.

11. WHISTLEBLOWER MECHANISM

The Company has formulated a Whistleblower Policy in compliance with the RBI Regulations. The said Policy encourages Directors and employees to bring to the Company's attention, instances of illegal or unethical conduct, actual or suspected incidents of fraud, or actions that affect the financial integrity of the Company, that could adversely impact the Company's operations, business performance and / or reputation. Such incidents, when reported, are investigated in an impartial manner and appropriate action is taken to ensure that the requisite standards of professional and ethical conduct are always upheld. The Audit Committee reviews the functioning of the whistleblower mechanism in the Company. During the year under review, no complaint under the Whistleblower Policy was received.

12. RISK MANAGEMENT

The Company's risk management framework is designed to identify and address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company. Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board. The Internal Auditor of the Company periodically carries out risk focused audits with the objective of identifying areas where risk management processes could be strengthened. The Company's Senior Management conduct an annual compliance risk assessment and a report on the results of such assessment is placed before the Audit Committee and the Board.

The Risk Management Committee periodically reviews the risk management framework of the Company, with the objective of addressing the existing and emerging challenges in a dynamic business environment. The Company has a Liquidity Risk Management Policy in terms of which the overall responsibility for management of liquidity risk vests with the Board. During the year, the Board approved the Fraud Risk Management Policy, including the framework for preventing, detecting, monitoring, investigating and reporting fraud incidents in the Company. The Asset Liability Management Committee addresses concerns relating to asset liability mismatches, if any, and strategises action(s) to mitigate the associated risks. The Committee also reviews adherence to the policies & procedures adopted by the Company for managing liquidity risk. Further, the IT Strategy Committee, along with the IT Steering Committee and the Information Security Committee, reviews and monitors the IT processes and cyber security risks in the Company. In addition, the Audit Committee and the Board annually review the effectiveness of the Company's risk management systems and policies.

A combination of policies and processes as outlined above, in our view, adequately addresses the various risks associated with the Company's business.

13. INTERNAL CONTROL SYSTEMS

Your Company has in place adequate internal control systems in connection with its operations, compliances as also internal financial controls with respect to the financial statements, commensurate with its size and scale of operations. The Internal Auditor periodically evaluates the adequacy and effectiveness of internal control systems in the Company. The Audit Committee, which provides guidance on internal controls, also reviews internal audit findings and implementation of internal audit recommendations.

During the year, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Annual Report on CSR Activities of the Company in terms of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as **Annexure 3** to this Report.

15. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The requirements of Section 186 of the Act relating to loans, guarantees and investments are not applicable to the Company.

16. RELATED PARTY TRANSACTIONS

The Policy on dealing with Related Party Transactions of the Company, as approved by the Board, is enclosed as **Annexure 4** to this Report.

The prescribed details of related party transactions of the Company in Form No. AOC-2, pursuant to Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are enclosed under **Annexure 5** to this Report.

17. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING GOING CONCERN STATUS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

18. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

19. AUDITORS

(a) Statutory Auditors

Messrs. L. B. Jha & Co., Chartered Accountants, were appointed as the Auditors of your Company at the Thirtieth AGM held on 28th June, 2024 to hold such office till the conclusion of the Thirty Third AGM. On the recommendation of the Audit Committee and pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, remuneration of Messrs. L. B. Jha & Co. for the financial year 2025-26. Appropriate resolution in respect of the above is appearing in the Notice convening the ensuing AGM of the Company.

(b) **Secretarial Auditors**

Your Board appointed Messrs. MKB & Associates, Practising Company Secretaries, to conduct secretarial audit of the Company for the financial year ended 31st March, 2025. The Secretarial Auditors have confirmed that your Company has complied with the applicable laws and that there are adequate systems and processes in your Company commensurate with its size and scale of operations to monitor and ensure compliance with the applicable laws. The Report of Messrs. MKB & Associates, in terms of Section 204 of the Act, is enclosed as **Annexure 6** to this Report.

21. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption.

During the year under review, there has been no foreign exchange earnings or outflow.

20. **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

On behalf of the Board

S. DUTTA

T.S.M. SHENOY

(DIN: 01804345)

(DIN: 09476476)

Chairman

Director

Dated: 26th April, 2025

Annexure 1 to the Report of the Board of Directors & Management Discussion and Analysis for the financial year ended 31st March, 2025

Remuneration Policy

This Remuneration Policy has been framed in terms of the Companies Act, 2013 and the 'Scale Based Regulatory Framework for NBFCs' prescribed by the Reserve Bank of India, as amended from time to time.

The Company's Remuneration Strategy is designed to attract and retain quality talent that gives its business a competitive advantage and enables the Company to achieve its objectives.

The Company's Remuneration Strategy, whilst focusing on remuneration and related aspects of performance management, reinforces the employee value proposition of an enabling work environment, an empowering and engaging work culture, and opportunities to learn and grow.

The Compensation approach endeavours to align each employee with the Company's goals.

Policy

It is the Company's Policy:

1. To ensure that its Remuneration practices support and encourage meritocracy.
2. To ensure that Remuneration is reasonable and takes into account the competitive context of the Company's business.
3. To leverage Remuneration as an effective instrument to enhance performance.
4. To adopt a comprehensive approach to Remuneration in order to support a superior quality of personal and work life, in a manner so as to judiciously balance short term with long term priorities.
5. To design Remuneration practices such that they reinforce the Company's values and culture and to implement them in a manner that complies with all relevant regulatory requirements.

Constitution and Role of Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Board (the Committee) will have the constitution, powers, functions and duties as laid down under the Companies Act, 2013 and the RBI Regulations. The Committee, in particular, will:

- formulate the Remuneration Policy of the Company and recommend the same for the approval of the Board;
- work in close coordination with the Risk Management Committee of the Company, as necessary, to achieve effective alignment between compensation and risks; and
- ensure that the compensation levels are, inter alia, supported by the need to retain earnings of the Company.

Remuneration of Key Managerial Personnel (KMP) and Senior Management

1. Remuneration of the KMP and Senior Management of the Company is determined and recommended by the Committee and approved by the Board. Remuneration of the Managing Director / Wholtime Director / Manager, if any, is also subject to the approval of the shareholders of the Company.
2. Remuneration of the KMP and Senior Management who are on deputation from the Holding Company or other group company may also be aligned to the Remuneration Policy of that company.
3. Remuneration is reviewed and revised periodically, as and when such revision is warranted by the market. The quantum of revision is linked to market trends, the competitive context of the Company's business, as well as the performance and potential of the individual employee.
4. The KMP and Senior Management of the Company are eligible for Fixed Pay and Variable Pay in order to facilitate alignment of their priorities with the long-term interests of stakeholders.
 - Fixed Pay comprises all fixed elements of remuneration, perquisites (including both monetary and non-monetary perquisites) and contribution towards retirement benefits, as applicable.
 - Variable Pay is in the form of cash, and linked to the individual performance of the KMP and Senior Management and the overall performance of the Company.
5. Deferred compensation of the KMP and Senior Management, if any, may be subject to malus / claw back arrangements, inter alia, in the event of any fraud, malfeasance, breach of trust, wilful misrepresentation / misreporting of financial performance of the Company or wilful, reckless or grossly negligent conduct, as may be determined by the Committee and the Board.

Remuneration of employees other than KMP

1. Remuneration of employees other than KMP is approved by the Board.
2. Remuneration is reviewed and revised periodically, as and when such revision is warranted by the market. The quantum of revision is linked to market trends, the competitive context of the Company's business, as well as the performance and potential of the individual employee.
3. Variable Pay is based on the performance rating of the individual employee.

This Policy will be effective from 1st April, 2023 and will be reviewed as and when deemed necessary.

Notes:

1. The terms 'Key Managerial Personnel' and 'Senior Management' shall have the meaning assigned to them under Sections 2(51) and 178 of the Companies Act, 2013, respectively.
2. 'Malus' arrangement will permit the Company to prevent payment of all or part of the amount of unpaid deferred compensation. Under 'clawback' arrangement, the Company can recover all or part of the previously paid deferred compensation, as may be determined by the Committee and the Board.

Annexure 2 to the Report of the Board of Directors & Management Discussion and Analysis for the financial year ended 31st March, 2025

(Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Name	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of employment / deputation	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
A. Marodia *	42	Manager	1,61,24,926/-	83,07,633/-	B.Com. (Hons.), F.C.A.	20	01.01.2022	ITC Limited – General Manager (Treasury)
N. Bajaj *	41	Company Secretary	1,52,34,727/-	92,83,303/-	B.Com. (Hons.), A.C.S., M.B.L.	17	01.10.2019	ITC Limited - Deputy Company Secretary
V. Luharuka *	40	Chief Financial Officer	1,45,66,939/-	80,05,679/-	B.Com. (Hons.), A.C.A.	17	01.01.2024	ITC Limited – General Manager (Finance)
J. Banerjee *	57	Internal Auditor	1,40,58,000/-	71,46,017/-	B.Com. (Hons.), F.C.A., C.M.A.	32	01.10.2022	ITC Limited - General Manager (Audit)
I. Chatterjee @	44	Chief Information Security Officer	29,13,202/-	21,22,715/-	B.E. (Computer Science)	22	01.10.2024	ITC Infotech India Limited - General Manager
A. Das @	55	Head of IT Function	29,07,246/-	22,59,622/-	B.Sc. (Computer Science), Post Graduate Diploma in Computer Applications	29	01.04.2024	ITC Infotech India Limited - General Manager
U. Choudhury	32	Assistant Manager	13,20,474/-	10,92,206/-	B.Com. (Hons.), C.M.A.	10	01.03.2021	Hindustan Unilever Limited - Finance Executive
R. Anand	29	Assistant Manager	10,05,539/-	8,84,642/-	B.Com. (Hons.), C.M.A.	4	14.08.2023	Kalpataru Power Transmission Limited - Deputy Manager, Group Corporate Strategy
D. K. Das	53	Accounts Supervisor	8,90,619/-	7,59,274/-	B.Com.	30	01.04.2015	Russell Investments Limited - Junior Assistant
J. V. Rao	48	Accounts Supervisor	8,18,686/-	6,91,895/-	B.Com.	20	01.04.2015	Divya Management Limited - Junior Assistant

* On deputation from ITC Limited, the Holding Company ('ITC').

@ On deputation from ITC Infotech India Limited, a fellow subsidiary.

Notes:

- Gross remuneration includes salary, performance bonus / variable pay, long-term incentives, allowances, contribution to provident fund and other benefits / applicable perquisites borne by the Company, except provisions for gratuity fund and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less tax deducted at source and employee's own contribution to provident fund.
- Employees who are on deputation from ITC have been granted Stock Options by ITC and its group companies at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]. Since these Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Options and accordingly, the said grant has not been considered as remuneration.
- All appointments (except deputed employees) are contractual in accordance with terms and conditions as per the Company's rules.
- The aforesaid employees are neither relative of any Director / Manager of the Company nor hold any equity share in the Company in their individual capacity.

Dated: 26th April, 2025

On behalf of the Board
T.S.M. SHENOY
(DIN : 09476476)
Director

S. DUTTA
(DIN : 01804345)
Chairman

Annexure 3 to the Report of the Board of Directors & Management Discussion and Analysis

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. A brief outline on CSR Policy of the Company:

The Company, a wholly owned subsidiary of ITC Limited ('ITC'), discharges its corporate social responsibilities ('CSR') by aligning itself with the CSR Policy of ITC and also by undertaking CSR activities in areas or subjects which are independent of the normal conduct of the Company's business and are covered under the activities listed in Schedule VII read with Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company undertakes CSR activities (a) directly, or (b) through a registered public trust or a registered society or a company incorporated under Section 8 of the Companies Act, 2013, established by ITC or otherwise, having track record of at least three years in undertaking CSR activities, or (c) through other eligible implementing agencies.

The Company may also collaborate with ITC or other companies for undertaking CSR activities in such a manner that the respective companies are in a position to report separately on the CSR activities being undertaken.

2. Composition of the CSR Committee as on 31st March, 2025:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. S. Dutta (Chairman of the Committee)	Chairman & Non-Executive Director	3	3
2.	Mr. T.S.M. Shenoy	Non-Executive Director		3
3.	Mr. R. K. Singhi	Non-Executive Director		3

3. The web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: **Not Applicable**4. The executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**

5.

(a)	Average net profits of the Company as per Section 135(5)	₹ 3,589.25 lakhs
(b)	Two percent of average net profits of the Company as per Section 135(5)	₹ 71.79 lakhs
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years	Nil
(d)	Amount required to be set off for the Financial Year, if any	Nil
(e)	Total CSR obligation for the Financial Year [(b)+(c)-(d)]	₹ 71.79 lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 72 lakhs

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ 72 lakhs

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 72.00 lakhs	Not Applicable				

(f) Excess amount for set off, if any: **None**

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profits of the Company as per Section 135(5)	None
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	

7. Details of Unspent CSR amount for the preceding three Financial Years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
None								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☒ No

If Yes, enter the number of Capital assets created / acquired **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5): **Not Applicable**

Dated: 26th April, 2025

On behalf of the Board
S. DUTTA
(DIN : 01804345)
Chairman – CSR Committee

T.S.M. SHENOY
(DIN : 09476476)
Director

**Annexure 4 to the Report of the Board of Directors &
Management Discussion and Analysis for the financial year ended 31st March, 2025
Policy on dealing with Related Party Transactions**

- The Company shall not enter into any contract or arrangement with its related party (other than the Holding Company or the Company's wholly owned subsidiary) without the approval of the Audit Committee.
Further, the Company shall not enter into any contract or arrangement with its related party, or that of the Holding Company, or any of the Company's subsidiary or fellow subsidiary companies (other than transactions with the Holding Company, Company's wholly owned subsidiary or with any wholly owned fellow subsidiary), exceeding the threshold prescribed under the applicable laws / regulations, without the prior approval of its Audit Committee and the Holding Company's Audit Committee; this requirement shall not apply to such transactions as may be specified under the applicable laws / regulations.
- The Audit Committee may, in the interest of the conduct of affairs of the Company, grant omnibus approval for related party transactions that are repetitive in nature, provided that the aggregate value of transactions which can be approved by the Committee in a financial year under the omnibus route shall not exceed 5% of the revenue of operations of the Company as per its last audited financial statements, with the value of each such transaction not exceeding 1% of the revenue of operations.
- While assessing a proposal for approval under the omnibus route, the Audit Committee shall satisfy itself on the need for such approval and that the same is in the interest of the Company. For this purpose, the following shall be placed before the Audit Committee while seeking omnibus approval:
 - Name and nature of relationship of the related party with the Company, including type of its concern or interest (financial or otherwise);
 - Nature, duration and material terms of the proposed transaction;
 - Maximum amount that can be transacted;
 - Indicative base price / current contracted price and the formula for variation of the price, if any; For this purpose, (i) price will mean the estimated money consideration under a contract for sale or purchase of goods or services, net of applicable taxes, and (ii) the formula for variation of the price to be based on one of the globally accepted methods of establishing arm's length pricing such as Comparable Uncontrolled Price, Cost Plus, Transactional Net Margin and Profit Split method.
 - The percentage of the Company's standalone turnover for the immediately preceding financial year, that is represented by the value of the proposed transaction;
 - A copy of the valuation or other external party report, if any such report has been relied upon;
 - Any other information relevant or considered important by the Audit Committee for taking a decision on the proposed transaction.
- The details of the related party transactions of the Company pursuant to each omnibus approval shall be placed for review by the Audit Committee (and the Audit Committee of the Holding Company, where applicable) at least on a quarterly basis; such omnibus approval shall be valid for the financial year.
- Where the need for related party transactions cannot be foreseen and the details mentioned in (3) above are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹ 50 lakhs per transaction.
- Transactions of the following nature shall be outside the purview of the omnibus approval mechanism:
 - Transactions which are not in the ordinary course of business or not at arm's length;
 - Transactions which are not repetitive or unforeseen in nature;
 - Transactions exceeding the threshold limits specified in (2) and (5) above;
 - Inter-corporate loans given / taken to / from related parties and purchase / sale of investments from / to related parties;
 - Transactions in respect of sale or disposal of any undertaking.
 - Any other transaction which the Audit Committee may deem not fit for omnibus approval.
- As the term 'transaction' has not been defined in the Companies Act, 2013 and the Rules framed thereunder, it will mean a single transaction or a group of transactions under a single contract or arrangement in line with the definition prescribed for listed companies under the SEBI Regulations.
- In the event any contract or arrangement with a related party is not in the ordinary course of business or not at arm's length, the Company shall comply with the provisions of the Companies Act, 2013 and the Rules framed thereunder and obtain approval of the Board and / or shareholders, as applicable, for such contract or arrangement.
- All subsequent modifications to the transactions entered into by the Company with its related party, shall require approval of the Company's Audit Committee.

- (b) All 'material modifications' to the related party transactions entered into by the Company on one hand and related party of the Holding Company, or the Company's subsidiary or fellow subsidiary companies on the other hand, shall require approval of the Company's Audit Committee.
- (c) Where any related party transaction entered into by the Company has been approved by the Audit Committee of the Holding Company, any 'material modification' of such transactions shall also require approval of the Audit Committee of the Holding Company.

Material modification(s), for this purpose, are those modifications that result in an increase of more than ten percent of the amount approved by the Audit Committee.

10. With effect from 1st April, 2023, the approval requirements mentioned hereinabove shall also apply to those transactions undertaken by the Company on the one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit a related party of the Company or related party of the Holding Company, or the Company's subsidiary or fellow subsidiary companies.
11. The requisite details of (a) material related party transactions and (b) related party transactions which are not at arm's length, shall be disclosed in the Annual Report in terms of the Companies Act, 2013 & the Rules framed thereunder and the RBI Regulations.

For this purpose, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the revenue of operations of the Company as per its last audited financial statements.

In the event of any inconsistency between this Policy and the applicable laws, the applicable laws will prevail.

**Annexure 5 to the Report of the Board of Directors &
Management Discussion and Analysis for the financial year ended 31st March, 2025**

FORM NO. AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, Holding Company ('ITC')		
b)	Nature of contracts / arrangements / transactions	Transfer of Equity Shares of Greenacre Holdings Limited ('GHL'), a wholly owned subsidiary	Inter-se transfer of Equity Shares of EIH Limited ('EIH'), a listed company	Inter-se transfer of Equity Shares of HLTV Limited ('HLTV'), a listed company
c)	Duration of the contracts / arrangements / transactions	Not Applicable		
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Sale of 4,20,60,166 Equity Shares of GHL of ₹ 10/- each to ITC at book value of ₹ 42.10 crores.	Sale of 1,52,32,129 Equity Shares of EIH of ₹ 2/- each to ITC at book value of ₹ 111.22 crores.	Sale of 34,60,829 Equity Shares of HLTV of ₹ 2/- each to ITC at book value of ₹ 10.93 crores.
e)	Justification for entering into such contracts or arrangements or transactions	The aforesaid shares have been sold to ITC as part of restructuring within the group. As the transactions are between the Holding Company and its wholly owned subsidiary, there is no potential conflict with the interests of the Company and its shareholders arising from the said transactions.		
f)	Date of approval by the Board(s)	29th November, 2024	13th December, 2024	
g)	Amount paid as advances, if any	Nil		
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	Not Applicable		

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	NONE
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Date(s) of approval by the Board, if any	
f)	Amount paid as advances, if any	

On behalf of the Board

S. DUTTA
(DIN : 01804345)
Chairman

T.S.M. SHENOY
(DIN : 09476476)
Director

Dated: 26th April, 2025

Annexure 6 to the Report of the Board of Directors & Management Discussion and Analysis for the financial year ended 31st March, 2025

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
RUSSELL CREDIT LIMITED
CIN U65993WB1994PLC061684
Virginia House
37 J. L. Nehru Road
Kolkata 700 071

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **Russell Credit Limited** (hereinafter called "the Company") for the financial year ended 31st March, 2025. The Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of Company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980), read with the Company Secretaries Auditing Standards (CSAS), and in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025, to the extent applicable, according to the provisions of the following laws:

- i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iii) Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and other Directions issued by RBI as applicable to Middle Layer NBFCs;
 - The Company is registered with the Reserve Bank of India as a NBFC under the relevant provisions of the Reserve Bank of India Act, 1934 under Registration Certificate No. B.05.05246.
- iv) Reserve Bank of India and Securities and Exchange Board of India Guidelines relating to Mutual Fund Advisors:
 - The Company is registered with the Association of Mutual Funds in India (AMFI) as an Intermediary of Mutual Funds and the Registration Certificate is valid upto 21st October, 2027.

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Directions etc. mentioned above.

We further report that:

- a) The Board of Directors of the Company is duly constituted in compliance with the applicable provisions of the law. There were no changes in the composition of the Board of Directors during the period under review.
- b) Adequate notice is given to all Directors to convene Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, in compliance with the applicable provisions of the law, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) All the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that there are adequate systems and processes in the Company, commensurate with its size and operations, to monitor and ensure compliance with the applicable Laws, Rules, Regulations, Guidelines and Directions.

We further report that during the financial year under review, no event has occurred having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines and Directions, except as follows:

- (a) Sale of entire shareholding held by the Company in Greenacre Holdings Limited (GHL), a wholly owned subsidiary, comprising 4,20,60,166 Equity Shares of GHL of Rs. 10/- each, to ITC Limited on 29th November, 2024 at book value of Rs. 42.10 crores. Consequently, GHL ceased to be a subsidiary of the Company with effect from the said date.
- (b) Sale of entire shareholding held by the Company in EIH Limited (EIH), comprising 1,52,32,129 Equity Shares of EIH of Rs. 2/- each, to ITC Limited on 13th December, 2024 at book value of Rs. 111.22 crores.
- (c) Sale of entire shareholding held by the Company in HLV Limited (HLV), comprising 34,60,829 Equity Shares of HLV of Rs. 2/- each, to ITC Limited on 13th December, 2024 at book value of Rs. 10.93 crores.

This Report is to be read with our letter of even date which is annexed as **Annexure – 1** which forms an integral part of this Report.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Manoj Kumar Banthia
Partner

Membership no. 11470
COP no. 7596

Peer Review Certificate No. 1663/2022

Date: 26.04.2025
Place: Kolkata
UDIN: A011470G000207490

To
The Members,
RUSSELL CREDIT LIMITED
 CIN U65993WB1994PLC061684
 Virginia House
 37 J. L. Nehru Road
Kolkata 700 071

Our Secretarial Audit Report for the financial year ended 31st March, 2025 of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on such secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of applicable Laws, Rules, Regulations, Guidelines and Directions. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
 Company Secretaries
 Firm Reg No: P2010WB042700

Manoj Kumar Banthia
 Partner

Membership no. 11470
 COP no. 7596

Peer Review Certificate No. 1663/2022

Date: 26.04.2025
 Place: Kolkata
 UDIN: A011470G000207490

**REPORT ON CORPORATE GOVERNANCE
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

The Directors present the Company's Report on Corporate Governance pursuant to the Master Direction - Reserve Bank of India (Non-Banking Financial Company - Scale Based Regulation) Directions, 2023.

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a systemic process by which a company is directed and controlled to enhance its wealth generating capacity. The Company being a wholly owned subsidiary of ITC Limited draws its Governance philosophy from that company.

GOVERNANCE STRUCTURE

The Governance structure of the Company presently comprises the Board of Directors, the Board Committees and the Non-Executive Chairman, aided by the Manager, Chief Financial Officer, Chief Compliance Officer & Company Secretary, and the Internal Auditor who are responsible for management of the affairs of the Company, operating under the superintendence, control and directions of the Board of Directors.

COMPOSITION OF THE BOARD (AS ON 31ST MARCH, 2025)

The Board of Directors of the Company ('the Board') presently comprises six Non-Executive Directors. Details of the Directors, including their other directorships, and the number of Board Meetings held and attended by the Directors during the year are provided below.

During the year ended 31st March, 2025, seven meetings of the Board were held on 3rd May, 2024, 17th July, 2024, 17th October, 2024, 29th November, 2024, 13th December, 2024, 27th January, 2025 and 20th March, 2025.

Sl. No.	Name of the Director	Director since	Designation	Number of Board Meetings		No. of other Directorships*
				Held	Attended	
1.	Supratim Dutta (DIN: 01804345)	29.03.2013	Chairman & Non-Executive Director	7	7	10
2.	Priti Balaji (DIN: 08900013)	22.10.2020	Non-Executive Director	7	7	1
3.	Trasi Sadashiva Madhava Shenoy (DIN: 09476476)	22.01.2022	Non-Executive Director	7	7	2
4.	Jagdish Singh (DIN: 00042258)	22.07.2022	Non-Executive Director	7	6	5
5.	Rajendra Kumar Singhi (DIN: 00009931)	27.03.2018	Non-Executive Director	7	7	6
6.	Subramani Suresh Kumar (DIN: 09746199)	01.10.2022	Non-Executive Director	7	2	Nil

* Represents directorships in Indian and foreign companies.

Note: None of the Directors hold any share in the Company in their individual capacity.

There have been no changes in the composition of the Board during the year under review and the previous year.

COMMITTEES OF THE BOARD

Presently, there are six Board Committees in the Company – the Audit Committee, the Nomination and Remuneration Committee, the CSR Committee, the Asset Liability Management Committee, the Risk Management Committee and the IT Strategy Committee. The terms of reference of the Board Committees are determined by the Board from time to time. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

I. AUDIT COMMITTEE:

The role of the Audit Committee includes the following:

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- To recommend the appointment, remuneration and removal of the Statutory Auditors;
- To approve transactions of the Company with related parties, including modifications thereto;
- To evaluate the Company's internal financial controls and risk management systems;
- To scrutinise inter-corporate loans and investments;
- To review with the management, the Annual Financial Statements and the Auditor's Report thereon;
- To review the following:
 - 'Fit for Consolidation' Financial Results / Financial Statements of the Company;
 - Adequacy of internal control systems and the Company's statement on the same, in consultation with the management and the Statutory Auditors;
 - Reports of internal audit and discussion with the Internal Auditor on any significant findings and follow-up thereon;
 - System for maintenance, storage, retrieval, security etc. of books of accounts in the electronic form;
 - Functioning of Whistleblower mechanism in the Company.

Composition, Meetings and Attendance

The Audit Committee presently comprises the Chairman of the Company and three other Non-Executive Directors. The Chief Financial Officer is invited to attend the meetings of the Audit Committee. The Internal Auditor also attends the meetings of the Committee, whenever matters relating to internal audit are discussed. The Company Secretary is the Secretary to the Committee.

The names of the members of the Audit Committee, including its Chairman, and the details of meetings held during the year are provided below.

During the year ended 31st March, 2025, six meetings of the Audit Committee were held on 3rd May, 2024, 17th July, 2024, 17th October, 2024, 29th November, 2024, 13th December, 2024 and 27th January, 2025.

Sl. No.	Name of the Director	Member of the Committee since	Designation	Number of Meetings of the Committee	
				Held	Attended
1.	S. Dutta (Chairman of the Committee)	22.07.2022	Chairman & Non-Executive Director	6	6
2.	T.S.M. Shenoy	22.01.2022	Non-Executive Director	6	6
3.	R. K. Singhi	27.08.2020	Non-Executive Director	6	6
4.	S. Suresh Kumar	12.10.2022	Non-Executive Director	6	2

II. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board, inter alia, identifies persons qualified to become Directors, and recommends to the Board the appointment and removal of the Directors and Key Managerial Personnel of the Company. The Committee's role also includes formulation of criteria for evaluation of performance of the Directors & the Board as a whole, and review of the 'fit and proper status' of the Directors of the Company.

Composition, Meetings and Attendance

The Nomination and Remuneration Committee presently comprises two Non-Executive Directors and the Chairman of the Company. The Company Secretary is the Secretary to the Committee.

The names of the members of the Nomination and Remuneration Committee, including its Chairman, and the details of meetings held during the year are provided below.

During the year ended 31st March, 2025, three meetings of the Nomination and Remuneration Committee were held on 3rd May, 2024, 17th October, 2024 and 29th November, 2024.

Sl. No.	Name of the Director	Member of the Committee since	Designation	Number of Meetings of the Committee	
				Held	Attended
1.	R. K. Singhi (Chairman of the Committee)	27.03.2018	Non-Executive Director	3	3
2.	S. Dutta	27.03.2018	Chairman & Non-Executive Director	3	3
3.	J. Singh	22.07.2022	Non-Executive Director	3	2

III. CSR COMMITTEE

The role of the CSR Committee is, inter alia, to review and provide strategic direction to the Company's CSR activities, in line with the CSR initiatives of ITC Limited. Formulation and monitoring of the CSR Policy and recommendation to the Board of the annual CSR Action Plan delineating the CSR activities to be carried out by the Company during a financial year form part of the role of the Committee.

Composition, Meetings and Attendance

The CSR Committee presently comprises the Chairman of the Company and two other Non-Executive Directors. The Company Secretary is the Secretary to the Committee.

The names of the members of the CSR Committee, including its Chairman, and the details of meetings held during the year are provided below.

During the year ended 31st March, 2025, three meetings of the CSR Committee were held on 3rd May, 2024, 17th July, 2024 and 27th January, 2025.

Sl. No.	Name of the Director	Member of the Committee since	Designation	Number of Meetings of the Committee	
				Held	Attended
1.	S. Dutta (Chairman of the Committee)	22.07.2022	Chairman & Non-Executive Director	3	3
2.	T.S.M. Shenoy	22.01.2022	Non-Executive Director	3	3
3.	R. K. Singhi	27.03.2018	Non-Executive Director	3	3

IV. ASSET LIABILITY MANAGEMENT ('ALM') COMMITTEE

The role of the ALM Committee is, inter alia, to address concerns relating to asset liability mismatches, if any, and strategise action(s) to mitigate the associated risks. The Committee also reviews the ALM Returns filed with the RBI and adherence to the policies & procedures adopted by the Company for managing liquidity risk.

Composition, Meetings and Attendance

The ALM Committee presently comprises three Non-Executive Directors. The Company Secretary is the Secretary to the Committee.

The names of the members of the ALM Committee, including its Chairman, and the details of meetings held during the year are provided below.

During the year ended 31st March, 2025, two meetings of the ALM Committee were held on 26th April, 2024 and 15th October, 2024.

Sl. No.	Name of the Director	Member of the Committee since	Designation	Number of Meetings of the Committee	
				Held	Attended
1.	J. Singh (Chairman of the Committee)	22.07.2022	Non-Executive Director	2	2
2.	T.S.M. Shenoy	22.01.2022	Non-Executive Director	2	2
3.	S. Suresh Kumar	12.10.2022	Non-Executive Director	2	2

V. RISK MANAGEMENT COMMITTEE

The role of the Risk Management Committee is, inter alia, to manage the integrated risk of the Company, including liquidity risk, capital adequacy and IT & cyber security related risks, and to recommend for the approval of the Board, the Risk Management Policy of the Company. The Committee also reviews the risk management framework of the Company so as to effectively address the existing and emerging challenges in a dynamic business environment.

Composition, Meetings and Attendance

The Risk Management Committee presently comprises the Chairman of the Company and two other Non-Executive Directors. The Company Secretary is the Secretary to the Committee.

The names of the members of the Risk Management Committee, including its Chairman, and the details of meetings held during the year are provided below.

During the year ended 31st March, 2025, two meetings of the Risk Management Committee were held on 26th April, 2024 and 15th October, 2024.

Sl. No.	Name of the Director	Member of the Committee since	Designation	Number of Meetings of the Committee	
				Held	Attended
1.	S. Dutta (Chairman of the Committee)	22.07.2022	Chairman & Non-Executive Director	2	2
2.	P. Balaji	22.10.2020	Non-Executive Director	2	2
3.	T.S.M. Shenoy	22.01.2022	Non-Executive Director	2	2

VI. IT STRATEGY COMMITTEE

The IT Strategy Committee serves as an apex committee across the Company for key matters relating to information management governance, risk management and compliance. The role of the Committee includes reviewing and monitoring implementation of the Information Management Policy and other IT strategies of the Company.

Composition, Meetings and Attendance

The IT Strategy Committee presently comprises three Non-Executive Directors. The Company Secretary is the Secretary to the Committee.

The names of the members of the IT Strategy Committee, including its Chairman, and the details of meetings held during the year are provided below.

During the year ended 31st March, 2025, four meetings of the IT Strategy Committee were held on 26th April, 2024, 16th July, 2024, 15th October, 2024 and 27th January, 2025.

Sl. No.	Name of the Director	Member of the Committee since	Designation	Number of Meetings of the Committee	
				Held	Attended
1.	T.S.M. Shenoy (Chairman of the Committee)	22.01.2022	Non-Executive Director	4	4
2.	J. Singh	01.04.2024	Non-Executive Director	4	4
3.	S. Suresh Kumar	01.04.2024	Non-Executive Director	4	2

PARTICULARS OF PAST THREE GENERAL MEETINGS

Sl. No.	Type of Meeting	Date	Venue	Special Resolution passed
1.	30th Annual General Meeting (FY 2023-24)	28.06.2024	Registered Office	–
2.	29th Annual General Meeting (FY 2022-23)	29.06.2023	Virginia House	–
3.	28th Annual General Meeting (FY 2021-22)	20.06.2022	37 J. L. Nehru Road Kolkata 700 071	–

OTHER DISCLOSURES

- The Company is in compliance with the applicable requirements of the Companies Act, 2013, including requirements prescribed under the Accounting Standards and the Secretarial Standards.
- No penalty / stricture has been imposed on the Company by the RBI or any other Statutory Authority.
- None of the Directors receive any remuneration from the Company.
- There are no inter-se relationships between the Directors of the Company.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RUSSELL CREDIT LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Russell Credit Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Statement of Cash Flows, the Statement of Changes in Equity and Notes to the Financial Statements for the year then ended on that date including a summary of Material Accounting Policies and other explanatory information (herein after referred to as "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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act, of the state of affairs of the Company as at March 31, 2025, its profit (including Other Comprehensive Income), Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the 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 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 audit opinion on the financial statements.

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 Board's Report including Annexures to Board 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 when it becomes available 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.

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.

Responsibility of Management and Those Charged with Governance 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 including other comprehensive income, 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 system with reference to the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows 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 financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (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 is 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 the financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - (g) According to the information and explanations given to us and based on our examination of the records of the Company, no remuneration was paid by the Company to its directors during the year and accordingly the provisions of Section 197(16) of the Act are not applicable;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 financial statements – Refer Note 21(ii) to the 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, 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditors) Rules, 2014, as amended, as provided under (a) and (b) above, contain any material misstatement;
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act, as applicable;
- vi. Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2025 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 softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with:
Further, the Company has complied with the provisions of Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention.

For L. B. Jha & Co.
Chartered Accountants

Firm Registration No. 301088E

Dipankar Chatterji
Partner

Membership No: 010121

UDIN: 25010121BNFXXQ6898

Kolkata, April 26, 2025

ANNEXURE 'A': TO THE INDEPENDENT AUDITOR'S REPORT

To the Members of Russell Credit Limited

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date, to the Members of Russell Credit Limited on the financial statements for the year ended March 31, 2025]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
(B) The Company does not have any intangible assets. Hence, reporting under clause 3(i)(a)(B) of the Order is not applicable.
- (b) The Property, Plant and Equipment of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) The title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements and included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
- (d) The Company has not revalued any of its Property, Plant and Equipment and it does not have any Right of Use assets and intangible assets. Hence, reporting under clause 3(i)(d) of the Order is not applicable.
- (e) No proceedings has 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 and rules made thereunder.
- ii. (a) The Company does not have any inventory at the year-end and hence reporting under this clause is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. (a) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) In our opinion, the investments made and the terms and conditions for the grant of loan are not prima-facie prejudicial to the interests of the Company. The Company has not provided guarantees or given security and has not granted advances in the nature of loans during the year to companies, firms, Limited Liability Partnerships or any other parties and hence not commented upon.
- (c) The Company has not granted any loan during the financial year ended 31st March, 2025. Further, in respect of loan granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated. The receipt of interest has been regular during the financial year ended March 31, 2025. As at the balance sheet date, there are no loans outstanding.
- (d) In respect of loan granted by the Company, loan has been fully repaid and there is no outstanding amount as on balance sheet date.
- (e) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The Central Government of India has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the business activity carried out by the Company. Hence reporting under clause 3(vi) of the Order is not applicable.
- vii. (a) In our opinion, the Company has been regular in depositing with the appropriate authorities undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues, as applicable to it.
No undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited with the appropriate authorities as on March 31, 2025, on account of any dispute, are as follows:

Name of the Statute	Nature of the dues	Forum where Dispute is Pending	Period to which the amount relates (Financial Year)	Amount (₹ in lakhs)
Uttar Pradesh Value Added Tax, erstwhile namely "UP Trade Tax Act, 1948"	Lease Tax	Joint Commissioner (A), Trade Tax, Kanpur	1996-97 to 1999-2000	37.01
Tamil Nadu General Sales Tax Act & Central Sales Tax Act	Sales Tax	Commercial Tax Officer	2004-05	11.55
Tamil Nadu General Sales Tax Act & Central Sales Tax Act	Sales Tax	Commercial Tax Officer	2005-06	14.55
The Central Sales Tax Act	Sales Tax	Directorate of Commercial Taxes	2005-06	10.53

- Out of the total disputed dues aggregating ₹ 73.64 lakhs as above, ₹ 63.11 lakhs has been stayed for recovery by the relevant authorities.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961
- ix. (a) The Company has not taken any loans and it has no other borrowings from any lender. Hence, reporting under clause 3(ix)(a) of the Order is not applicable.
- (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 outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) The Company has not raised any fund on short term basis hence reporting under clause 3 (ix) (d) of the Order is not applicable.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates.
- (f) The Company has not raised any loans during the year and hence reporting under clause 3(ix)(f) of the Order is not applicable.

- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x) (a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) and hence reporting under clause 3 (x) (b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year.
- (b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not received any complaints from any whistle-blower during the year (and up to the date of this report) and hence reporting under clause 3 (xi) (c) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under this clause is not applicable.
- xiii. The Company has complied with the requirements of Sections 177 and 188 of the Companies Act, 2013 with respect to its transactions with the related parties. Pursuant to the requirement of the applicable Accounting Standard, details of the related party transactions have been disclosed in notes of the financial statements for the year under audit.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year, 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 its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is registered, as required, under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company has not conducted any Non-Banking Financial activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Further, the Company has not conducted any Housing Finance activities during the year.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) As represented by the management, there is no CIC within the Group [as defined in the Core Investment Companies (Reserve Bank) Directions, 2016].
- xvii. The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. During the financial year 2024-25, the earlier Statutory Auditors of the Company, Messrs. Maheshwari & Associates, had expressed their inability to conduct audit of the Company's financial statements from financial year 2024-25, since they would be completing their maximum permissible tenure of three years as prescribed under the RBI Guidelines, and therefore had resigned as the Auditors of the Company. There were no issues, objections or concerns raised by the outgoing Auditors.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation 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 duly discharged by the Company as and when they fall due.
- xx. (a) There is no unspent amount towards Corporate Social Responsibility ('CSR') in respect of 'other than ongoing projects', requiring a transfer to a Fund specified in Schedule VII to the Companies Act, 2013 in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- (b) There is no unspent amount towards CSR in respect of 'ongoing project', requiring a transfer to a special account in compliance with the provisions of sub-section (6) of Section 135 of the Companies Act, 2013. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.

For L. B. Jha & Co.
Chartered Accountants
Firm Registration No: 301088E
Dipankar Chatterji
Partner
Membership No: 010121
UDIN: 25010121BNFXXQ6898

Kolkata, April 26, 2025

ANNEXURE B: TO THE INDEPENDENT AUDITOR'S REPORT

To the Members of Russell Credit Limited

[Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our Independent Auditor's Report of even date, to the Members of Russell Credit Limited on the financial statements for the year ended March 31, 2025]

Report on the Internal Financial Controls with reference to 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 refer to the financial statements of Russell Credit Limited ("the Company") as of 31st March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over with reference to the financial statements based on our audit. We conducted our audit in accordance with the "Guidance Note" and the Standard on Auditing, under Section 143(10) of the Act, to the extent applicable. 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 reference to the financial statements over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements includes obtaining an understanding of internal financial control with reference to the financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedure selected depends on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, 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 the financial statements.

Meaning of Internal Financial Control over Financial Reporting

A Company's internal financial control over financial reporting 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 the financial statements includes those policies and procedures that:

- 1) Pertain to the maintenance of the records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) Provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditure of the Company are being made only in accordance with authorization of management and directors of 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 Control with reference to the financial statements

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

Opinion

In our opinion, the Company has, in all material respect, an adequate internal financial controls system with reference to the financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Company considering, the essential components of internal control stated in the Guidance Note defined above, issued by ICAI.

For L. B. Jha & Co.
Chartered Accountants
Firm Registration No: 301088E
Dipankar Chatterji
Partner
Membership No: 010121
UDIN: 25010121BNFXXQ6898

Kolkata, April 26, 2025

BALANCE SHEET AS AT 31ST MARCH, 2025

	Note		As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
ASSETS				
1. Financial Assets				
a) Cash and cash equivalents	3	11.94		103.78
b) Bank Balance other than (a) above	4	15,176.52		5,369.32
c) Receivables	5			
(I) Trade Receivables		–		–
(II) Other Receivables		1,007.41		709.59
d) Loans	6	–		3,750.00
e) Investments	7	80,287.26		1,40,198.62
f) Other financial assets	8	62.51	96,545.64	20.78
				1,50,152.09
2. Non-financial Assets				
a) Property, Plant and Equipment	9	57.06		91.01
b) Other non-financial assets	10	3.28	60.34	2.20
				93.21
TOTAL ASSETS			96,605.98	1,50,245.30
LIABILITIES AND EQUITY				
LIABILITIES				
1. Financial Liabilities				
a) Other financial liabilities	11		272.33	160.84
2. Non-Financial Liabilities				
a) Current tax liabilities (Net)	12	10.39		180.65
b) Provisions	13	75.32		81.60
c) Deferred tax liabilities (Net)	14	1,624.49		4,828.63
d) Other non-financial liabilities	15	11.27	1,721.47	12.80
				5,103.68
EQUITY				
a) Equity Share capital	16	64,647.88		64,647.88
b) Other Equity		29,964.30	94,612.18	80,332.90
				1,44,980.78
TOTAL LIABILITIES AND EQUITY			96,605.98	1,50,245.30

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For L.B. Jha & Co.
Chartered Accountants
Firm Registration Number: 301088E

On behalf of the Board

Dipankar Chatterji
Partner

S. DUTTA
(DIN : 01804345) Chairman

T. S. M. SHENOY
(DIN : 09476476) Director

(Membership No. 010121)
Kolkata, April 26, 2025

V. LUHARUKA Chief Financial Officer

N. BAJAJ Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
Revenue from operations			
(i) Interest Income	17 (A)	3,327.07	2,745.88
(ii) Dividend Income		246.92	324.41
(iii) Rental Income		48.00	65.28
(iv) Fees and commission Income		764.03	819.93
(v) Net gain on fair value changes	17 (B)	1,749.69	1,712.20
I Total Revenue from operations		6,135.71	5,667.70
II Other Income	17 (C)	1,054.94	423.58
III Total Income (I+II)		7,190.65	6,091.28
Expenses			
(i) Employee Benefits Expenses	18	858.27	596.06
(ii) Depreciation and amortization expenses		1.28	1.93
(iii) Other expenses	19	433.35	615.57
IV Total Expenses (IV)		1,292.90	1,213.56
V Profit before tax (III -IV)		5,897.75	4,877.72
VI Tax Expense:			
Current Tax	20	436.33	480.00
Deferred Tax	20	712.52	458.56
VII Profit for the year (V-VI)		4,748.90	3,939.16
VIII Other Comprehensive Income			
A. (i) Items that will not be reclassified to profit or loss:			
- Remeasurements of defined benefit plans	21(iv)	(0.28)	(0.39)
- Equity instruments through other comprehensive income		(57,168.89)	44,245.06
(ii) Income tax relating to items that will not be reclassified to profit or loss	20	3,923.53	(3,923.36)
B. (i) Items that will be reclassified to profit or loss:			
- Debt instruments through other comprehensive income		74.45	9.33
(ii) Income tax relating to items that will be reclassified to profit or loss	20	(6.87)	(2.35)
Other Comprehensive Income [(A)+(B)]		(53,178.06)	40,328.29
IX Total Comprehensive Income for the year (VII+VIII)		(48,429.16)	44,267.45
Earnings per equity share (Face Value ₹ 10.00 each)			
- Basic and Diluted (in ₹)	21 (i)	0.73	0.61

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For L.B. Jha & Co.

Chartered Accountants

Firm Registration Number: 301088E

On behalf of the Board

Dipankar Chatterji
Partner

S. DUTTA
(DIN : 01804345) Chairman

T. S. M. SHENOY
(DIN : 09476476) Director

(Membership No. 010121)

V. LUHARUKA Chief Financial Officer

N. BAJAJ Company Secretary

Kolkata, April 26, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

(₹ in lakhs)

	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	64,647.88	—	64,647.88
For the year ended 31st March, 2024	64,647.88	—	64,647.88

B. Other Equity

(₹ in lakhs)

FY 2024-25	Reserves and Surplus				Items of other comprehensive income		Total
	Special Reserve under Section 45-IC of the RBI Act, 1934	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Debt Instruments through Other Comprehensive Income	
Balance as at 1st April, 2024	17,573.55	287.67	235.95	11,313.25	50,896.51	25.97	80,332.90
Profit for the year	—	—	—	4,748.90	—	—	4,748.90
Other Comprehensive Income for the year (net of tax)	—	—	—	(0.21)	(53,245.43)	67.58	(53,178.06)
Total Comprehensive Income for the year	—	—	—	4,748.69	(53,245.43)	67.58	(48,429.16)
Transfer from Retained earnings to Special Reserve	949.78	—	—	(949.78)	—	—	—
Transfer from Equity Instruments through Other Comprehensive Income reserve on sale of equity shares	—	—	—	(33.12)	33.12	—	—
Final Dividend Paid (2023-24 : ₹ 0.30 per share)	—	—	—	(1,939.44)	—	—	(1,939.44)
Balance as at 31st March, 2025	18,523.33	287.67	235.95	13,139.60	(2,315.80)	93.55	29,964.30

FY 2023-24	Reserves and Surplus				Items of other comprehensive income		Total
	Special Reserve under Section 45-IC of the RBI Act, 1934	Capital Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Debt Instruments through Other Comprehensive Income	
Balance as at 1st April, 2023	16,785.72	287.67	235.95	9,950.22	10,661.69	18.99	37,940.24
Profit for the year	—	—	—	3,939.16	—	—	3,939.16
Other Comprehensive Income for the year (net of tax)	—	—	—	(0.29)	40,321.60	6.98	40,328.29
Total Comprehensive Income for the year	—	—	—	3,938.87	40,321.60	6.98	44,267.45
Transfer from Retained earnings to Special Reserve	787.83	—	—	(787.83)	—	—	—
Transfer from Equity Instruments through Other Comprehensive Income Reserve on sale of equity shares	—	—	—	86.78	(86.78)	—	—
Final Dividend Paid (2022-23 : ₹ 0.29 per share)	—	—	—	(1,874.79)	—	—	(1,874.79)
Balance as at 31st March, 2024	17,573.55	287.67	235.95	11,313.25	50,896.51	25.97	80,332.90

The Board of Directors of the Company have recommended Final Dividend of ₹ 0.36 per share for the financial year ended 31st March, 2025 (Previous year : Final dividend of ₹ 0.30 per share) in proportion to the paid-up value of Equity Shares amounting to ₹ 2,327.32 lakhs. The Final Dividend is subject to the approval of shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

Special Reserve under Section 45-IC of the RBI Act, 1934: This Reserve represents profits transferred before declaration of dividend by the Company as per the requirement of the Reserve Bank of India (RBI). The same can be utilised in accordance with the RBI Act, 1934.

Capital Reserve: This Reserve represents the difference between value of the net assets transferred to the Company in the course of business combinations and the consideration paid for such combinations.

General Reserve: This Reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilized by the Company in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

Debt Instruments through Other Comprehensive Income: This Reserve represents the cumulative gains (net of losses) arising on revaluation of Debt Instruments measured at Fair Value through Other Comprehensive Income, net of amounts reclassified, if any, to profit or loss when those instruments are disposed of.

Equity Instruments through Other Comprehensive Income: This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at fair value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For L.B. Jha & Co.

Chartered Accountants

Firm Registration Number: 301088E

Dipankar Chatterji

Partner

(Membership No. 010121)

Kolkata, April 26, 2025

S. DUTTA Chairman
(DIN : 01804345)

V. LUHARUKA Chief Financial Officer

On behalf of the Board

T. S. M. SHENOY Director
(DIN : 09476476)

N. BAJAJ Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	5,897.75	4,877.72
ADJUSTMENTS FOR :		
Depreciation and amortization expenses	1.28	1.93
Interest on deposits with Banks	(661.96)	(405.63)
Interest on Income Tax refund	–	(17.95)
Gain on disposal of Property, Plant and Equipment	(392.98)	–
Net Gain arising on investments mandatorily measured at fair value through profit and loss	(1,587.45)	(1,424.19)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	3,256.64	3,031.88
ADJUSTMENTS FOR :		
(Increase) / Decrease in Trade and Other Receivables	(297.82)	100.63
(Increase) / Decrease in Investments	4,404.35	1,652.60
(Increase) / Decrease in Other Non-Financial Assets	(1.07)	0.05
(Increase) / Decrease in Loans and Advances	3,750.00	(2,500.00)
Increase / (Decrease) in Other Financial Liabilities and Provisions	103.39	78.10
CASH GENERATED FROM OPERATIONS	11,215.49	2,363.26
Income-tax paid (net of refunds)	(606.58)	(412.56)
NET CASH FROM OPERATING ACTIVITIES	10,608.91	1,950.70
B. Cash Flow from Investing Activities		
Interest on deposits with Banks	620.23	363.88
Investment in bank deposits (original maturity more than 3 months)	(15,176.52)	(363.54)
Redemption / maturity of bank deposits (original maturity more than 3 months)	5,369.32	–
Proceeds from disposal of property, plant and equipment	425.66	–
NET CASH (USED IN) / FROM INVESTING ACTIVITIES	(8,761.31)	0.34
C. Cash Flow from Financing Activities		
Dividend paid	(1,939.44)	(1,874.79)
NET CASH USED IN FINANCING ACTIVITIES	(1,939.44)	(1,874.79)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(91.84)	76.25
OPENING CASH AND CASH EQUIVALENTS	103.78	27.53
CLOSING CASH AND CASH EQUIVALENTS (Note 3)	11.94	103.78

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

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For L.B. Jha & Co.

Chartered Accountants

Firm Registration Number: 301088E

Dipankar Chatterji
Partner

(Membership No. 010121)
Kolkata, April 26, 2025

S. DUTTA
(DIN : 01804345)

V. LUHARUKA
Chief Financial Officer

On behalf of the Board

T. S. M. SHENOY
(DIN : 09476476)

N. BAJAJ
Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

Company Information

Russell Credit Limited (the "Company") [CIN : U65993WB1994PLC061684], a wholly owned subsidiary of ITC Limited, is an investment company and is registered with the Reserve Bank of India (RBI) as a Non-Banking Financial Company with its registered office in Kolkata, West Bengal, India, at Virginia House, 37 Jawaharlal Nehru Road, Kolkata 700 071. Its activities are primarily confined to making long-term investments in strategic thrust areas for ITC, namely FMCG, Paper, Paperboards and Packaging, Agri Business and Information Technology.

1. Material Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2018.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair values, as explained in the accounting policies.

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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for Share-based payment transactions that are within the scope of Ind AS 102 - Share-based Payment, leasing transactions that are within the scope of Ind AS 116 - Leases, and measurements that have some similarities to fair value but are not fair value, such as value in use in Ind AS 36 - Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PP&E recognised as at 1st April, 2017 measured as per the Previous GAAP.

Cost is inclusive of inward freight, import duties & non-refundable taxes and incidental expenses related to acquisition. All upgradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of PP&E is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of PP&E of the Company are as follows:

Buildings	60 Years
Plant and Equipment	8-15 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Investment in Subsidiary, Associates and Joint Ventures

Investment in subsidiary, associates and joint ventures are carried at cost less accumulated impairment, if any.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade Receivables, Loans, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade Receivables, Loans, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Appropriate loss provision is created / maintained in terms of the requirements of applicable accounting standards and prudential norms of RBI, along with additional provisions, if any, required for specific loss in accordance with management estimates.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss.
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Amortised cost portfolio can be sold / redeemed in accordance with the business model for making such investments with the approval of the Chief Financial Officer or the delegated authority as may be determined by the Board in accordance with the Company's policies.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method in case of Financial Assets at Amortised Cost. Interest income in case of Financial Assets at Fair Value through Profit and Loss (FVTPL) are recognised on period basis. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established except in case of dividend from Mutual Funds, which are recognised on cash basis.

Financial Liabilities

Borrowings and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for services rendered, net of allowances to customers, if any. Revenue from sale of services is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of services is in the period in which such services are rendered.

Dividend Distribution

Dividend paid (including income tax thereon) is recognised in the period in which the interim dividend are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Company makes contributions to defined contribution schemes which are mainly administered through duly constituted and approved trusts. Provident Fund contributions are in the nature of defined contribution scheme. Provident Funds are deposited with the Government and recognised as expense. The Company also makes contribution to a Gratuity Fund maintained with approved trust. The employees of the Company are entitled to compensated leave and gratuity for which the Company records the liability based on actuarial valuation.

The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

Employee Share Based Compensation

The cost of stock options and stock appreciation units granted by ITC Limited, the Holding Company, to its eligible employees deputed to the Company is recognised at fair value. Further, the eligible employees of the Holding Company have been granted equity settled stock options under the ITC Hotels Special Purpose Employee Stock Option Scheme ('ITCHL SP ESOP Scheme'), in terms of the 'Scheme of Arrangement between the Holding Company and ITC Hotels Limited, and their respective shareholders and creditors'. These Schemes are in the nature of equity settled / cash settled share based compensation and are assessed, managed / administered by the respective companies.

In case of stock options, the fair value of stock options at the grant date is amortised on a straight line basis over the vesting period and cost recognised as an employee benefits expense in the Statement of Profit and Loss with a corresponding credit in equity, net of reimbursements, if any. In case of stock appreciation units, the fair value of stock appreciation units at the grant date is initially recognised and remeasured at each reporting date, until settled, and cost recognised as an employee benefits expense in the Statement of Profit and Loss with a corresponding increase in other financial liabilities.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude ₹ 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating

leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment or investment property and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

2. Use of estimates and judgement

The preparation of Ind AS financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Ind AS financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could 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 the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i. Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques

and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

ii. Claims, Provisions and Contingent Liabilities:

The Company has ongoing litigations with various third parties / regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2026 (₹ in lakhs)
3. Cash and cash equivalents[®]		
Cash on hand	0.05	0.05
Balances with banks		
Current accounts	11.89	103.73
TOTAL	11.94	103.78

[®] Cash and cash equivalents include cash on hand, cheques on hand, cash at bank and deposits with bank with original maturity of 3 months or less, etc. as applicable. The Company does not have any significant cash and cash equivalents that are not available for use.

4. Bank Balance other than Cash and cash equivalents

Other bank balances		
In Deposit accounts		
With original maturity of more than 3 months and remaining maturity of less than 12 months from the balance sheet date *	15,176.52	5,369.32
TOTAL	15,176.52	5,369.32

* Includes earmarked balances of ₹ 5.78 lakhs

	As at 31st March, 2025 (₹ In lakhs)	As at 31st March, 2024 (₹ in lakhs)

5. Receivables

I. Trade Receivables

Unsecured, considered good				
Credit impaired	9.68		9.68	
Less: Impairment loss allowance	(9.68)	—	(9.68)	—
TOTAL		—		—

II. Other Receivables (Unsecured, considered good)

Income accrued but not due				
Interest Income [#]	964.11		688.59	
Fees and commission income	43.30		21.00	
TOTAL	1,007.41		709.59	

[#] Includes an amount of ₹ 40.69 lakhs (2024: ₹ 40.72 lakhs) on instruments which are measured at fair value through profit or loss.

Trade Receivables ageing schedule

(₹ in lakhs)

2024-25	Not due	Outstanding for following periods from due date / transaction date of payment					Total
		Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	—	—	—	—	—	—	—
Undisputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—	—
Undisputed Trade Receivables – credit impaired	—	—	—	—	—	9.68	9.68
Disputed Trade Receivables – considered good	—	—	—	—	—	—	—
Disputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—	—
Disputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
Sub-Total	—	—	—	—	—	9.68	9.68
Less: Impairment loss allowance	—	—	—	—	—	(9.68)	(9.68)
TOTAL	—	—	—	—	—	—	—

(₹ in lakhs)

2023-24	Not due	Outstanding for following periods from due date / transaction date of payment					Total
		Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	—	—	—	—	—	—	—
Undisputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—	—
Undisputed Trade Receivables – credit impaired	—	—	—	—	—	9.68	9.68
Disputed Trade Receivables – considered good	—	—	—	—	—	—	—
Disputed Trade Receivables – which have significant increase in credit risk	—	—	—	—	—	—	—
Disputed Trade Receivables – credit impaired	—	—	—	—	—	—	—
Sub-Total	—	—	—	—	—	9.68	9.68
Less: Impairment loss allowance	—	—	—	—	—	(9.68)	(9.68)
TOTAL	—	—	—	—	—	—	—

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
	Amortised cost	Amortised cost
6. Loans		
Unsecured		
Current:		
(a) Term Loan to Related Party	—	3,750.00
Total-Gross	—	3,750.00
Less: Impairment loss allowance	—	—
Total-Net	—	3,750.00
(l) Loans in India		
(l) Public Sector	—	—
(ii) Others (Term Loan to related party)	—	3,750.00
Total - Gross	—	3,750.00
Less: Impairment loss allowance	—	—
Total - Net	—	3,750.00

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lakhs)

	As at 31st March, 2025					As at 31st March, 2024				
	Amortised cost	At Fair Value			Others *	Total	Amortised cost	At Fair Value		
		Through Other Comprehensive Income	Through profit or loss	Sub-Total				Through Other Comprehensive Income	Through profit or loss	Sub-Total
	(1)	(2)	(3)	(4)=(2)+(3)	(5)	(6)=(1)+(4)+(5)	(7)	(8)	(9)	(10)=(8)+(9)
7. Investments										
Current Investments										
Mutual funds - Unquoted										
Axis Liquid Fund 46,326 (2024 - 16,596) units of ₹ 100.00 each	-	-	1,335.10	1,335.10	-	1,335.10	-	-	441.91	441.91
Aditya Birla Sun Life Savings Fund 15,43,944 units of ₹ 100.00 each	-	-	8,434.89	8,434.89	-	8,434.89	-	-	7,810.46	7,810.46
ICICI Prudential Savings Fund 2,15,192 units of ₹ 100.00 each	-	-	1,160.59	1,160.59	-	1,160.59	-	-	1,074.36	1,074.36
SBI Savings Fund 31,88,615 units of ₹ 10.00 each	-	-	1,389.61	1,389.61	-	1,389.61	-	-	1,288.79	1,288.79
Kotak Savings Fund 2,50,11,498 units of ₹ 10.00 each	-	-	11,010.99	11,010.99	-	11,010.99	-	-	10,225.78	10,225.78
Certificates of Deposit - Unquoted										
Kotak Mahindra Bank Limited Nil (2024 - 500) Certificate of Deposit, (7 June 2024) of ₹ 5,00,000.00 each, fully paid	-	-	-	-	-	-	-	-	2,465.38	2,465.38
HDFC Bank Limited 1,000 (2024 - Nil) Certificate of Deposit, (18 December 2025) of ₹ 5,00,000.00 each, fully paid	-	-	4,738.54	4,738.54	-	4,738.54	-	-	-	-
Small Industries Development Bank of India Nil (2024 - 1,000) Certificate of Deposit, (27 February 2025) of ₹ 5,00,000.00 each, fully paid	-	-	-	-	-	-	-	-	4,671.94	4,671.94
Bonds / Debentures - Quoted										
A. Taxable										
Small Industries Development Bank of India 250 (2024 - Nil) 7.11% Unsecured Rated Listed Redeemable Non-Convertible Bond Series IV of FY 2022-23 (27 February 2026) of ₹ 10,00,000.00 each, fully paid	2,486.53	-	-	-	-	2,486.53	-	-	-	-
UC Housing Finance Limited 1,250 Zero Coupon Secured Redeemable Non-Convertible Debentures, Tranche 416 (25 April 2025) of ₹ 10,00,000.00 each, fully paid	15,150.23	-	-	-	-	15,150.23	-	-	-	-
HDFC Bank Limited 10,000 7.80% Unsecured Redeemable Non-Convertible Debentures Series US005 (2 June 2025) of ₹ 1,00,000.00 each, fully paid	9,992.83	-	-	-	-	9,992.83	-	-	-	-
Carried over	27,629.59	-	28,069.72	28,069.72	-	55,699.31	-	-	27,978.62	27,978.62

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lakhs)

	As at 31st March, 2025						As at 31st March, 2024					
	Amortised cost	At Fair Value		Others *	Total	Amortised cost	At Fair Value		Others *	Total		
		Through Other Comprehensive Income	Through profit or loss				Through Other Comprehensive Income	Through profit or loss				
(1)	(2)	(3)	(4)=(2)+(3)	(5)	(6)=(1)+(4)+(5)	(7)	(8)	(9)	(10)=(8)+(9)	(11)	(12)=(7)+(10)+(11)	
7. Investments (contd.)												
Brought forward	27,629.59	-	28,069.72	28,069.72	-	55,699.31	-	27,978.62	27,978.62	-	27,978.62	
Bonds / Debentures - Quoted												
B. Tax Free												
National Highways Authority of India 1,04,000 8.50% (For Category I, II & III) Secured Non-Convertible Tranche I Series IIA Bonds (05 February 2029) of ₹ 1,00,00.00 each, fully paid	-	-	1,085.58	1,085.58	-	1,085.58	-	1,095.49	1,095.49	-	1,095.49	
REC Limited 60,000 8.12% For Category I & II Tax Free Secured Redeemable Non-Convertible Bonds Series-2 (27 March 2027) of ₹ 1,00,00.00 each, fully paid	-	-	610.48	610.48	-	610.48	-	615.16	615.16	-	615.16	
Equity Shares												
Others - Quoted												
UltraTech Cement Limited 3 Equity Shares of ₹ 10.00 each, fully paid	-	-	0.35	0.35	-	0.35	-	0.29	0.29	-	0.29	
Others - Unquoted												
SKH Metals Limited 40,000 Equity Shares of ₹ 1.00 each, fully paid	-	-	...	...	-	...	-	...	...	-	...	
Patheja Brothers Forgings and Stampings Limited 50,000 Equity Shares of ₹ 1.00 each, fully paid	-	-	...	...	-	...	-	...	...	-	...	
Jind Textiles Limited 5,00,000 Equity Shares of ₹ 1.00 each, fully paid	-	-	...	...	-	...	-	...	...	-	...	
Taib Capital Corporation Limited 2,45,000 Equity Shares of ₹ 1.00 each, fully paid	-	-	...	...	-	...	-	...	...	-	...	
Non-Current Investments												
Mutual Fund Quoted												
Axis AAA Bond Plus SDL - 2026 Maturity 5,75,00,000 units of ₹ 10.00 each	-	7,197.22	-	7,197.22	-	7,197.22	-	6,682.94	6,682.94	-	6,682.94	
Nippon India ETF Nifty SDL - 2026 Maturity 10,00,000 units of ₹ 10.00 each	-	1,291.15	-	1,291.15	-	1,291.15	-	1,197.51	1,197.51	-	1,197.51	
Mutual Fund Unquoted												
Axis Crisl IBX SDL - 2027 Maturity 1,11,58,207 units of ₹ 10.00 each	-	1,341.57	-	1,341.57	-	1,341.57	-	1,236.22	1,236.22	-	1,236.22	
Aditya Birla Sun Life Crisl IBX 6040 SDL AAA PSU - 2027 Maturity 1,45,78,250 units of ₹ 10.00 each	-	1,744.45	-	1,744.45	-	1,744.45	-	1,613.17	1,613.17	-	1,613.17	
Bonds / Debentures - Quoted												
Taxable												
LIC Housing Finance Limited 1,250 Zero Coupon Secured Redeemable Non-Convertible Debentures, Tranche 416 (25 April 2025) of ₹ 10,00,000.00 each, fully paid	-	-	-	-	-	-	14,339.41	-	-	-	14,339.41	
National Bank for Agriculture and Rural Development 5,000 (2024 - Nil) 7.80% Unsecured Rated Listed Redeemable Non-Convertible Bond Series 24E (15 March 2027) of ₹ 1,00,000.00 each, fully paid	5,016.86	-	-	-	-	5,016.86	-	-	-	-	-	
National Bank for Agriculture and Rural Development 2,000 (2024 - Nil) 7.53% Unsecured Rated Listed Redeemable Non-Convertible Bonds Series 25E (24 March 2028) of ₹ 1,00,000.00 each, fully paid	2,003.13	-	-	-	-	2,003.13	-	-	-	-	-	
REC Limited 2,500 (2024 - Nil) 7.64% Unsecured Rated Listed Redeemable Non-Convertible Bond Series 22S (30 June 2026) of ₹ 1,00,000.00 each, fully paid	2,499.75	-	-	-	-	2,499.75	-	-	-	-	-	
HDFC Bank Limited 10,000 7.80% Unsecured Redeemable Non-Convertible Debentures Series US00S (2 June 2025) of ₹ 1,00,000.00 each, fully paid	-	-	-	-	-	9,988.11	9,988.11	-	-	-	9,988.11	
Carried over	37,149.33	11,574.39	29,766.13	41,340.52	-	78,489.85	24,327.52	10,729.84	29,689.56	40,419.40	-	64,746.92

(₹ in lakhs)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025					As at 31st March, 2024				
	Amortised cost	At Fair Value			Total	Amortised cost	At Fair Value			Total
		Through Other Comprehensive Income	Through profit or loss	Sub-Total			Through Other Comprehensive Income	Through profit or loss	Sub-Total	
	(1)	(2)	(3)	(4)=(2)+(3)	(5)	(6)=(1)+(4)+(5)	(8)	(9)	(10)=(8)+(9)	(11) (12)=(7)+(10)+(11)
7. Investments (contd.)										
Brought forward	37,149.33	11,574.39	29,766.13	41,340.52	-	78,489.85	10,729.84	29,689.56	40,419.40	-
Equity Instruments										
Subsidiary - Unquoted										
Greenacre Holdings Limited Nil (2024 - 4,20,60,160) Equity Shares of ₹ 10.00 each, fully paid	-	-	-	-	-	-	-	-	-	4,210.34
Associates - Unquoted										
Russell Investments Limited 42,75,435 Equity Shares of ₹ 10.00 each, fully paid	-	-	-	-	427.57	-	-	-	-	427.57
Divya Management Limited 41,82,915 Equity Shares of ₹ 10.00 each, fully paid	-	-	-	-	693.08	-	-	-	-	693.08
Antrang Finance Limited 43,24,634 Equity Shares of ₹ 10.00 each, fully paid	-	-	-	-	439.56	-	-	-	-	439.56
Others - Quoted										
HUV Limited Nil (2024 - 37,44,829) Equity Shares of ₹ 2.00 each, fully paid	-	-	-	-	-	-	975.53	-	975.53	-
EH Limited Nil (2024 - 1,52,32,129) Equity Shares of ₹ 2.00 each, fully paid	-	-	-	-	-	-	68,468.42	-	68,468.42	-
Others - Unquoted										
Lotus Court Limited 2 Class G Shares of ₹ 48,000.00 each, fully paid	-	234.00	-	234.00	-	-	234.00	-	234.00	-
Adyar Property Holding Company Private Limited 311 Equity Shares of ₹ 100.00 each, ₹ 65.00 per share paid-up	-	3.20	-	3.20	-	-	3.20	-	3.20	-
Total - Gross (A)	37,149.33	11,811.59	29,766.13	41,577.72	1,560.21	243,27.52	80,410.99	29,689.56	1,10,100.55	5,770.55
(i) Investments outside India	-	-	-	-	-	-	-	-	-	-
(ii) Investments in India	37,149.33	11,811.59	29,766.13	41,577.72	1,560.21	24,327.52	80,410.99	29,689.56	1,10,100.55	5,770.55
Total - Gross (B)	37,149.33	11,811.59	29,766.13	41,577.72	1,560.21	80,287.26	80,287.26	29,689.56	1,10,100.55	5,770.55
(i) Quoted investments	37,149.33	8,488.37	1,696.41	10,184.78	-	47,334.11	77,324.40	1,710.94	79,035.34	-
(ii) Unquoted investments	-	3,323.22	28,069.72	31,392.94	1,560.21	32,953.15	3,086.59	27,978.62	31,065.21	5,770.55
Total - Gross (C)	37,149.33	11,811.59	29,766.13	41,577.72	1,560.21	80,287.26	80,410.99	29,689.56	1,10,100.55	5,770.55
Less: Allowance for impairment loss (D)	-	-	-	-	-	-	-	-	-	-
Total - Net [E = (A) - (D)]	37,149.33	11,811.59	29,766.13	41,577.72	1,560.21	80,287.26	80,410.99	29,689.56	1,10,100.55	5,770.55

* Investment in subsidiary, associates and joint ventures are carried at cost less accumulated impairment, if any.

8. Other financial assets

Current		As at
Interest accrued on bank deposits	62.51	As at 31st March, 2024
TOTAL	62.51	(₹ in lakhs)

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

9 . Property, Plant and Equipment

Particulars	Gross Block					Depreciation					Net Book Value				
	As at 31st March, 2023	Additions	Withdrawals and adjustments	As at 31st March, 2024	Withdrawals and adjustments	As at 31st March, 2025	Upto 31st March, 2023	For the year	On Withdrawals and adjustments	Upto 31st March, 2024	For the year	On Withdrawals and adjustments	Upto 31st March, 2025	As at 31st March, 2024	As at 31st March, 2025
Building – Freehold	101.47	–	–	101.47	–	62.22	8.57	1.89	–	10.46	1.28	6.58	5.16	91.01	57.06
Plant and Equipment	0.16	–	0.16	–	–	–	0.11	0.04	0.15	–	–	–	–	–	–
TOTAL	101.63	–	0.16	101.47	–	62.22	8.68	1.93	0.15	10.46	1.28	6.58	5.16	91.01	57.06

(₹ in lakhs)

The above includes following assets given on operating leases, which are not non-cancellable :

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	Gross Block	Accumulated Depreciation	Net Block	Depreciation charge for the year	Gross Block	Accumulated Depreciation	Net Block	Depreciation charge for the year
Building – Freehold *	–	–	–	–	39.25	6.28	32.97	0.90
TOTAL	–	–	–	–	39.25	6.28	32.97	0.90

(₹ in lakhs)

* Note: The lease rental from these leased assets of Nil (2024: ₹ 17.28 lakhs) is included in "Rental Income" under "Revenue from operations" in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
10. Other non-financial assets		
Unsecured, considered good		
Current		
Others (security deposits, prepaid expenses, etc.)	1.69	0.61
Non-Current		
Deposits with statutory authorities	1.59	1.59
TOTAL	3.28	2.20
11. Other financial liabilities		
Current		
Other payables to Related Party [Refer Note 21 (vii (b))]	12.42	33.07
Other payables - Liabilities for expenses	200.19	64.46
Non-Current		
Other payables to Related Party [Refer Note 21 (vii (b))]	12.00	12.88
Other payables - Liabilities for expenses	47.72	50.43
TOTAL	272.33	160.84
12. Current tax liabilities (Net)		
Current tax provision (net of advance tax)	10.39	180.65
TOTAL	10.39	180.65
13. Provisions		
Current		
Provision for employee benefits [Refer Note 21 (iv)]		
Other benefits	0.09	0.08
Retirement benefits	1.13	8.21
Others		
Provision for litigation/disputes [Refer Note 21 (viii)]	40.45	40.45
Non-Current		
Provision for employee benefits [Refer Note 21 (iv)]		
Other benefits	4.60	3.81
Contingent provision against standard assets	29.05	29.05
TOTAL	75.32	81.60
14. Deferred tax liabilities (Net)		
Deferred tax liabilities	1,707.45	4,928.21
Less: Deferred tax assets	82.96	99.58
TOTAL	1,624.49	4,828.63

Movement in Deferred tax liabilities / (assets) balances:

(₹ in lakhs)

2024-25	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities / (assets) in relation to:				
On fiscal allowances on property, plant and equipment, etc.	6.34	(0.91)	–	5.43
On employees separation and retirement, etc.	2.94	(1.65)	0.07	1.36
Other timing differences	90.30	(14.13)	–	76.17
Total deferred tax assets	99.58	(16.69)	0.07	82.96
On Investments - MTM	597.12	475.98	–	1,073.10
On Investments - Amortisation	212.68	190.13	–	402.81
On Debt Instruments- FVTOCI	194.95	29.72	6.87	231.54
On Equity Instruments- FVTOCI	3,923.46	–	(3,923.46)	–
Total deferred tax liabilities	4,928.21	695.83	(3,916.59)	1,707.45
Deferred tax liabilities / (assets) (Net)	4,828.63	712.52	(3,916.66)	1,624.49

(₹ in lakhs)

2023-24	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities / (assets) in relation to:				
On fiscal allowances on property, plant and equipment, etc.	73.86	(67.52)	–	6.34
On employees separation and retirement, etc.	3.46	(0.62)	0.10	2.94
Other timing differences	55.49	34.81	–	90.30
Total deferred tax assets	132.81	(33.33)	0.10	99.58
On Investments - MTM	475.23	121.89	–	597.12
On Investments - Amortisation	88.76	123.92	–	212.68
On Debt Instruments- FVTOCI	13.18	179.42	2.35	194.95
On Equity Instruments- FVTOCI	–	–	3,923.46	3,923.46
Total deferred tax liabilities	577.17	425.23	3,925.81	4,928.21
Deferred tax liabilities / (assets) (Net)	444.36	458.56	3,925.71	4,828.63

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)
15. Other non-financial liabilities				
Current				
Statutory liabilities		11.27		12.80
TOTAL		11.27		12.80
	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 (₹ in lakhs)
16. Equity Share capital				
Authorised				
Equity Shares of ₹ 10.00 each	70,00,00,000	70,000.00	70,00,00,000	70,000.00
Issued and Subscribed				
Equity Shares of ₹ 10.00 each, fully paid	59,74,54,177	59,745.42	59,74,54,177	59,745.42
Equity Shares of ₹ 10.00 each, ₹ 6.50 per share paid up	7,54,22,400	4,902.46	7,54,22,400	4,902.46
TOTAL		64,647.88		64,647.88
A) Reconciliation of number of Equity Shares outstanding				
As at the beginning and at the end of the year (fully paid up)	59,74,54,177	59,745.42	59,74,54,177	59,745.42
As at the beginning and at the end of the year (partly paid up)	7,54,22,400	4,902.46	7,54,22,400	4,902.46
TOTAL		64,647.88		64,647.88
B) Shareholders holding more than 5% of the Equity Shares in the Company				
	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 %	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 %
Issued, Subscribed and Fully Paid-up				
ITC Limited - Holding Company	59,74,54,177	100.00	59,74,54,177	100.00
Issued, Subscribed but not Fully Paid-up				
ITC Limited - Holding Company	7,54,22,400	100.00	7,54,22,400	100.00
C) Rights, preferences and restrictions attached to the equity shares				
In respect of the Equity Shares of the Company having par value of ₹10.00 per share, the voting rights and entitlement to dividend are in the same proportion as the capital paid-up on such Equity Shares.				
D) Shares reserved for issue under options and contracts/commitments for the sale of shares or disinvestment, including the terms and amounts				
Nil				
E) Details of equity shares for the period of immediately preceding five years from 31st March, 2025				
	As at 31st March, 2025 (Aggregate no. of Shares)		As at 31st March, 2024 (Aggregate no. of Shares)	
Allotted as fully paid up pursuant to contract without payment being received in cash		Nil		Nil
Allotted as fully paid up by way of bonus shares		Nil		Nil
Bought back		Nil		Nil
F) Company's objectives, policies and processes for managing capital				
The Company funds its operations mainly through internal accruals and does not have borrowings. The Company aims at maintaining a strong capital base so as to ensure adequate supply of funds towards future growth of its businesses as a going concern.				
G) Shares held by promoter				

	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares	% of Total Shares	% change during the year	No. of shares	% of Total Shares	% change during the year
Equity shares of ₹ 10.00 each, fully paid	ITC Limited	59,74,54,177	100.00	–	59,74,54,177	100.00	–
Equity shares of ₹ 10.00 each, ₹ 6.50 per share paid up	ITC Limited	7,54,22,400	100.00	–	7,54,22,400	100.00	–

For the year ended 31st March, 2025
(₹ in lakhs)

For the year ended 31st March, 2024
(₹ in lakhs)

	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through other comprehensive income	Interest Income on Financial Assets classified at fair value through profit or loss	On Financial Assets measured at Amortised Cost	On Financial Assets measured at fair value through other compre- hensive income	Interest Income on Financial Assets classified at fair value through profit or loss
17(A). Interest Income						
Interest on Loans	250.68	–	–	214.03	–	–
Interest income from investments	1,802.70	770.11	503.58	1,611.60	712.89	207.36
TOTAL	2,053.38	770.11	503.58	1,825.63	712.89	207.36

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended
31st March, 2025
(₹ in lakhs)

For the year ended
31st March, 2024
(₹ in lakhs)

17(B). Net gain / (loss) on fair value changes

On Financial Instruments measured at fair value through profit or loss	1,749.69	1,712.20
Total Net gain / (loss) on fair value changes	1,749.69	1,712.20
Fair Value changes:		
- Realised (on sale of investments)	162.24	288.01
- Unrealised	1,587.45	1,424.19
Total Net gain / (loss) on fair value changes	1,749.69	1,712.20

17(C). Other Income

Interest on deposits with Banks	661.96	405.63
Interest Income		
- Others (from statutory authorities)	-	17.95
Gain on disposal of property, plant and equipment	392.98	-
TOTAL	1,054.94	423.58

18. Employee Benefits Expenses

Salaries and wages	51.29	53.91
Contribution to provident and other funds	2.48	3.54
Staff welfare expenses	5.49	5.62
Remuneration of managers' salary on deputation*	799.01	532.99
TOTAL	858.27	596.06

* Includes reimbursement on account of share based payments as under :

ITC - Employee Stock Option Schemes (ITC ESOS) : ₹ 37.96 lakhs (2024 : ₹ 24.83 lakhs)

ITC Hotels Limited - Special Purpose Employee Stock Option Scheme (ITCHL SP ESOP Scheme) : ₹ 0.60 lakh (2024 : ₹ Nil)

ITC - Employee Stock Appreciation Linked Reward Plan (ITC ESAR Plan) ₹ 2.87 lakhs (2024 : ₹ 8.20 lakhs) [Refer Note 21 (ix)]

19. Other expenses

Rent, taxes and energy costs	28.94	18.19
Communication costs	0.22	0.24
Printing and stationery	0.36	1.64
Auditor's fees and expenses *	6.93	6.81
Legal and Professional charges	18.29	6.68
Insurance	0.52	0.76
Bank, custodial and depository charges	0.19	0.15
Travelling and conveyance	3.24	2.65
Expenditure on Corporate Social Responsibility (CSR) activities [Refer Note 21 (xiii)]	72.00	76.00
Contributions under Section 181 of the Companies Act, 2013	-	200.00
Contributions under Section 182 of the Companies Act, 2013 [Refer Note 21 (xv)]	300.00	300.00
Other expenditure	2.66	2.45
TOTAL	433.35	615.57

*Auditor's fees and expenses (excluding taxes):

Audit fees	3.00	3.00
Tax audit fees [@]	1.00	1.00
Fees for other services [#]	2.80	2.80
Reimbursement of expenses	0.13	0.01

@ paid to erstwhile Auditors

Includes remuneration of ₹ 0.80 lakh (2024 : ₹ 2.80 lakhs) paid to erstwhile Auditors.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

For the year ended
31st March, 2025
(₹ in lakhs)For the year ended
31st March, 2024
(₹ in lakhs)

20. Income Tax Expenses

A. Amount recognised in profit and loss

Current tax

Income tax for the year	610.00	480.00
Adjustments / (credits) related to previous years - Net	(173.67)	–

Total current tax

	436.33	480.00

Deferred tax

Deferred tax for the year	712.52	458.56

Total deferred tax

	712.52	458.56

TOTAL

	1,148.85	938.56

B. Amount recognised in other comprehensive income

The tax (charge)/credit arising on income and expenses recognised in other comprehensive income is as follows:

Deferred tax

On items that will not be reclassified to profit or loss

Remeasurement of defined benefit plans	0.07	0.10

Equity instruments through other comprehensive income	3,923.46	(3,923.46)

On items that will be reclassified to profit or loss

Debt instruments through other comprehensive income	(6.87)	(2.35)

TOTAL

	3,916.66	(3,925.71)

C. Reconciliation of effective tax rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax	5,897.75	4,877.72
Income tax expense calculated @ 25.168%	1,484.35	1,227.63
Effect of tax relating to uncertain tax positions	15.13	13.01
Effect of income taxable at different tax rate	(176.93)	(334.56)
Effect of income not taxable	(34.52)	(34.54)
Other differences	34.49	67.02
Total	1,322.52	938.56
Adjustments recognised in the current year in relation to the current tax of prior years	(173.67)	–
Income tax recognised in profit or loss	1,148.85	938.56

The tax rate used for the above reconciliations is the corporate tax rate of 25.168% (22% + surcharge @ 10% and cess @ 4%) payable on taxable profits under the Income-tax Act, 1961.

21. Additional Notes to the Financial Statements

(i) Earnings per share :

	2025	2024
Earnings per share has been computed as under:		
(a) Profit for the year (₹ in lakhs)	4,748.90	3,939.16
(b) Weighted average number of equity shares outstanding for the purpose of basic earnings per share	64,64,78,737	64,64,78,737
(c) Earnings per share on profit for the year (Face Value ₹ 10.00 per share) (in ₹) - Basic and Diluted [(a)/(b)]	0.73	0.61

(ii) Contingent liabilities and commitments :

(a) Claims against the Company not acknowledged as debts ₹ 68.96 lakhs (2024: ₹ 1,070.50 lakhs). This comprises the following:

- Sales tax claims disputed by the Company relating to issues of applicability ₹ 36.63 lakhs (2024: ₹ 36.63 lakhs).
- Lease tax on account of non-accrual of lease rental ₹ 32.33 lakhs (2024: ₹ 32.33 lakhs).
- Income tax claims disputed by the Company relating to nature of income Nil (2024: ₹ 1,001.54 lakhs)

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

(b) Commitments

- Uncalled liability on partly paid-up shares ₹ 0.11 lakh (2024 : ₹ 0.11 lakh).

(iii) Leases:

As a Lessee

The Company's leasing arrangements are in respect of operating leases for buildings (office premises). The arrangement is for a period upto 5 years with either party having option to cancel the lease. The lease is recognised as short-term lease. The total cash outflow for such leases for the year is ₹ 19.87 lakhs (2024: ₹ 11.00 lakhs).

As a Lessor

The Company has leased out certain buildings under operating lease for lease terms ranging from 1 year to 5 years. Lease payments are structured with periodic escalations consistent with the prevailing market conditions. There are no variable lease payments. Rental income recognised from the leases during the year is ₹ 48.00 lakhs (2024: ₹ 65.28 lakhs). The Company does not have any risk relating to recovery of residual value of these assets at the end of leases considering the business requirements and other alternatives.

The undiscounted minimum lease payments to be received over the remaining non-cancellable term on an annual basis are as follows:

(₹ in lakhs)

Term	2025	2024
Within 1 year	8.80	8.00
Between 1-5 years	–	–
Later than 5 years	–	–

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(iv) Defined Benefit Plans / Long Term Compensated Absences:

Description of Plans

The Company makes contributions to both Defined Benefit and Defined Contribution Plans for qualifying employees, one of which is a constituted and approved trust, which operates in accordance with the Trust Deed, Rules and applicable Statutes. The Trust is governed by Trustees, who provide strategic guidance for management of investments and liabilities of such Trust and periodically review the performance of the Trust.

Provident Fund and Gratuity Benefits are funded and Leave Encashment Benefits are unfunded in nature.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes a monthly contribution as a percentage of eligible salary to significant Employee Benefit Contribution Plans.

Risk Management

The Defined Benefit Plan expose the Company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

Investment Risk: This may arise from volatility in asset values due to

market fluctuations and impairment of assets due to credit losses. The Plan primarily invest in debt instruments such as Government securities and highly rated corporate bonds – the valuation of which is inversely proportional to the interest rate movements.

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

The Plan have a relatively balanced mix of investments in order to manage the above risks. The investment strategy is designed based on the interest rate scenario, liquidity needs of the Plans and pattern of investment as prescribed under various statutes.

The Trustees monitor funding and investments positions and have mandated a diversified investment strategy in line with the statutory requirements. The investment strategy with respect to asset mix ensures that investment volatility risk is appropriately managed. Robust risk mitigation systems ensure that investments do not pose significant risk of impairment

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
I	Components of Employer Expense				
	– Recognised in Profit or Loss				
1	Current Service Cost	0.52	0.46	0.64	0.34
2	Past Service Cost	–	–	–	–
3	Net Interest Cost	0.06	0.28	0.55	0.47
4	Total expense recognised in the Statement of Profit and Loss	0.58	0.74	1.19	0.81
	– Remeasurements recognised in Other Comprehensive Income (OCI)				
5	Return on plan assets (excluding amounts included in Net interest cost)	–	–	–	–
6	Effect of changes in demographic assumptions	–	–	–	–
7	Effect of changes in financial assumptions	0.17	0.12	0.30	0.19
8	Changes in asset ceiling (excluding interest income)	–	–	–	–
9	Effect of experience adjustments	0.05	(0.06)	(0.06)	(0.04)
10	Total remeasurements included in Other Comprehensive Income	0.22	0.06	0.24	0.15
11	Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)	0.80	0.80	1.43	0.96
The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in “Contribution to provident and other funds” and Leave Encashment in “Salaries and wages” under Note 18. The remeasurements of the net defined benefit liability are included in Other Comprehensive Income.					

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
II	Actual Returns	0.40	–	0.33	–
III	Net Asset/(Liability) recognised in Balance Sheet				
1	Present Value of Defined Benefit Obligation	7.80	4.69	13.44	3.89
2	Fair Value of Plan Assets	6.67	–	5.23	–
3	Status [Surplus/(Deficit)]	(1.13)	(4.69)	(8.21)	(3.89)
4	Restrictions on Asset Recognised	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

5	Net Asset/(Liability) recognised in Balance Sheet	As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
		Current	Non-current	Current	Non-current
	- Gratuity	(1.13)	–	(8.21)	–
	- Leave Encashment	(0.09)	(4.60)	(0.08)	(3.81)

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
IV	Change in Defined Benefit Obligation (DBO)				
1	Present Value of DBO at the beginning of the year	13.44	3.89	11.69	6.33
2	Current Service Cost	0.52	0.46	0.64	0.34
3	Past Service Cost	–	–	–	–
4	Interest Cost	0.46	0.28	0.87	0.47
5	Remeasurement gains / (losses):				
	a. Effect of changes in demographic assumptions	–	–	–	–
	b. Effect of changes in financial assumptions	0.17	0.12	0.30	0.19
	c. Changes in asset ceiling (excluding interest income)	–	–	–	–
	d. Effect of experience adjustments	0.05	(0.06)	(0.06)	(0.04)
6	Curtailment Cost / (Credit)	–	–	–	–
7	Settlement Cost / (Credit)	–	–	–	–
8	Liabilities assumed in business combination	–	–	–	–
9	Exchange difference on foreign plans	–	–	–	–
10	Benefits Paid	(6.84)	–	–	(3.40)
11	Present Value of DBO at the end of the year	7.80	4.69	13.44	3.89

V	Best Estimate of Employers' Expected Contribution for the next year	As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
	- Gratuity		0.94		0.85
	- Leave Encashment		–		–

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
VI	Change in Fair Value of Assets				
1	Plan Assets at the beginning of the year	5.23	–	3.85	–
2	Asset acquired in Business Combination	–	–	–	–
3	Interest Income	0.40	–	0.32	–
4	Remeasurement Gains/(Losses) on plan assets	–	–	–	–
5	Actual Company Contributions	7.88	–	1.06	–
6	Benefits Paid	(6.84)	–	–	–
7	Plan Assets at the end of the year	6.67	–	5.23	–

VII Actuarial Assumptions			As at 31st March, 2025	As at 31st March, 2024
			Discount Rate (%)	Discount Rate (%)
1	Gratuity		6.75	7.00
2	Leave Encashment		6.75	7.00
The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.				

VIII Major Category of Plan Assets as a % of the Total Plan Assets		As at 31st March, 2025		As at 31st March, 2024	
1	Government Securities/Special Deposit with RBI	6.02%		5.36%	
2	High Quality Corporate Bonds	4.38%		3.97%	
3	Insurer Managed Funds*	78.89%		80.47%	
4	Mutual Funds	4.31%		4.21%	
5	Cash and Cash Equivalents	6.40%		5.99%	
6	Term Deposits	–		–	
7	Equity	–		–	

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- * In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.
- The employee benefit plan do not hold any securities issued by the Company.

IX Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
X	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)				
1	Present Value of Defined Benefit Obligation	7.80	4.69	13.44	3.89
2	Fair Value of Plan Assets	6.67	–	5.23	–
3	Status [Surplus / (Deficit)]	(1.13)	(4.69)	(8.21)	(3.89)
4	Experience Adjustment of Plan Assets [Gain / (Loss)]	–	–	–	–
5	Experience Adjustment of obligation [(Gain) / Loss]	0.05	(0.06)	(0.06)	(0.04)

XI Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation (DBO) presented above. There was no change in the methods and assumptions used in the preparation of sensitivity analysis from previous year.

(₹ in lakhs)

		DBO as at 31st March, 2025		DBO as at 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
1	Discount Rate + 100 basis points	7.14	4.25	12.87	3.54
2	Discount Rate - 100 basis points	8.56	5.21	14.03	4.28
3	Salary Increase Rate + 1%	8.57	5.21	14.10	4.33
4	Salary Increase Rate – 1%	7.13	4.24	12.85	3.53

Maturity Analysis of the Benefit Payments

(₹ in lakhs)

		DBO as at 31st March, 2025		DBO as at 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
1	Year 1	0.13	0.09	6.95	0.08
2	Year 2	0.16	0.10	0.13	0.09
3	Year 3	0.18	0.11	0.16	0.10
4	Year 4	0.21	0.12	0.18	0.11
5	Year 5	5.30	2.33	0.21	0.12
6	Next 5 Years	6.07	3.08	5.88	2.85

Amount towards Defined Contribution Plans have been recognised under 'Contribution to provident and other funds' in Note 18: ₹ 1.91 lakhs (2024: ₹ 2.35 lakhs)

(v) Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006):

There are no Micro Enterprises and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2025. This information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(vi) Segment Reporting:

The Company is primarily engaged in the business of financial services in India. Consequently, there are no separate reportable segments as per 'Ind AS 108'. The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

The entity-wide disclosure is as under:

(₹ in lakhs)

	2025	2024
Non-current assets (in India)	58.65	92.60

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(vii) Related Party Disclosures

(a) RELATIONSHIP:

(i) Holding Company:

- ITC Limited

(ii) Subsidiary Company:

- Greenacre Holdings Limited (till 28.11.2024)

(iii) Fellow Subsidiary Company with whom the Company had transactions:

- ITC IndiVision Limited
- ITC Infotech India Limited

(iv) Associate Company (including associate of the Holding Company) with whom the Company had transactions:

- Russell Investments Limited
- International Travel House Limited (associate of the Holding Company till 31.12.2024)

(v) Key Management Personnel (KMP):

- Mr. S. Dutta Chairman & Non-Executive Director
- Ms. P. Balaji Non-Executive Director
- Mr. T.S.M. Shenoy Non-Executive Director
- Mr. J. Singh Non-Executive Director
- Mr. R. K. Singhi Non-Executive Director
- Mr. S. Suresh Kumar Non-Executive Director
- Mr. A. Marodia Manager
- Mr. V. Luharuka Chief Financial Officer
- Ms. N. Bajaj Company Secretary

(b) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES DURING THE YEAR AND THE STATUS OF OUTSTANDING BALANCES AS AT THE YEAR END

(₹ in lakhs)

RELATED PARTY TRANSACTION SUMMARY		Holding Company		Subsidiary Company		Fellow Subsidiaries		Associate Company (including associate of the Holding Company)		Total	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
1.	Rent Received	48.00	65.28	–	–	–	–	–	–	48.00	65.28
2.	Purchase of Services - International Travel House Limited	–	–	–	–	–	–	2.31	2.62	2.31	2.62
3.	Rent Paid	24.14	12.99	–	–	–	–	–	–	24.14	12.99
4.	Expenses Reimbursed	4.75	5.44	–	–	–	–	–	–	4.75	5.44
5.	Loans Disbursed - ITC IndiVision Limited	–	–	–	–	–	2,500.00	–	–	–	2,500.00
6.	Receipt towards Loan Repayment - ITC IndiVision Limited	–	–	–	–	3,750.00	–	–	–	3,750.00	–
7.	Interest Income - ITC IndiVision Limited	–	–	–	–	250.68	214.03	–	–	250.68	214.03
8.	Dividend Paid	1,939.44	1,874.79	–	–	–	–	–	–	1,939.44	1,874.79
9.	Sale of Investments at Cost - Maharaja Heritage Resorts Limited - International Travel House Limited - Greenacre Holdings Limited - EIH Limited - HLV Limited	– – 4,210.34 11,121.79 1,093.29	90.00 2,121.58 – – –	– – – – –	– – – – –	– – – – –	– – – – –	– – – – –	– – – – –	– – 4,210.34 11,121.79 1,093.29	90.00 2,121.58 – – –
10.	Remuneration of managers on deputation reimbursed - Mr. V. Luharuka - Mr. A. Marodia - Ms. N. Bajaj - Mr. J. Banerjee - Mr. A.Das (w.e.f. 01.04.2024) - Mr. J. Palana (w.e.f. 01.04.2024 upto 13.09.2024) - Mr. I. Chatterjee (w.e.f. 01.10.2024)	138.17 156.14 162.43 126.46 – – –	26.39 134.68 145.09 120.40 – – –	– – – – – – –	– – – – – – –	– – – – 30.13 19.24 30.07	– – – – – – –	– – – – – – –	– – – – – – –	138.17 156.14 162.43 126.46 30.13 19.24 30.07	26.39 134.68 145.09 120.40 – – –
11.	Dividend Income - Russell Investments Limited - International Travel House Limited	– –	– –	– –	– –	– –	– –	64.14 –	29.93 126.93	64.14 –	29.93 126.93
12.	Outstanding Balances										
i)	Security Deposit - ITC Limited	12.00	36.00	–	–	–	–	–	–	12.00	36.00
ii)	Loans given - ITC IndiVision Limited	–	–	–	–	–	3,750.00	–	–	–	3,750.00
iii)	Payables - ITC Limited - International Travel House Limited	12.42 –	9.68 –	– –	– –	– –	– –	– –	– 0.28	12.42 –	9.68 0.28

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(viii) Provision for litigation/disputes:

(₹ in lakhs)

	2025	2024
Balance as at the beginning of the year	40.45	40.45
Add: Additions during the year	–	–
(Less): Payments/provision reversal during the year	–	–
Balance as at the end of the year	40.45	40.45
Classified as Provisions (Current) (Refer Note 13)	40.45	40.45

- (ix) The Chief Financial Officer, Manager, Company Secretary and Internal Auditor of the Company who are on deputation from ITC Limited (ITC), have been granted Stock Options by ITC under the ITC Employee Stock Option Schemes (ITC ESOS) & by ITC Hotels Limited (an associate company of ITC) (ITCHL) under the ITCHL Special Purpose Employee Stock Option Scheme (ITCHL SP ESOP Scheme). ITC has also granted Employee Stock Appreciation Linked Reward Units (ESAR Units) in the previous year(s) to the eligible managers deputed to the Company under the ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR Plan).

The cost of equity settled options granted under the ITC ESOS & ITCHL SP ESOP Scheme / cash settled units granted under ITC ESAR Plan have been recognised as equity settled / cash settled share based payments, respectively, in accordance with Ind AS 102 – Share Based Payment. In terms of the deputation arrangement, the Company has accounted for the cost of the fair value of Stock Options / ESAR Units granted to the deputed employees on-charge by ITC. Accordingly, an amount of ₹ 38.56 lakhs (2024: ₹ 24.83 lakhs) towards Stock Options and ₹ 2.87 lakhs (2024: ₹ 8.20 lakhs) towards ESAR Units have been recognised as employee benefits expense (Refer Note 18). The net liability of ₹ 1.25 lakhs (2024: ₹ 9.68 lakhs) on account of ESAR Units is included under Note 11 of the financial statements.

The summary of movement of the aforesaid Stock Options granted by the respective companies and status of the outstanding Options is as under:

Particulars	As at 31st March, 2025		As at 31st March, 2024
	No. of Options (ITC ESOS)	No. of Options (ITCHL SP ESOP Scheme)	No. of Options (ITC ESOS)
Outstanding at the beginning of the year	21,753	–	23,455
Add: Granted during the year	4,650	1,886	2,800
Add / (Less): Movement due to transfer of employees within the group	–	–	5,126
(Less): Lapsed during the year	–	–	–
(Less): Exercised during the year	(7,547)	–	(9,628)
Outstanding at the end of the year	18,856	1,886	21,753
Options exercisable at the end of the year	10,056	1,006	14,488

Note: The weighted average exercise price of the Stock Options granted to all Optionees under the ITC ESOS & ITCHL SP ESOP Scheme is computed by the respective Companies as a whole.

Since the above-mentioned Stock Options and ESAR Units are not tradeable, no perquisite or benefit is conferred upon the employee by grant of such Options / Units.

- (x) Figures for the previous year have been re-arranged, wherever necessary, to conform to the figures of the current year. The same does not have any material impact on the financial statements.
- (xi) Disclosures for comparison between provisions required under prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) and impairment allowances made under Ind AS 109:

(₹ in lakhs)

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowance (Provision) as required under Ind AS 109	Net Carrying Amount	Provision required as per IRACP norms	Difference between Ind AS 109 provision and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	43.30	29.05*	14.25	0.17	28.88
	Stage 2	–	–	–	–	–
Subtotal		43.30	29.05*	14.25	0.17	28.88
Non-Performing Assets (NPA)						
Substandard	Stage 3	–	–	–	–	–
Doubtful - up to 1 year	Stage 3	–	–	–	–	–
1 to 3 years	Stage 3	–	–	–	–	–
More than 3 years	Stage 3	–	–	–	–	–
Subtotal for doubtful		–	–	–	–	–
Loss	Stage 3	–	–	–	–	–
Subtotal for NPA		–	–	–	–	–
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current IRACP norms	Stage 1	–	–	–	–	–
	Stage 2	–	–	–	–	–
	Stage 3	–	–	–	–	–
Subtotal		–	–	–	–	–
Total	Stage 1	43.30	29.05*	14.25	0.17	28.88
	Stage 2	–	–	–	–	–
	Stage 3	–	–	–	–	–
	Total	43.30	29.05*	14.25	0.17	28.88

* The Company creates / maintains appropriate loss provision in terms of the requirements of applicable Indian Accounting Standards and Prudential Norms of Reserve Bank of India, whichever is higher. Also, refer to Note 13 relating to 'Contingent provision against standard assets'.

Note: : Details of accounts that are past due beyond 90 days but not treated as impaired:

- a) Number of such accounts: Nil
- b) Total amount outstanding: Nil

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

c) Overdue amounts: Nil

(xii) Disclosures under Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 prescribed for NBFCs :

a) Capital

Particulars	2025	2024
i) CRAR (%)	109.62	103.93
ii) CRAR - Tier I Capital (%)	109.58	103.90
iii) CRAR - Tier II Capital (%)	0.04	0.03
iv) Amount of subordinated debt raised as Tier II Capital (₹ in lakhs)	–	–
v) Amount raised by issue of Perpetual Debt Instruments (₹ in lakhs)	–	–

b) Investments

(₹ in lakhs)

Particulars	2025	2024
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	80,287.26	1,40,198.62
(b) Outside India	–	–
(ii) Provisions for Depreciation		
(a) In India	–	–
(b) Outside India	–	–
(iii) Net Value of Investments		
(a) In India	80,287.26	1,40,198.62
(b) Outside India	–	–
(2) Movement of provisions held towards Depreciation on Investments		
(i) Opening balance	–	–
(ii) Add : Provisions made during the year	–	–
(iii) Less : Write-off / (write-back) of excess provisions during the year	–	–
(iv) Closing balance	–	–

c) Derivatives

- i. Forward Rate Agreement / Interest Rate Swap : Nil
- ii. Exchange Traded Interest Rate Derivatives : Nil
- iii. Disclosures on Risk Exposure in Derivatives :
 - a. Qualitative Disclosure : The Company does not use Derivatives to hedge its risks.
 - b. Quantitative Disclosure : Nil

d) Asset Liability Management Maturity pattern of certain items of Assets and Liabilities:

(₹ in lakhs)

	0 to 7 Days	8 to 14 Days	15 Days & upto 1 month	Over 1 month & upto 2 months	Over 2 months & upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 years	Over 3 years & upto 5 years	Over 5 years	Total
Deposits - Fixed Deposits with Banks/Financial institutions	–	–	–	–	–	–	15,176.52	–	–	–	15,176.52
Advances / Loans	–	–	–	–	–	–	–	–	–	–	–
Investments	23,331.18	–	15,150.23	–	9,992.83	–	7,225.07	21,704.61	1,085.58	1,797.76	80,287.26
Borrowings	–	–	–	–	–	–	–	–	–	–	–
Foreign Currency assets	–	–	–	–	–	–	–	–	–	–	–
Foreign Currency liabilities	–	–	–	–	–	–	–	–	–	–	–

e) Liquidity Risk Management:

i. Institutional set-up for liquidity risk management:

The Company has a well-defined Liquidity Risk Management Policy in place which is reviewed on a periodic basis. The Board of Directors of the Company has the overall responsibility for management of liquidity risk. The Board decides the strategies, policies and procedures of the Company to manage liquidity risk. The Risk Management Committee is responsible for evaluating the overall risks faced by the Company. The Asset Liability Management Committee is responsible for adherence to the policies and procedures adopted by the Board for managing liquidity risk.

ii. Funding concentration (borrowings) based on significant counterparty: Nil

iii. Funding concentration based on significant instrument / product: Nil

iv. Top 10 borrowings (amount in ₹ crore and % of total borrowings): Nil

v. Stock Ratios:

a. Short-Term Liabilities as a % of Total Assets: 0.29 %

b. Short-Term Liabilities as a % of Total Liabilities: 13.84 %

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

f) Exposure to Capital Market:

(₹ in lakhs)

Particulars	2025	2024
(i) Direct investment in equity shares (*), convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	0.35	69,444.24
Total Exposure to Capital Market	0.35	69,444.24

* Only quoted equity investments considered.

g) Sectoral Exposure :

(₹ in lakhs)

Sectors	As on 31st March, 2025			As on 31st March, 2024		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture & Allied activities	–	–	–	–	–	–
2. Industry						
i. Manufacturing	–	–	–	3,750.00	–	–
3. Services	–	–	–	–	–	–
4. Personal Loans	–	–	–	–	–	–
5. Others	–	–	–	–	–	–
Total	–	–	–	3,750.00	–	–

h) Exposure to real estate sector :

(₹ in lakhs)

Category	As on 31st March, 2025	As on 31st March, 2024
i) Direct Exposure		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	–	–
c) Investments in Mortgage-Backed Securities (MBS) and other securitized exposures – i. Residential ii. Commercial Real Estate		
ii) Indirect exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	15,150.23	14,339.41
Total Exposure to Real Estate Sector	15,150.23	14,339.41

i) Details of financing of parent company products: Nil

j) Details of Single Borrower Limit / Group Borrower Limit exceeded by the Company: Nil

k) Unsecured Advances / Loans as on 31st March, 2025: Nil

l) Registration obtained from other financial sector regulators: None

m) Penalties imposed by RBI and other regulators: Nil

n) Area, country of operation and joint venture partners with regard to joint ventures and overseas subsidiaries: None

o) Related Party Transactions: Details of material transactions with related parties and Company's Policy on dealing with Related Party Transactions are disclosed in the Report of the Board of Directors & Management Discussion and Analysis.

p) Ratings assigned by credit rating agencies and migration of ratings during the year: None

q) Pecuniary relationship or transaction with Non-Executive Directors: None

r) Provisions and Contingencies :

(₹ in lakhs)

Break up of 'Provisions and Contingencies' shown under the head Expenditure in the Statement of Profit and Loss		2025	2024
Provisions for Depreciation on Investment		–	–
Provision towards NPA		–	–
Provision made towards Income tax (including deferred tax)		1,148.85	938.56
Other Provision and Contingencies (with details)			
A	Provision for compensated absences	0.73	0.81
B	Provision for gratuity	0.58	1.18
C	Impairment loss allowance on trade receivables	–	–
Provision for Standard Assets		–	–

- s) Draw Down from Reserves: Nil
t) Concentration of Deposits: Not Applicable
u) Concentration of Advances :

(₹ in lakhs)

Particulars	2025	2024
Total Advances to twenty largest borrowers*	–	3,750.00
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	–	100.00%

* Only Loan provided to Fellow Subsidiary has been considered.

- v) Concentration of Exposures :

(₹ in lakhs)

Particulars	2025	2024
Total Exposure to twenty largest borrowers/customers#	–	3,750.00
Percentage of Exposures to twenty largest borrowers/customers to Total Exposure of the NBFC on borrowers/customers	–	100.00%

Only Loan provided to Fellow Subsidiary has been considered.

- w) Concentration of NPAs : Nil
x) Sector-wise NPAs : Nil
y) Movement of NPAs : Nil
z) Overseas Assets : Nil
aa) Off-Balance Sheet SPVs sponsored : Nil
bb) Customer Complaints:

Sr. No.	Particulars	2025	2024
I	No. of complaints pending at the beginning of the year	Nil	Nil
II	No. of complaints received during the year	Nil	Nil
III	No. of complaints disposed during the year	Nil	Nil
	III.1. Of which, number of complaints rejected by the Company	Nil	Nil
IV	No. of complaints pending at the end of the year	Nil	Nil
	Maintainable complaints received by the Company from the Office of Ombudsman	Nil	Nil
V	Number of maintainable complaints received by the Company from the Office of Ombudsman	Nil	Nil
	V.1 of V, number of complaints resolved in favour of the Company by Office of Ombudsman	Nil	Nil
	V.2 of V, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	Nil	Nil
	V.3 of V, number of complaints resolved after passing of awards by Office of Ombudsman against the Company	Nil	Nil
VI	Number of Awards unimplemented within the stipulated time (other than those appealed)	Nil	Nil

- cc) Top five grounds of complaints received by the NBFCs from customers : Not Applicable

- dd) Unhedged foreign currency exposure : Nil

- ee) Intra-Group Exposures:

(₹ in lakhs)

Particulars	2025	2024
Total amount of intra-group exposures	–	3,750.00
Total amount of top 20 intra-group exposures	–	3,750.00
Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	–	100.00%

ff) Related Party disclosures :

(₹ in lakhs)

Related Party/ Items	Parent Company		Subsidiaries		Associates /Joint ventures		Key Management Personnel		Relatives of Key Management Personnel		Others*		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments - Outstanding	-	-	-	4,210.34	1,560.21	1,560.21	-	-	-	-	-	-	1,560.21	5,770.55
- Maximum	-	-	4,210.34	4,210.34	1,560.21	3,771.79	-	-	-	-	-	-	5,770.55	7,982.13
Loans Disbursed	-	-	-	-	-	-	-	-	-	-	-	2,500.00	-	2,500.00
Receipt towards Loan Repayment	-	-	-	-	-	-	-	-	-	-	3,750.00	-	3,750.00	-
Purchase of Fixed Asset	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of Fixed/ Other Asset (Investments at cost)	16,425.42	2,211.58	-	-	-	-	-	-	-	-	-	-	16,425.42	2,211.58
Interest paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	-	-	-	250.68	214.03	250.68	214.03
Others														
a) Rent Received	48.00	65.28	-	-	-	-	-	-	-	-	-	-	48.00	65.28
b) Purchase of Services	-	-	-	-	2.31 [#]	2.62 [#]	-	-	-	-	-	-	2.31	2.62
c) Rent Paid	24.14	12.99	-	-	-	-	-	-	-	-	-	-	24.14	12.99
d) Expenses Reimbursed	4.75	5.44	-	-	-	-	-	-	-	-	-	-	4.75	5.44
e) Dividend paid	1,939.44	1,874.79	-	-	-	-	-	-	-	-	-	-	1,939.44	1,874.79
f) Remuneration of managers on deputation reimbursed	583.20	426.56	-	-	-	-	-	-	-	-	79.44	-	662.64	426.56
g) Security Deposit	12.00	36.00	-	-	-	-	-	-	-	-	-	-	12.00	36.00
h) Dividend Income	-	-	-	-	64.14	156.86	-	-	-	-	-	-	64.14	156.86
k) Payables	12.42	9.68	-	-	-	0.28	-	-	-	-	-	-	12.42	9.96
Total	19,049.37	4,642.32	4,210.34	8,420.68	3,186.87	5,491.76	-	-	-	-	4,080.12	2,714.03	30,526.70	21,268.79

* Others includes transactions with Fellow Subsidiaries.

Associate of the Holding Company till 31.12.2024

gg) Breach of covenant of loan availed or debt securities issued by the Company: Nil

hh) Divergence in Asset Classification and Provisioning: Nil

(xiii) Corporate Social Responsibility (CSR)

i.	Amount required to be spent by the Company during the year	: ₹ 71.79 lakhs (2024: ₹ 75.17 lakhs)
ii.	Amount of expenditure incurred	: ₹ 72.00 lakhs (2024: ₹ 76.00 lakhs)
iii.	Shortfall at the end of the year	: -
iv.	Total of previous years shortfall	: -
v.	Reason for shortfall	: Not Applicable
vi.	Nature of CSR activities	: CSR activities undertaken during the year pertains to project on watershed development and improved agriculture practices, implemented through ITC Rural Development Trust.
vii.	Details of related party transactions	: Not Applicable
viii.	Movement of provision during the year w.r.t. liability towards contractual obligation	: Not Applicable
- CSR expenditure does not include any spends on construction/ acquisition of assets.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(xiv) Financial Ratios:

Refer Note 21 (xii)(a) for Capital to risk-weighted assets ratio (CRAR), Tier I CRAR and Tier II CRAR.

RBI's Guidelines on maintenance of Liquidity Coverage Ratio [Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 prescribed for NBFCs] are not applicable to the Company. Accordingly, the same has not been provided.

(xv) During the year, the following donations were made by the Company in compliance with the provisions of Section 182 of the Companies Act, 2013: Bharatiya Janata Party ₹ 250.00 lakhs (2024: ₹ 250.00 lakhs), Indian National Congress ₹ 50.00 lakhs (2024: ₹ 50.00 lakhs). [Refer Note 19]

(xvi) During the year, the Company sold its entire shareholding comprising 4,20,60,166 Equity Shares held in Greenacre Holdings Limited (GHL) to ITC Limited, the Holding Company, at book value, consequent to which GHL ceased to be the wholly owned subsidiary of the Company with effect from 29th November, 2024.

(xvii) During the year, the Company inter-se transferred 1,52,32,129 Equity Shares of EIH Limited and 34,60,829 Equity Shares of HLV Limited, to ITC Limited, the Holding Company, at their respective book values. The fair value of these investments on the date of transfer was ₹ 65,010.19 lakhs. Consequently, mark-to-market gain/loss recognized previously has been reversed in other comprehensive income.

(xviii) The financial statements were approved for issue by the Board of Directors on April 26, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

Schedule to the Balance Sheet as at 31st March, 2025

As required in terms of Paragraph 31 of Master Direction - Reserve Bank of India (Non-Banking Financial Company –Scale Based Regulation) Directions, 2023
(₹ in lakhs)

	Particulars	31st March, 2025	
		Amount Outstanding	Amount Overdue
	Liabilities Side :		
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid		
	a) Debentures		
	Secured	–	–
	Unsecured	–	–
	(Other than falling within the meaning of public deposits)		
	b) Deferred Credits	–	–
	c) Term Loans	–	–
	d) Inter-Corporate loans and borrowings	–	–
	e) Commercial papers	–	–
	f) Public Deposits	–	–
	g) Other Loans (specify nature)	–	–
(2)	Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid) :		
	a) In the form of Unsecured debentures	–	–
	b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	–	–
	c) Other public deposits	–	–
	Assets Side:		Amount Outstanding
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]		
	a) Secured		–
	b) Unsecured		–
(4)	Break-up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
	(i) Lease assets including lease rentals under sundry debtors		–
	(a) Financial lease		–
	(b) Operating lease		–
	(ii) Stock on hire including hire charges under sundry debtors		–
	(a) Assets on hire		–
	(b) Repossessed Assets		–
	(iii) Other Loans counting towards asset financing activities		–
	(a) Loans where assets have been repossessed		–
	(b) Loans other than (a) above		–
(5)	Break-up of Investments : Current Investments		
	1. Quoted:		29,326.00
	(i) Shares : (a) Equity		0.35
	(b) Preference		–
	(ii) Debentures and Bonds		29,325.65
	(iii) Units of mutual funds		–
	(iv) Government Securities		–
	(v) Others (please specify)		–

Particulars		31st March, 2025		
Assets Side:		Amount Outstanding		
	2. Unquoted:	28,069.72		
	(i) Shares : (a) Equity	—		
	(b) Preference	—		
	(ii) Debentures and Bonds	—		
	(iii) Units of mutual funds	23,331.18		
	(iv) Government Securities	—		
	(v) Others (certificate of deposit)	4,738.54		
	Long Term Investments			
	1. Quoted:	18,008.11		
	(i) Shares : (a) Equity	—		
	(b) Preference	—		
	(ii) Debentures and Bonds	9,519.74		
	(iii) Units of mutual funds	8,488.37		
	(iv) Government Securities	—		
	(v) Others	—		
	2. Unquoted :	4,883.43		
	(i) Shares : (a) Equity	1,797.41		
(b) Preference	—			
(ii) Debentures and Bonds	—			
(iii) Units of mutual funds	3,086.02			
(iv) Government Securities	—			
(v) Others	—			
(6)	Borrower group-wise classification of assets financed as in (3) and (4) above:			
Category		Amount Net of Provisions*		
		Secured	Unsecured	Total
1. Related Parties				
(a) Subsidiaries		—	—	—
(b) Companies in the same group		—	—	—
(c) Other related parties		—	—	—
2. Other than related parties		—	—	—
Total		—	—	—
* The Company maintains a loss provision of ₹ 29.05 lakhs which is considered adequate to meet the RBI Prudential Norms & Expected Credit Loss Policy of the Company. Hence, no further provision is considered necessary. [Refer Notes 13 & 21 (xi)].				
(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties				
(a) Subsidiaries		—	—	
(b) Companies in the same group		5,812.55	1,560.21	
(c) Other related parties		—	—	
2. Other than related parties		76,013.30	78,727.05	
Total		81,825.85	80,287.26	
(8)	Other information			
Particulars		Amount		
(i) Gross Non-Performing Assets		—		
(a) Related Parties		—		
(b) Other than related parties		—		
(ii) Net Non-Performing Assets		—		
(a) Related Parties		—		
(b) Other than related parties		—		
(iii) Assets acquired in satisfaction of debt		—		

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

22. Financial Instruments and Related Disclosures

i. Categories of Financial Instruments

(₹ in lakhs)

Particulars		Note	As at 31st March, 2025		As at 31st March, 2024	
			Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets						
a)	Measured at amortised cost					
	i) Cash and cash equivalents	3	11.94	11.94	103.78	103.78
	ii) Bank Balance other than (i) above	4	15,176.52	15,176.52	5,369.32	5,369.32
	iii) Trade Receivables	5(I)	–	–	–	–
	iv) Loans	6	–	–	3,750.00	3,750.00
	v) Investment in Bonds	7	37,149.33	34,435.58	24,327.52	23,991.53
	vi) Other financial assets	5(II) & 8	1,069.92	1,069.92	730.37	730.37
	Sub - total		53,407.71	50,693.96	34,280.99	33,945.00
b)	Measured at Fair value through OCI					
	i) Investment in Equity shares	7	237.20	237.20	69,681.15	69,681.15
	ii) Investment in Mutual Funds	7	11,574.39	11,574.39	10,729.84	10,729.84
	Sub - total		11,811.59	11,811.59	80,410.99	80,410.99
c)	Measured at Fair value through Profit or Loss					
	i) Investment in Mutual Funds	7	23,331.18	23,331.18	20,841.30	20,841.30
	ii) Investment in Certificates of Deposit	7	4,738.54	4,738.54	7,137.32	7,137.32
	iii) Investment in Bonds	7	1,696.06	1,696.06	1,710.65	1,710.65
	iv) Investment in Equity Shares	7	0.35	0.35	0.29	0.29
	Sub - total		29,766.13	29,766.13	29,689.56	29,689.56
	Total financial assets		94,985.43	92,271.68	1,44,381.54	1,44,045.55
B. Financial liabilities						
a)	Measured at amortised cost					
	i) Other financial liabilities	11	272.33	262.19	160.84	160.84
	Total financial liabilities		272.33	262.19	160.84	160.84

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

ii. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

Market Risk

1. Interest Rate Risk

As the Company is debt-free, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible.

The Company's investments are predominantly held in bonds, fixed deposits and debt mutual funds etc. Mark to market movements in respect of the Company's investments in bonds that are held at amortised cost are temporary and get recouped through fixed coupon accruals. Other investments in bonds are fair valued through the Statement of Profit and Loss to recognise market volatility, which is not considered to be significant. Fixed deposits are held with highly rated banks and companies and have a short tenure and are not subject to interest rate volatility.

The Company also invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

2. Other Price Risk

The Company is not an active investor in equity markets; it holds certain investments in equity for long term value accretion which are accordingly measured at fair value through Other Comprehensive Income. The value of investments in such equity instruments as at 31st March, 2025 is ₹ 237.20 lakhs (2024: ₹ 69,681.15 lakhs). Accordingly, fair value fluctuations arising from market volatility is recognised in Other Comprehensive Income.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations from its financial liabilities. The Company's approach to managing liquidity is to ensure, 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 risking damage to the Company's reputation.

The Company's financial liabilities are ₹ 272.33 lakhs (2024: ₹ 160.84 lakhs) as against cash and cash equivalents of ₹ 11.94 lakhs (2024: ₹ 103.78 lakhs) and investments as reflected in Note 7 of the financial statements. Further, the Company's total equity stands at ₹ 94,612.18 lakhs (2024: ₹ 1,44,980.78 lakhs). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

Credit risk

As the Company is debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of Financial Liabilities is negligible. Investments are made in debt instruments, within approved policies and procedures guided by the tenets of liquidity, safety and return. This ensures that investments are only made within acceptable risk parameters.

The Company's investments are predominantly held in debt mutual funds, fixed deposits etc. The Company invests in mutual fund schemes of leading fund houses. Portfolios of the schemes are reviewed for compliance to the risk management practices on an ongoing basis. Such investments are susceptible to market price risk that arises mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

Fixed deposits are held with highly rated banks and companies and have a short tenure and are not subject to interest rate volatility.

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations, and arises principally

from loans and investment securities held to maturity. Company's deployment in debt instruments are primarily in fixed deposits with highly rated banks and corporates, bonds issued by government institutions, public sector undertakings and certificates of deposit issued by highly rated bank. With respect to the Company's investing activities, counter parties are shortlisted and exposure limits determined on the basis of their credit evaluation, financial statements and other relevant information. As these counter parties are Government institutions, public sector undertakings with investment grade credit ratings and taking into account the experience of the Company over time, the counter party risk attached to such assets is considered to be insignificant.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low; consequently, trade receivables are considered to be a single class of financial assets. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

The Company monitors all financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition.

The Company uses forward-looking information that is available without undue cost or effort in its assessment of significant increase of credit risk as well as in its measurement of Expected Credit Loss (ECL). The external information used includes economic data and forecasts published by governmental bodies and monetary authorities. Appropriate loss provision is created / maintained in terms of the requirements of applicable Indian Accounting Standards and Prudential Norms of Reserve Bank of India, along with additional provisions, if any, required for specific loss in accordance with management estimates.

For position of past due receivables refer to Notes 5, 21 (xii)(d) and for movement of provisions thereof, refer to Notes 13, 21 (xi), 21 (xii) (b), 21 (xii) (r). There is no movement in the contingent provision against standard assets during the year (Refer Note 13).

iii. Fair value measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of investment in Bonds/debentures, Certificates of deposit etc. and Financial liabilities, where applicable, is determined using market observable inputs such as quotes from market participants, value published by the issuer etc.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities, where applicable, is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. The sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities does not have a significant impact on their value. There were no transfers between Level 1, Level 2 and Level 3 during the year.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

The following table presents the fair value hierarchy of financial assets and liabilities measured at fair value on a recurring basis:

(₹ in lakhs)

Particulars		Fair Value Hierarchy (Level)	As at 31st March, 2025	As at 31st March, 2024
A. Financial assets				
a)	Measured at amortised cost			
	i) Investment in Bonds	2	34,435.58	23,991.53
b)	Measured at Fair value through OCI			
	i) Investment in Equity Shares - Quoted	1	–	69,443.95
	ii) Investment in Equity Shares - Unquoted	3	237.20	237.20
	iii) Investment in Mutual Funds	1	11,574.39	10,729.84
c)	Measured at Fair value through Profit or Loss			
	i) Investment in Mutual Funds	1	23,331.18	20,841.30
	ii) Investment in Bonds	2	1,696.06	1,710.65
	iii) Investment in Equity Shares	1	0.35	0.29
	iv) Investment in Certificates of Deposit	2	4,738.54	7,137.32
B. Financial liabilities				
a)	Measured at amortised cost			
	i) Other Financial Liabilities	3	49.58	63.31

Reconciliation of fair value movement of financial assets measured at fair value on a recurring basis and categorised within Level 3 of the fair value hierarchy is as under:

(₹ in lakhs)

	31st March, 2025	31st March, 2024
	Financial Assets at FVTOCI	Financial Assets at FVTOCI
Opening Balance	237.20	237.20
Additions during the year	–	–
Sale/Transfer/Settlement during the year	–	–
Gain / (Loss) during the year recognised in Other Income	–	–
Gain / (Loss) during the year recognised in Other Comprehensive Income	–	–
Closing Balance	237.20	237.20

In terms of our report attached

For L.B. Jha & Co.
Chartered Accountants

Firm Registration Number: 301088E

Dipankar Chatterji
Partner

S. DUTTA
(DIN : 01804345) *Chairman*

On behalf of the Board

T. S. M. SHENOY
(DIN : 09476476) *Director*

(Membership No. 010121)
Kolkata, April 26, 2025

V. LUHARUKA *Chief Financial Officer*

N. BAJAJ *Company Secretary*

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures**Part A : Subsidiaries****Not Applicable**

Notes:

1. Names of Subsidiaries which are yet to commence operations : None
2. Names of Subsidiaries which have been liquidated or sold during the year : The Company has sold its entire shareholding in Greenacre Holdings Limited to ITC Limited, the Holding Company on 29th November, 2024.

Part B : Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Venture**

Name of Associates / Joint Ventures	Russell Investments Limited	Divya Management Limited	Antrang Finance Limited
1. Latest audited Balance Sheet Date	31-Mar-2025	31-Mar-2025	31-Mar-2025
2. Date on which the Associate or Joint Ventures was associated or acquired	14-Jun-1999	23-Nov-2007	21-Jan-2008
3. Shares of Associate / Joint Venture held by the Company on the year end			
Number	42,75,435	41,82,915	43,24,634
Amount of Investment in Associates / Joint Venture (₹ in lakhs)	427.57	693.08	439.56
Extent of Holding %	25.43	33.33	33.33
4. Description of how there is significant influence	Associate	Associate	Associate
5. Reason why the Associate/Joint Venture is not consolidated	Not Applicable*	Not Applicable*	Not Applicable*
6. Net worth attributable to Shareholding as per latest audited Balance Sheet (₹ in lakhs)	4,551.46	719.23	542.51
7. Profit / (Loss) for the year (₹ in lakhs)	553.13	113.18	95.05
i. Considered in Consolidation (₹ in lakhs)*	–	–	–
ii. Not Considered in Consolidation (₹ in lakhs)*	553.13	113.18	95.05

* The Company, being an intermediate wholly owned subsidiary, is not required to prepare Consolidated Financial Statements in terms of the Companies (Accounts) Rules, 2014. ITC Limited, the Holding Company, prepares Consolidated Financial Statements.

- Notes: 1. Names of the Associates or Joint Ventures which are yet to commence operations : None
2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : None

On behalf of the Board

S. DUTTA *Chairman*
(DIN : 01804345)

T. S. M. SHENOY *Director*
(DIN : 09476476)

V. LUHARUKA *Chief Financial Officer*

N. BAJAJ *Company Secretary*

Kolkata, April 26, 2025

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

- Your Directors submit their 39th Report for the financial year ended 31st March, 2025.

2. PERFORMANCE OF THE COMPANY

During the year under review, your Company earned Revenue of ₹ 895.83 lakhs (previous year: ₹ 752.48 lakhs) from its operations, with Total Income being ₹ 1,345.92 lakhs (previous year: ₹ 1,160.90 lakhs). The Net Profit of the Company for the year was ₹ 722.76 lakhs (previous year: ₹ 281.56 lakhs), including Exceptional Item of ₹ 424.49 lakhs representing sale of two flats owned by the Company at Kolkata. The Company continues to provide maintenance services for commercial office buildings, Engineering, Procurement and Construction Management (EPCM) Services and Project Management Consultancy Services.

Consequent to transfer of its entire shareholding in the name of ITC Limited ('ITC'), the Company became a direct wholly owned subsidiary of ITC with effect from 29th November, 2024.

The financial results of your Company, summarised, are as under:

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
Profits		
a. Profit Before Tax and after Exceptional Item	827.12	363.66
b. Less : Tax Expense	104.36	82.10
c. Profit After Tax	722.76	281.56
d. Add : Other Comprehensive Income / (Loss)	(0.46)	(1.80)
e. Total Comprehensive Income	722.30	279.76
Retained Earnings		
a. At the beginning of the year	1,542.58	1,262.82
b. Add : Profit for the year	722.76	281.56
c. Add : Other Comprehensive Income / (Loss)	(0.46)	(1.80)
d. At the end of the year	2,264.88	1,542.58

3. DIRECTORS AND KEY MANAGERIAL PERSONNEL
(a) Changes in Directors

During the year, there were no changes in the Board of Directors of the Company ('the Board').

(b) Changes in Key Managerial Personnel

Mr. Monojit Seth, who was on deputation from ITC, stepped down as the Chief Financial Officer of the Company with effect from close of work on 30th November, 2024, consequent to his reversion to ITC. The Board appointed Mr. Avijit Dey, who is also on deputation from ITC, as the Chief Financial Officer of the Company with effect from 1st December, 2024, in terms of the provisions of Section 203 of the Companies Act, 2013 ('the Act').

There were no other changes in the Key Managerial Personnel of the Company.

(c) Retirement by Rotation

In accordance with the provisions of Section 152 of the Act read with the Articles of Association of the Company, Ms. Nidhi Bajaj (DIN: 02171721), Director, will retire by rotation at the ensuing Annual General Meeting ('AGM') of the Company, and being eligible, offers herself for re-election. Your Board has recommended her re-election.

(d) Board evaluation

The Board carried out annual performance evaluation of its own performance and that of the individual Directors, as required under Section 134 of the Act, based on the criteria approved by the Board.

4. BOARD MEETINGS

Five meetings of the Board were held during the year ended 31st March, 2025.

5. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- taken proper and sufficient care for the 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 fraud and other irregularities;

- prepared the Annual Accounts on a going concern basis; and

- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

6. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

7. PARTICULARS OF EMPLOYEES

The details of top ten employees of the Company in terms of remuneration drawn, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure 1** to this Report.

The Company seeks to create equal opportunities for men and women and is committed to a gender-friendly workplace. Your Company has constituted an Internal Complaints Committee in compliance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint for sexual harassment was received.

8. RISK MANAGEMENT

The Company's risk management framework is designed to identify and address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board. The Internal Auditor of the Company periodically carries out risk focused audits with the objective of identifying areas where risk management processes could be further strengthened. The Board annually reviews the effectiveness of the Company's risk management systems and policies.

9. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with respect to the financial statements, commensurate with its size and scale of operations. The Internal Auditor of the Company periodically evaluates the adequacy and effectiveness of such internal financial controls. The Board which provides guidance on internal controls, also reviews internal audit findings and implementation of internal audit recommendations, if any.

During the year, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

11. RELATED PARTY TRANSACTIONS

The details of material related party transactions entered into by the Company during the year ended 31st March, 2025 in the prescribed Form No. AOC-2 are enclosed under **Annexure 2** to this Report.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING GOING CONCERN STATUS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

13. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

14. STATUTORY AUDITORS

Messrs. S R B C & CO LLP, Chartered Accountants ('SRBC'), were re-appointed as the Auditors of your Company at the 38th AGM held on 28th June, 2024 to hold such office till the conclusion of the 43rd AGM. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, remuneration of SRBC for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

15. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption.

During the year under review, there has been no foreign exchange earnings or outflow.

On behalf of the Board

S. DUTTA
Chairman

J. SINGH
Director

Dated: 26th April, 2025

(DIN : 01804345) (DIN : 00042258)

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025

[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Name	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of employment / deputation	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
L. R. Basa *	31	Manager and Company Secretary	24,48,033/-	19,20,116/-	B.Com. (Hons.), A.C.S.	6	01.01.2022	Aditya Birla Fashion and Retail Limited – Senior Executive
A. Bhattacharya	56	Finance Manager	16,64,899/-	12,95,527/-	B. Com., P.G.D.P. (Insurance & Risk Mngt.)	30	01.10.1997	--
A. Dey *	49	Chief Financial Officer	15,84,050/-	9,35,341/-	B.Com. (Hons.), C.A. Intermediate	23	01.12.2024	ITC Limited - Manager (Accounts)
A. Kanjilal	52	Senior Security & Fire Officer	14,83,629/-	12,15,376/-	B.A.	33	16.02.2015	IBM India Private Limited - Site Security Leader
A. Jena	37	Manager Facilities & Administration	11,69,593/-	9,61,061/-	B. Tech	12	07.10.2024	Flipkart Internet Private Limited - Senior Manager
S. K. Singh	58	Assistant Manager – Admin	10,38,912/-	7,62,582/-	Madhyamik	28	01.10.1997	--
G. B. Das	57	Maintenance Superintendent	8,88,357/-	6,57,374/-	Madhyamik	34	01.11.1991	--
B. Barash	44	Project Engineer	7,86,120/-	6,80,844/-	H.S., Diploma in Architecture	20	01.09.2017	Touch Point Consultancy Private Limited - Assistant Project Manager
S. Lama	51	Administrative Assistant	7,74,888/-	6,72,972/-	H.S.	28	01.10.1997	--
S. Chatterjee	44	Maintenance Superintendent	7,67,256/-	6,98,790/-	Madhyamik	21	16.07.2021	Welcome Dealer Private Limited – Executive, TSP Office

* On deputation from ITC Limited, the Holding Company ('ITC').

Notes:

- Gross remuneration includes salary, variable pay / performance bonus, allowances, contribution to provident fund and other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less tax deducted at source and employee's own contribution to provident fund.
- All appointments (except deputed employees) are / were contractual in accordance with terms and conditions as per the Company's rules.
- The aforesaid employees are / were neither relative of any Director / Manager of the Company nor hold any equity share in the Company.

On behalf of the Board

S. DUTTA
Chairman

J. SINGH
Director

Dated: 26th April, 2025

(DIN : 01804345) (DIN : 00042258)

Annexure 2 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2***[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]***Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto****1. Details of contracts or arrangements or transactions not at arm's length basis**

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, the Holding Company (ITC)	
b)	Nature of the contracts / arrangements / transactions	Maintenance of ITC Centre, Kolkata and maintenance, upkeep etc. of various other properties of ITC at Kolkata.	Purchase of services relating to Engineering, Procurement and Construction Management (EPCM) business.
c)	Duration of the contracts / arrangements / transactions	Facility Management and Support Services Agreement from 1st April, 2024 to 31st March, 2029	EPCM Master Service Agreement dated 19th August, 2020
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transaction during the year - ₹ 440.75 lakhs	Value of transaction during the year - ₹ 560.28 lakhs
e)	Date(s) of approval by the Board, if any	28th March, 2024	15th January, 2020
f)	Amount paid as advances, if any	Nil	Nil

On behalf of the Board

Dated: 26th April, 2025

S. DUTTA J. SINGH
Chairman Director
(DIN : 01804345) (DIN : 00042258)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENACRE HOLDINGS LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Greenacre Holdings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other 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 Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

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 Board report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS 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. 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.

Responsibility of Management for the Ind AS 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 Ind AS 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 the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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.
- 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - 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;
 - 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;
 - The Balance Sheet, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - 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 is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;
 - With respect to the adequacy of the internal financial controls with reference to these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - In our opinion, the Company has not paid/provided any managerial remuneration to its directors during the year and hence the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company for the year ended March 31, 2025;
 - 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:
 - The Company does not have any pending litigations which would impact its financial position;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - 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, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - Based on such 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 (a) and (b) contain any material misstatement.
 - No dividend has been declared or paid during the year by the Company.
 - Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 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 the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
per Anant Acharya
Partner

Place of Signature: Mumbai
Date: April 26, 2025

Membership Number: 124790
UDIN: 25124790BMLDYJ4430

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Greenacre Holdings Limited ("the Company")

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) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, cess, and other statutory dues applicable to it. Customs duty and excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, customs duty, cess, and other statutory dues which have not been deposited on account of any dispute.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(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 did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and (f) of the Order are not applicable to the Company.
- (x) (a) According to the information and explanations given by the management, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) In our opinion, the Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv) (a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and the nature of its business though it is not required to have an internal audit system under the provisions of Section 138 of the Companies Act, 2013. The requirement to report under clause 3(xiv)(a) of the Order is not applicable to the Company.
- (b) The internal audit reports of the Company issued till the date of audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on 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. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 21(viii) to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, 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 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) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
per Anant Acharya
Partner
Place of Signature: Mumbai
Date: April 26, 2025
Membership Number: 124790
UDIN: 25124790BMLDYJ4430

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF GREENACRE HOLDINGS LIMITED

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 Ind AS financial statements of Greenacre Holdings Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these Ind AS 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") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these Ind AS 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 these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS 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 Ind AS 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 these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
per Anant Acharya
Partner
Place of Signature: Mumbai
Date: April 26, 2025
Membership Number: 124790
UDIN: 25124790BMLDYJ4430

BALANCE SHEET AS AT 31ST MARCH, 2025

	Note	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	1,689.96	1,724.16
(b) Financial Assets			
(i) Others	4	1,380.00	—
(c) Other non-current assets	5	250.35	286.52
Current assets			
(a) Financial Assets			
(i) Investments	6	4,778.87	3,873.12
(ii) Trade receivables	7	198.08	204.39
(iii) Cash and cash equivalents	8	8.92	4.12
(iv) Other Bank Balances other than (iii) above	9	—	1,380.00
(v) Others	4	10.07	18.06
(b) Other current assets	5	3.76	12.04
TOTAL ASSETS		8,320.01	7,502.41
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	4,206.02	4,206.02
(b) Other equity		2,264.88	1,542.58
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	11	—	80.11
(b) Provisions	12	23.02	19.12
(c) Deferred tax liabilities (Net)	13	79.53	62.29
Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables	14	—	—
(A) Total outstanding dues of micro and small enterprises; and		—	—
(B) Total outstanding dues of creditors other than micro and small enterprises		174.92	184.25
(ii) Other financial liabilities	11	1,479.76	1,386.33
(b) Other current liabilities	15	89.25	15.00
(c) Provisions	12	2.63	6.71
TOTAL EQUITY AND LIABILITIES		8,320.01	7,502.41

The accompanying notes 1 to 24 are an integral part of the Financial Statements.
In terms of our report attached

On behalf of the Board

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 26, 2025

S. DUTTA Chairman
(DIN : 01804345)

J. SINGH Director
(DIN : 00042258)

A. DEY Chief Financial Officer

L. R. BASA Manager & Company Secretary
Kolkata, April 26, 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
I Revenue From Operations	16	895.83	752.48
II Other Income	17	450.09	408.42
III Total Income (I+II)		1,345.92	1,160.90
IV EXPENSES			
Maintenance and service expense		566.85	469.72
Employee benefits expense	18	335.67	273.32
Depreciation expense		3.29	4.36
Other expenses	19	37.48	49.84
Total expenses (IV)		943.29	797.24
V Profit before exceptional items and tax (III - IV)		402.63	363.66
VI Exceptional Items	24	424.49	—
VII Profit before tax (V + VI)		827.12	363.66
VIII Tax expense:			
Current Tax	20	86.97	13.87
Deferred Tax	20	17.39	68.23
IX Profit for the year (VII - VIII)		722.76	281.56
X Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss:			
- Remeasurements of defined benefit plans		(0.61)	(2.41)
(ii) Income tax relating to items that will not be reclassified to profit or loss	20	0.15	0.61
Other Comprehensive Income [A (i)+(ii)]		(0.46)	(1.80)
XI Total Comprehensive Income for the year (IX+X)		722.30	279.76
XII Earnings per equity share (Face Value ₹ 10.00 each):			
- Basic and Diluted (in ₹)	21(i)	1.72	0.67

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

In terms of our report attached

On behalf of the Board

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 26, 2025

S. DUTTA Chairman
(DIN : 01804345)

J. SINGH Director
(DIN : 00042258)

A. DEY Chief Financial Officer

L. R. BASA Manager & Company Secretary
Kolkata, April 26, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

(₹ in lakhs)

	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	4,206.02	–	4,206.02
For the year ended 31st March, 2024	4,206.02	–	4,206.02

B. Other Equity

(₹ in lakhs)

FY 2024-25	Reserves & Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2024	1,542.58	1,542.58
Profit for the year	722.76	722.76
Other Comprehensive Income (net of tax)	(0.46)	(0.46)
Total Comprehensive Income for the year	722.30	722.30
Balance as at 31st March, 2025	2,264.88	2,264.88

FY 2023-24	Reserves & Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2023	1,262.82	1,262.82
Profit for the year	281.56	281.56
Other Comprehensive Income (net of tax)	(1.80)	(1.80)
Total Comprehensive Income for the year	279.76	279.76
Balance as at 31st March, 2024	1,542.58	1,542.58

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 24 form an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number : 324982E/E300003
Anant Acharya
Partner
(Membership No. 124790)
Mumbai, April 26, 2025

On behalf of the Board

S. DUTTA *Chairman*
(DIN : 01804345)

J. SINGH *Director*
(DIN : 00042258)

A. DEY *Chief Financial Officer*

L. R. BASA *Manager & Company Secretary*
Kolkata, April 26, 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	827.12	363.66
ADJUSTMENTS FOR :		
Depreciation expense	3.29	4.36
Gain on sale of property, plant and equipment	(424.49)	–
Interest Income on Deposits with Bank	(98.71)	(98.87)
Interest on Income Tax Refund	(1.98)	(1.40)
Net gain arising on investments mandatorily measured at Fair value through profit and loss (FVTPL)	(334.40)	(277.22)
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(29.17)	(9.47)
ADJUSTMENTS FOR :		
Other assets	8.28	7.19
Other financial liabilities	13.32	(1.84)
Trade Payables	(9.34)	140.64
Trade Receivables	6.31	(158.89)
Other current liabilities	74.25	2.30
Provisions	(0.80)	1.02
CASH GENERATED FROM / (USED IN) OPERATIONS	62.85	(19.05)
Income tax paid (net of refunds)	(48.72)	(21.56)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	14.13	(40.61)
B. Cash Flow from Investing Activities		
Interest Received on Deposits with Bank	106.70	98.65
Purchase of current investments	(1,246.00)	(222.00)
Sale / redemption of current investments	674.66	160.54
Sale of property, plant and equipment	455.31	–
NET CASH (USED IN) / FROM INVESTING ACTIVITIES	(9.33)	37.19
C. Cash Flow from Financing Activities		
NET CASH FROM / (USED IN) FINANCING ACTIVITIES	–	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4.80	(3.42)
OPENING CASH AND CASH EQUIVALENTS	4.12	7.54
CLOSING CASH AND CASH EQUIVALENTS (Note 8)	8.92	4.12

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

The accompanying notes 1 to 24 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP
Chartered Accountants
Firm Registration Number : 324982E/E300003
Anant Acharya
Partner
(Membership No. 124790)
Mumbai, April 26, 2025

On behalf of the Board

S. DUTTA
(DIN : 01804345) Chairman

J. SINGH
(DIN : 00042258) Director

A. DEY
Chief Financial Officer

L. R. BASA
Manager & Company Secretary
Kolkata, April 26, 2025

NOTES TO THE FINANCIAL STATEMENTS

Company Information:

Greenacre Holdings Limited [CIN: U55202WB1986PLC049467], a wholly owned subsidiary of ITC Limited with effect from 29th November, 2024 (Russell Credit Limited upto 28th November, 2024), is a company domiciled in India with its registered office located at ITC Centre, 37 Jawaharlal Nehru Road, Kolkata 700071. The Company is engaged in infrastructure support services which includes property maintenance, engineering, procurement & construction management services and project management consultancy services.

1. Material Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2016.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair values, as explained in the accounting policies.

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.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods, if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products or services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PP&E recognised as at 1st April, 2015 measured as per the previous GAAP.

Cost is inclusive of inward freight, import duties & non-refundable taxes and incidental expenses related to acquisition. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

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

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost of the assets after commissioning (or other amount substituted for cost), less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated. The estimated useful lives of PP&E of the Company are as follows.

Buildings	5-60 years
Plant and Equipment	15 years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amounts of assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts

of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

Financial Instruments, Financial Assets, Financial Liabilities and Equity Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include investments, trade receivables, advances, security deposits, cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are de-recognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Financial Liabilities

Trade payables and other financial liabilities are initially recognised at fair value and subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue from sale of services

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for services rendered, net of returns and discounts to customers. Revenue from the sale of services is recognised, net of allowances, if any, when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of services is in the period in which such services are rendered.

Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through duly constituted and approved Trusts.

Provident Fund contributions are in the nature of defined contribution scheme. In respect of employees who are members of constituted and approved trusts, the Company recognises contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realised by the investment and the interest payable to members at the rate declared by the Government of India.

The Company also makes contribution to defined benefit gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. This benefit is unfunded.

Employee Share Based Compensation

The cost of stock options and stock appreciation units granted by ITC Limited, the Holding Company, to its eligible employees deputed to the Company is recognised at fair value. These Schemes are in the nature of equity settled / cash settled share based compensation and are assessed, managed / administered by the Holding Company.

In case of stock options, the fair value of stock options at the grant date is amortised on a straight-line basis over the vesting period and cost recognised as an employee benefits expense in the Statement of Profit and Loss with a corresponding credit in equity, net of reimbursements, if any.

In case of stock appreciation units, the fair value of stock appreciation units at the grant date is initially recognised and remeasured at each reporting date, until settled, and cost recognised as an employee benefits expense in the Statement of Profit and Loss with a corresponding increase in other financial liabilities.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Income tax, insofar as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

2. Use of Estimates and Judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could 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 the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

I. Useful lives of property, plant and equipment:

As described in the material accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

II. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lakhs)

Particulars	Gross Block							Depreciation and Amortization							Net Book Value	
	As at 31st March, 2023	Additions	Withdrawals and adjustments	As at 31st March, 2024	Additions	Withdrawals and adjustments	As at 31st March, 2025	Upto 31st March, 2023	For the year	On Withdrawals and adjustments	Upto 31st March, 2024	For the year	On Withdrawals and adjustments	Upto 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
3. Property, Plant and Equipment																
Land	1,659.17	–	–	1,659.17	–	–	1,659.17	–	–	–	–	–	–	–	1,659.17	1,659.17
Buildings	91.08	–	–	91.08	–	38.61	52.47	21.73	4.36	–	26.09	3.29	7.70	21.68	30.79	64.99
Plant and Equipment	0.05	–	–	0.05	–	–	0.05	0.05	–	–	0.05	–	–	0.05	...	...
TOTAL	1,750.30	–	–	1,750.30	–	38.61	1,711.69	21.78	4.36	–	26.14	3.29	7.70	21.73	1,689.96	1,724.16

The above includes following assets given on operating lease :

Particulars	As at 31st March, 2025				As at 31st March, 2024			
	Gross Block	Accumulated Depreciation	Net Block	Depreciation Charge for the year	Gross Block	Accumulated Depreciation	Net Block	Depreciation Charge for the year
Buildings (#)	38.62	8.85	29.77	1.07	77.24	15.49	61.75	1.72
TOTAL	38.62	8.85	29.77	1.07	77.24	15.49	61.75	1.72

(#) The above asset has been given on operating lease, which is not non-cancellable, on short term basis and is usually renewable by mutual consent on mutually agreeable terms. The lease rental of ₹ 15.00 lakhs (March 2024: ₹ 30.93 lakhs) is included in Lease rental income under Other income (Note 17)

	As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
	Current	Non-Current	Current	Non-Current
4. Other Financial Assets				
Bank Deposits with more than 12 months maturity * (Refer Note 23)	–	1,380.00	–	–
Interest accrued on deposits	10.07	–	18.06	–
TOTAL	10.07	1,380.00	18.06	–

* Represent earmarked deposit with original and remaining maturity of more than 12 months from the Balance Sheet date.

	As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
	Current	Non-Current	Current	Non-Current
5. Other Assets				
(A) Capital Advances	–	42.86	–	42.86
(B) Advances other than capital advances				
(i) Security Deposits - Others	–	0.30	–	0.30
(ii) Advance Tax (net of provisions)	–	7.19	–	43.36
(iii) Other Advances				
- Assignable claims (Refer Note 23)	–	200.00	–	200.00
- Other Advances (including advances with statutory authorities, prepaid expenses etc.)	3.74	–	12.04	–
- Advance towards gratuity fund	0.02	–	–	–
TOTAL	3.76	250.35	12.04	286.52

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
	Unquoted	Unquoted
6. Current Investments		
INVESTMENT IN MUTUAL FUNDS (at fair value through profit or loss)		
Aditya Birla Sun Life Floating Rate Fund 1,97,316 units of ₹ 100.00 each	689.88	637.82
ICICI Prudential Savings Fund 2,16,162 units of ₹ 100.00 each	1,165.83	1,079.21
SBI Magnum Fund 32,624 units of ₹ 1000.00 each	1,160.06	1,075.15
Axis Liquid Fund 4,943 (2024: 6,026) units of ₹ 1000.00 each	141.27	160.45
HDFC Money Market Fund 16,701 units of ₹ 1000.00 each	954.24	884.63
ICICI Prudential Money Market Fund 1,26,050 (2024: Nil) units of ₹ 1000.00 each	474.54	–
ICICI Prudential Liquid Fund Nil (2024: 10,125) units of ₹ 1000.00 each	–	35.86
DSP Liquid Fund 5,267 (2024 : Nil) units of ₹ 1000.00 each	193.05	–
Aggregate amount of unquoted investments	4,778.87	3,873.12
TOTAL	4,778.87	3,873.12

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
7. Trade receivables		
Receivable from Holding Company	10.63	–
Receivable (Other than Holding Company)		
Unsecured, considered good	187.45	204.39
TOTAL	198.08	204.39

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
7. Trade receivables (Current)		
Considered good - Secured	–	–
Considered good - Unsecured	198.08	204.39
Which have significant increase in Credit Risk	–	–
Credit impaired	–	–
Less : allowance for credit impairment	–	–
TOTAL	198.08	204.39

(₹ in lakhs)

As at 31st March, 2025	Not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months – 1 year	1-2 years	More than 3 years	
Undisputed Trade Receivables – considered good	198.08	–	–	–	–	198.08
TOTAL	198.08	–	–	–	–	198.08

(₹ in lakhs)

As at 31st March, 2024	Not due	Outstanding for following periods from due date of payment				Total
		Less than 6 months	6 months – 1 year	1-2 years	More than 3 years	
Undisputed Trade Receivables – considered good	204.39	–	–	–	–	204.39
TOTAL	204.39	–	–	–	–	204.39

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
8. Cash and cash equivalents®		
Balances with Banks	–	–
Current accounts	8.73	3.92
Cash on hand	0.19	0.20
TOTAL	8.92	4.12

® Cash and cash equivalents include cash on hand, cash at bank and deposits with bank with original maturity of 3 months or less, as applicable. The Company does not have any significant cash and cash equivalents that are not available for use.

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
9. Bank Balances other than cash and equivalents®		
In deposit accounts (Refer Note 23)	–	1,380.00
TOTAL	–	1,380.00

® Represents earmarked deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 (₹ in lakhs)
10. Equity Share capital				
Authorised				
Equity Shares of ₹ 10.00 each	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Issued and Subscribed				
Equity Shares of ₹ 10.00 each, fully paid	4,20,60,166	4,206.02	4,20,60,166	4,206.02

A) Reconciliation of number of Equity Shares outstanding				
As at beginning and at the end of the year	4,20,60,166	4,206.02	4,20,60,166	4,206.02
As at end of the year	4,20,60,166	4,206.02	4,20,60,166	4,206.02

B) Shareholders holding more than 5% of the Equity Shares in the Company

	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 (%)	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 (%)
Russell Credit Limited - the Holding Company (upto 28th November, 2024)	–	–	4,20,60,166	100.00
ITC Limited - the Holding Company (w.e.f. 29th November, 2024)	4,20,60,166	100.00	–	–

C) Rights, preferences and restrictions attached to the Equity Shares

The Equity Shares of the Company, having par value of ₹ 10.00 per share, rank *pari passu* in all respects including voting rights and entitlement to dividend.

D) Shares held by promoters :

	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of shares as at end of the year	% of Total Shares	% change during the year	No. of shares as at end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10.00 each fully paid	Russell Credit Limited (upto 28th November, 2024)	–	–	–	4,20,60,166	100.00	–
Equity shares of ₹ 10.00 each fully paid	ITC Limited (w.e.f. 29th November, 2024)	4,20,60,166	100	100	–	–	–

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
11. Other financial liabilities		
Non-current		
Other liabilities (includes deposits from ITC Limited, the Holding Company and Associate of Holding Company)	–	80.11
TOTAL	–	80.11
Current		
Other liabilities (rental deposits)	56.11	–
Other payables (includes provision towards employee benefits, payable to ITC Limited, the Holding Company)	43.65	6.33
Others (Refer Note 23)	1,380.00	1,380.00
TOTAL	1,479.76	1,386.33

	As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
	Current	Non-Current	Current	Non-Current
12. Provisions				
Provision for employee benefits	–	–	0.31	–
Retirement benefits	–	–	–	–
Other benefits	2.63	23.02	6.40	19.12
TOTAL	2.63	23.02	6.71	19.12

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
13. Deferred tax liabilities / (assets) (Net)		
Deferred tax liabilities	87.90	70.40
Less : Deferred tax assets	8.37	8.11
TOTAL	79.53	62.29

Movement in Deferred tax liabilities / assets balances

(₹ in lakhs)

2024-25	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities in relation to :				
Other timing differences:				
On current investments - FVTPL	70.40	17.50	–	87.90
Total deferred tax liabilities	70.40	17.50	–	87.90
On fiscal allowances on property, plant and equipment etc.	1.62	0.32	–	1.94
On employees separation and retirement etc.	6.49	(0.21)	0.15	6.43
Total deferred tax assets	8.11	0.11	0.15	8.37
Deferred tax liabilities/ (assets) (Net)	62.29	17.39	(0.15)	79.53

2023-24	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
Deferred tax liabilities in relation to :				
Other timing differences:				
On current investments - FVTPL	1.52	68.88	–	70.40
Total deferred tax liabilities	1.52	68.88	–	70.40
On fiscal allowances on property, plant and equipment etc.	1.23	0.39	–	1.62
On employees separation and retirement etc.	5.62	0.26	0.61	6.49
Total deferred tax assets	6.85	0.65	0.61	8.11
Deferred tax liabilities/ (assets) (Net)	(5.33)	68.23	(0.61)	62.29

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
14. Trade Payables (Current)		
Total outstanding dues of Micro and Small Enterprises	–	–
Total outstanding dues of creditors other than Micro and Small Enterprises	174.92	184.25
TOTAL	174.92	184.25

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Trade Payables ageing schedule

(₹ in lakhs)

	Outstanding for following periods from due date of payment as at 31st March, 2025					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Dues - Micro and Small Enterprises	–	–	–	–	–	–
Undisputed Dues - Others	174.92	–	–	–	–	174.92
Disputed Dues - Micro and Small Enterprises	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Total	174.92	–	–	–	–	174.92

(₹ in lakhs)

	Outstanding for following periods from due date of payment as at 31st March, 2024					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Dues - Micro and Small Enterprises	–	–	–	–	–	–
Undisputed Dues - Others	184.25	–	–	–	–	184.25
Disputed Dues - Micro and Small Enterprises	–	–	–	–	–	–
Disputed Dues - Others	–	–	–	–	–	–
Total	184.25	–	–	–	–	184.25

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

There are no Micro Enterprises and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2025. This information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
15. Other liabilities		
Current		
Statutory liabilities	22.97	1.35
Progress payments and advances received	66.28	13.65
TOTAL	89.25	15.00

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
16. Revenue from operations		
Sale of Services	895.83	752.48
TOTAL	895.83	752.48
Revenue from Sale of Services comprises revenue from:		
a) Facility Management & Support Services	373.52	332.24
b) Engineering, Procurement and Construction Management Services & Project Management Consultancy Services	522.31	420.24
TOTAL	895.83	752.48

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
17. Other income		
Interest income	100.69	100.27
Other non-operating income	349.40	308.15
TOTAL	450.09	408.42
Interest income comprises interest from:		
a) Deposits with banks - carried at amortised cost	98.71	98.87
b) Others (from statutory authorities)	1.98	1.40
TOTAL	100.69	100.27
Other non-operating income:		
Net gain arising on financial assets (current investments) mandatorily measured at FVTPL*	334.40	277.22
Lease rental income	15.00	30.93
TOTAL	349.40	308.15

* Includes ₹ 8.75 lakhs (2024: ₹ 2.70 lakhs) being net gain on sale of investments.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
18. Employee benefits expense		
Salaries and wages	187.19	155.37
Remuneration of manager's salary on deputation *	121.16	92.94
Contribution to Provident and other funds	15.17	14.37
Staff welfare expenses	12.15	10.64
TOTAL	335.67	273.32

* Includes reimbursement on account of share based payments as under :

- Employee Stock Appreciation Linked Reward (ESAR) Plan : ₹ 0.22 lakh [2024 : ₹ 1.22 lakhs] [Refer Note 21 (v)]

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
19. Other expenses		
Rates and taxes	6.50	1.42
Insurance	3.16	3.06
Advertisement	–	8.29
Bank charges	5.11	0.03
Travelling and conveyance	0.31	0.01
Consultancy / Professional fees	17.57	34.27
Telephone expenses	0.03	0.04
Miscellaneous expenses	4.80	2.72
TOTAL	37.48	49.84
Miscellaneous expenses include :		
Auditors' remuneration and expenses *		
Audit fees	1.85	1.65
Tax audit fees	0.50	0.50
Fees for other services	0.20	–
* Excluding taxes.		

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
20. Income tax expenses		
A. Amount recognised in profit or loss		
Current tax		
Income tax for the year	82.41	21.75
Adjustments / (credits) related to previous years - Net	4.56	(7.88)
Total current tax	86.97	13.87
Deferred tax		
Deferred tax for the year	17.39	68.23
Total deferred tax	17.39	68.23
TOTAL	104.36	82.10
B. Amount recognised in other comprehensive income		
The tax (charge) / credit arising on income and expenses recognised in other comprehensive income is as follows:		
Deferred tax		
On items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plans	0.15	0.61
TOTAL	0.15	0.61

C. Reconciliation of effective tax rate		
The Income tax expense for the year can be reconciled to the accounting profit as follows:		
	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
Profit before tax	827.12	363.66
Income tax expense calculated @ 25.168%	208.17	91.53
Effect of tax relating to uncertain tax positions	0.05	0.30
Effect of different tax rates on certain items	(107.56)	–
Other differences	(0.86)	(1.85)
Total	99.80	89.98
Adjustments recognised in the current year in relation to the current tax of prior years	4.56	(7.88)
Income tax recognised in profit or loss	104.36	82.10

The tax rate used for the above reconciliations is the corporate tax rate of 25.168% (22% + surcharge @ 10% + cess @ 4%) payable on taxable profits under the Income-tax Act, 1961.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

21. Additional Notes to the Financial Statements

(i) Earnings per share:

		2025	2024
Earnings per share has been computed as under:			
(a)	Profit for the year (₹ in lakhs)	722.76	281.56
(b)	Weighted average number of Equity Shares outstanding for the purpose of basic earnings per share	4,20,60,166	4,20,60,166
(c)	Earnings per share on profit for the year (Face Value ₹ 10.00 per share) (in ₹) - Basic and Diluted [(a)/(b)]	1.72	0.67

(ii) Defined Benefit Plans/Long Term Compensated Absences:

Description of Plans

The Company makes contributions to both Defined Benefit (Gratuity) and Defined Contribution (Provident Fund) Plans for qualifying employees. The Defined Contribution Plan is administered through approved Trust, which operate in accordance with the Trust Deed, Rules and applicable Statutes. The Company contributes for gratuity to Life Insurance Corporation of India. The concerned Trust is managed by Trustees, who provide strategic guidance with regard to the management of their investments and liabilities and also periodically review their performance.

Provident Fund and Gratuity Benefits are funded and Leave Encashment Benefit is unfunded in nature. Under the Provident

Fund, Gratuity and Leave Encashment Schemes, employees are entitled to receive lump sum benefits.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes regular contributions to Employee Benefit Contribution Plan.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk.

Investment Risk: This may arise from volatility in asset values due to market fluctuations and impairment of assets due to credit losses. The Company makes contribution to Life Insurance Corporation of India (LIC) and due to its diverse portfolio, the risk is expected to be diversified.

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

The Trustees regularly monitor the funding and investments of these Plans. Risk mitigation systems are in place to ensure that the health of the portfolio is regularly reviewed and investments do not pose significant risk of impairment. Periodic audits are conducted to ensure adequacy of internal controls.

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
I	Components of Employer Expense				
	- Recognised in the Statement of Profit and Loss				
1	Current Service Cost	2.86	1.50	2.47	1.20
2	Past Service Cost	-	-	-	-
3	Net Interest Cost	(0.10)	1.55	(0.10)	1.60
4	Total expense recognised in the Statement of Profit and Loss	2.76	3.05	2.37	2.80
	- Re-measurements recognised in Other Comprehensive Income				
5	Return on plan assets (excluding amounts included in Net interest cost)	-	-	-	-
6	Effect of changes in demographic assumptions	-	-	-	-
7	Effect of changes in financial assumptions	0.52	0.37	1.00	0.65
8	Changes in asset ceiling (excluding interest income)	-	-	-	-
9	Effect of experience adjustments	(0.25)	(0.03)	0.33	0.43
10	Total re-measurements included in Other Comprehensive Income [(Gain)/Loss]	0.27	0.34	1.33	1.08
11	Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income [(Gain)/Loss] (4+10)	3.03	3.39	3.70	3.88

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in "Contribution to Provident and other funds" and Leave Encashment in "Salaries and wages" under Note 18. The re-measurements of the net defined benefit liability are included in Other Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
II	Actual Returns	3.49	–	3.13	–
III	Net Asset / (Liability) recognised in Balance Sheet				
	1 Present Value of Defined Benefit Obligation	43.45	25.65	45.07	25.52
	2 Fair Value of Plan Assets	43.47	–	44.76	–
	3 Status [Surplus/(Deficit)]	0.02	(25.65)	(0.31)	(25.52)
	4 Restrictions on Asset Recognised	–	–	–	–
		As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
	5 Net Asset/(Liability) recognised in Balance Sheet				
	- Current	0.02	(2.63)	(0.31)	(6.40)
	- Non-current	–	(23.02)	–	(19.12)
		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
IV	Change in Defined Benefit Obligation (DBO)				
	1 Present Value of DBO at the beginning of the year	45.07	25.52	38.38	21.65
	2 Current Service Cost	2.86	1.50	2.48	1.20
	3 Interest Cost	2.89	1.55	2.88	1.60
	4 Re-measurement (Gains) / Losses:				
	a. Effect of changes in demographic assumptions	–	–	–	–
	b. Effect of changes in financial assumptions	0.52	0.37	1.00	0.65
	c. Changes in asset ceiling (excluding interest income)	–	–	–	–
	d. Effect of experience adjustments	(0.25)	(0.03)	0.33	0.43
	5 Curtailment Cost / (Credits)	–	–	–	–
	6 Settlement Cost / (Credits)	–	–	–	–
	7 Liabilities assumed in business combination	–	–	–	–
	8 Exchange difference on foreign plans	–	–	–	–
	9 Benefits Paid	(7.64)	(3.26)	–	–
	10 Present Value of DBO at the end of the year	43.45	25.65	45.07	25.52
V	Best Estimate of Employers' Expected Contribution for the next year	As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
	- Gratuity	5.50		3.17	
	- Leave Encashment	–		–	

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

			For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
			Gratuity	Leave Encashment	Gratuity	Leave Encashment
			Funded	Unfunded	Funded	Unfunded
VI	Change in Fair Value of Assets					
	1	Plan Assets at the beginning of the year	44.76	–	37.63	–
	2	Asset acquired in Business Combination	–	–	–	–
	3	Expected Return on Plan Assets	2.98	–	2.98	–
	4	Re-measurement Gains/(Losses) on plan assets	–	–	–	–
	5	Actual Company Contributions	3.37	–	4.15	–
	6	Benefits Paid	(7.64)	–	–	–
	7	Plan Assets at the end of the year	43.47	–	44.76	–

			As at 31st March, 2025	As at 31st March, 2024
			Discount Rate (%)	Discount Rate (%)
VII	Actuarial Assumptions			
	1	Gratuity	6.75	7.00
	2	Leave Encashment	6.75	7.00

VIII Major Category of Plan Assets as a % of the Total Plan Assets			As at 31st March, 2025	As at 31st March, 2024
	1	Government Securities/Special Deposit with RBI	–	–
	2	High Quality Corporate Bonds	–	–
	3	Insurer Managed Funds*	100%	100%
	4	Mutual Funds	–	–
	5	Cash and Cash Equivalents	–	–
	6	Term Deposits	–	–

* In the absence of detailed information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

The employee benefit plans do not hold any securities issued by the Company

IX Basis used to determine the Expected Rate of Return on Plan Assets

The expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by the Life Insurance Corporation of India (LIC), since the fund is managed by LIC.

			For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
			Gratuity	Leave Encashment	Gratuity	Leave Encashment
			Funded	Unfunded	Funded	Unfunded
X	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)					
	1	Present Value of Defined Benefit Obligation	43.45	25.65	45.07	25.52
	2	Fair Value of Plan Assets	43.47	–	44.76	–
	3	Status [Surplus/(Deficit)]	0.02	(25.65)	(0.31)	(25.52)
	4	Experience Adjustment of Plan Assets [Gain/(Loss)]	–	–	–	–
	5	Experience Adjustment of obligation [(Gain)/ Loss]	(0.25)	(0.03)	0.33	0.42

XI. Sensitivity Analysis

The Sensitivity Analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation (DBO) presented above. There was no change in the methods and assumptions used in the preparation of sensitivity analysis from previous year.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(₹ in lakhs)

		DBO as at 31st March, 2025		DBO as at 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
1	Discount Rate + 100 basis points	41.43	24.25	43.12	24.25
2	Discount Rate - 100 basis points	45.72	27.23	47.06	26.84
3	Salary Increase Rate + 1%	45.73	27.24	47.26	26.98
4	Salary Increase Rate - 1%	41.38	24.22	43.07	24.21

Maturity Analysis of the Benefit Payments

(₹ in lakhs)

		DBO as at 31st March, 2025		DBO as at 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Funded	Unfunded	Funded	Unfunded
1	Year 1	0.86	2.72	4.15	6.62
2	Year 2	15.34	8.16	5.90	2.61
3	Year 3	5.37	2.72	8.53	4.32
4	Year 4	1.91	1.58	5.28	2.66
5	Year 5	6.12	2.52	1.89	1.54
6	Next 5 Years	16.39	10.96	22.81	13.50

Amount towards Defined Contribution Plans have been recognised under "Contribution to Provident and other funds" in Note18: ₹ 12.40 Lakhs (2024: ₹ 12.00 Lakhs).

(iii) Segment Reporting

The Company operates in a single business segment, namely infrastructure support services and in a single geographical segment in India. The entity-wide disclosures are as under:

(₹ in lakhs)

	2025	2024
Non-current assets (In India)	3,320.31	2,010.68

The Company has four (2024: three) major customers from whom it generated revenue of ₹ 373.52 Lakhs (2024: ₹ 332.24 Lakhs), ₹ 246.77 Lakhs (2024: ₹ 312.24 Lakhs), ₹ 141.02 Lakhs (2024: ₹ Nil) and ₹ 106.83 Lakhs (2024: ₹ Nil) respectively.

The Operating segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, which is the Chief Operating Decision-Maker.

(iv) Related Party Disclosures:

(a) RELATIONSHIP:

i) Holding Company:

- ITC Limited (w.e.f. 29/11/2024)

ii) Holding Company:

- Russell Credit Limited (upto 28/11/2024)

iii) Other related parties with whom the Company had transactions:

Associate of the Holding Company with whom the Company had transactions during the year:

- International Travel House Limited (upto 31/12/2024)

iv) Key Management Personnel (KMP):

- Mr. S. Dutta Chairman & Non-Executive Director
- Mr. J. Singh Non-Executive Director
- Ms. N. Bajaj Non-Executive Director
- Mr. M. Seth Chief Financial Officer (upto 30/11/2024)
- Mr. A. Dey Chief Financial Officer (w.e.f. 01/12/2024)
- Mr. L. R. Basa Manager & Company Secretary

v) Employee Trusts where there is significant influence:

- Greenacre Holdings Limited Provident Fund
- Greenacre Holdings Limited Gratuity Fund

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(b) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES FOR THE YEAR AND THE STATUS OF OUTSTANDING BALANCES AS AT THE YEAR END

(₹ in lakhs)

RELATED PARTY TRANSACTION SUMMARY		Holding Company		Associate of Holding Company		Key Management Personnel		Employee Trusts		Total	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
1.	Rent Received	-	17.28	13.28	16.11	-	-	-	-	13.28	33.39
2.	Purchase of Services	561.23	450.82	-	-	-	-	-	-	561.23	450.82
3.	Sale of Services	440.75	392.04	-	-	-	-	-	-	440.75	392.04
4.	Expenses Recovered	1.05	1.54	-	-	-	-	-	-	1.05	1.54
5.	Remuneration of managers on deputation*:- - for Chief Financial Officer (CFO)	69.23	74.58	-	-	-	-	-	-	69.23	74.58
	- for Manager & Company Secretary	24.22	17.14	-	-	-	-	-	-	24.22	17.14
6.	Remuneration on account of share based payment for manager on deputation (For CFO)	0.22	1.22	-	-	-	-	-	-	0.22	1.22
7.	Expenses Reimbursed	0.65	1.27	-	-	-	-	-	-	0.65	1.27
8.	Contribution to Greenacre Holdings Limited Provident Fund	-	-	-	-	-	-	12.40	12.00	12.40	12.00
9.	Contribution to Greenacre Holdings Limited Gratuity Fund	-	-	-	-	-	-	2.77	4.15	2.77	4.15
10.	Balances as at 31st March										
	i) Rental Security Deposits	-	24.00	-	56.11	-	-	-	-	-	80.11
	ii) Payables	170.97	182.01	-	-	-	-	-	-	170.97	182.01
	iii) Receivables	10.63	-	-	-	-	-	-	-	10.63	-

* Excludes provision for incentives of ₹ 27.50 Lakhs which gets finalised subsequently.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- (v) The earlier Chief Financial Officer of the Company, who was on deputation from ITC Limited (ITC), the Holding Company, was granted Stock Options and Employee Stock Appreciation Linked Reward Units (ESAR Units) by ITC in previous year(s) under the ITC Employee Stock Option Schemes (ITC ESOS) and under the ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR Plan).

The cost of stock options granted under ITC ESOS / ESAR units granted under ITC ESAR Plan have been recognised as equity settled / cash settled share based payments respectively in accordance with Ind AS 102 – Share Based Payment. In terms of the aforesaid arrangement, the Company has accounted for the cost of the fair value of Stock Options / ESAR Units granted to the deputed employee on-charge by ITC. Accordingly, an amount of ₹ 0.22 lakh (2024: ₹ 1.22 lakhs) towards ESAR Units have been recognised as employee benefits expense (Refer Note 18) and the liability on account of ESAR Units of ₹ Nil (2024: ₹ 1.91 lakhs) is presented under Note 11 of the financial statements.

The summary of movement of such options granted by ITC and status of the outstanding options is as under:

Particulars	As at 31st March, 2025	As at 31st March, 2024
	No. of Options	No. of Options
Outstanding at the beginning of the year	1,733	5,208
Add: Granted during the year	–	–
Less: Lapsed during the year	–	–
Options forfeited / surrendered during the year	–	–
Options due to transfer in and transfer out	(991)	–
Less: Exercised during the year	742	3,475
Outstanding at the end of the year	–	1,733
Options exercisable at the end of the year	–	1,733

Note: The weighted average exercise price of the options granted to all Optionees under the ITC ESOS is computed by ITC as a whole.

Since the above-mentioned Stock Options / ESAR Units are not tradeable, no perquisite or benefit is conferred upon the employee by grant of such Options / Units.

- (vi) Figures for the previous year are re-arranged, wherever necessary, to conform to the figures of the current period. The same does not have any material impact on the standalone financial statements.

(vii) Leases :

As a lessor

The Company has leased out certain buildings under operating lease for lease terms upto 2 years. Lease payments are structured with periodic escalations consistent with the prevailing market conditions. There are no variable lease payments that do not depend on an index or rate. Rental income recognised from the leases during the year is ₹ 15.00 lakhs (2024: ₹ 30.93 lakhs).

The undiscounted minimum lease payments to be received over the remaining non-cancellable term on an annual basis are as follows:

(₹ in lakhs)

	2025	2024
Term	Lease Payments	Lease Payments
Within 1 year	2.50	2.50
Between 1-5 years	–	–
Later than 5 years	–	–

(viii) Financial Ratios

Particulars	Numerator	Denominator	31st March, 2025	31st March, 2024
Current ratio (in times)	Current Assets	Current Liabilities	2.86	3.45
Trade Receivables turnover (in times) ¹	Revenue from operations	Average Trade Receivables	4.45	6.02
Trade payables turnover (in times)	Maintenance and service expense	Average Trade Payables	3.16	4.12
Net capital turnover (in times) ²	Revenue from operations	Working Capital (Current Assets – Current Liabilities)	0.28	0.19
Return on Equity (in %) ³	Profit after Tax (PAT)	Average Shareholder's Equity	11.83	5.02
Net Profit (in %) ³	Profit after Tax (PAT)	Revenue from operations	80.68	37.42
Return on Capital employed (in %) ³	Profit before Interest & Taxes (PBIT)	Average Capital Employed	13.54	6.48
Return on investment (in %)	Income from Investment	Time Weighted Average Investments	6.68	7.71

Note: As the Company is Debt-free, the Debt-Equity Ratio and Debt Service Coverage Ratio are not applicable. Similarly, Inventory-Turnover Ratio is not applicable to the Company's operations.

¹ Trade Receivables turnover as at 31st March, 2025 has gone down due to lower average trade receivables as compared to last year.

² Net capital turnover as at 31st March, 2025 has gone up due to higher revenue from EPCM business as compared to last year.

³ Net Profit (in %) as at 31st March, 2025 has gone up due to net gain on sale of Property, Plant & Equipment in the current year.

- (ix) The financial statements were approved for issue by the Board of Directors on April 26, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of The Companies Act, 2013.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

22. Financial Instruments and Related Disclosures

1. Capital Management

The Company funds its operations mainly through internal accruals and does not have any borrowings. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of Financial Instruments

(₹ in lakhs)

Particulars	Note	As at 31st March, 2025		As at 31st March, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets					
a) Measured at amortised cost					
i) Trade receivables	7	198.08	198.08	204.39	204.39
ii) Cash and cash equivalents	8	8.92	8.92	4.12	4.12
iii) Others	4, 9	1,390.07	1,390.07	1,398.06	1,398.06
Sub - total		1,597.07	1,597.07	1,606.57	1,606.57
b) Measured at fair value through profit or loss					
i) Investment in mutual funds	6	4,778.87	4,778.87	3,873.12	3,873.12
Sub - total		4,778.87	4,778.87	3,873.12	3,873.12
Total financial assets		6,375.94	6,375.94	5,479.69	5,479.69
B. Financial liabilities					
a) Measured at amortised cost					
i) Trade payables	14	174.92	174.92	184.25	184.25
ii) Other financial liabilities	11	1,479.76	1,479.76	1,466.44	1,466.44
Total financial liabilities		1,654.68	1,654.68	1,650.69	1,650.69

C. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard.

Market Risks

As the Company is debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of Financial liabilities is negligible. Investments are made in debt instruments, within approved policies and procedures guided by the tenets of liquidity, safety and returns. This ensures that investments are only made within acceptable risk parameters.

The Company's investments are predominantly held in debt mutual funds etc. The Company invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that arises mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant. Fixed deposit is held with highly rated bank and is not subject to interest rate volatility.

Liquidity Risk

The Company's Current assets aggregate ₹ 4,999.70 lakhs (2024: ₹ 5,491.73 lakhs) including Current investments, Trade receivables, Cash and cash equivalents, Other Bank Balances & Others of ₹ 4,995.94 lakhs (2024: ₹ 5,479.69 lakhs) against an aggregate Current liability of ₹ 1,746.56 lakhs (2024: ₹ 1,592.29 lakhs); Non-current liabilities due between one year to three years amount to ₹ Nil (2024: ₹ 80.11 lakhs) on the reporting date.

In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due, does not exist.

Credit Risk

The risk management framework of the Company is designed to bring robustness to the risk management processes within the Company. With respect to the Company's investing activities, counter parties are shortlisted and exposure limits determined on the basis of their credit rating, financial statements and other relevant information. The counter party risk is considered insignificant.

Concentrations of credit risk with respect to trade receivables are limited as the Company's major customer is its Holding Company. Exceptions are managed and approved by appropriate authorities, after due consideration of the counterparty's credentials and financial capacity, trade practices and prevailing business and economic conditions. Based on the assessment of financial assets, no loss provision is considered necessary.

D. Fair value measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of financial liabilities, where applicable, is determined using market observable inputs such as quotes from market participants,

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

value published by the issuer etc.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities, where applicable, is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. The sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities does not have a significant impact on their value. There were no transfers between Level 1, Level 2 and Level 3 during the year

The following table presents the fair value hierarchy of assets measured at fair value:

(₹ in lakhs)

Particulars	Fair Value Hierarchy (Level)	Fair Value	
		As at 31st March, 2025	As at 31st March, 2024
A. Financial assets			
Measured at fair value through profit or loss			
Investment in mutual funds	1	4,778.87	3,873.12

23. During the year 1999-2000, erstwhile Classic Infrastructure & Development Limited (CIDL) [since amalgamated with the Company] acquired assignable claims amounting to ₹ 920.59 lakhs together with any interest that may accrue on the said amount till the date of actual repayment, at an agreed consideration of ₹ 200.00 lakhs. This amount is included in "Other non-current assets" under Note 5.

During the year 2022-23, the Company had received an amount of ₹ 1380.00 lakhs that was released by the Hon'ble High Court of Karnataka against submission of bank guarantee by the Company. The amount was deposited by the defendants with the Hon'ble High Court as per the interim order towards their appeal. As the matter is sub-judice, the said amount is reflected under current liabilities (refer Note 11) and a concomitant earmarked balance under other financial assets (non-current) (refer Note 4) in the Balance Sheet.

24. Exceptional Item represents the profit from sale of two flats located in Alipore, Kolkata.

On behalf of the Board

S. DUTTA (DIN: 01804345)	Chairman	J. SINGH (DIN: 00042258)	Director
A. DEY	Chief Financial Officer	L. R. BASA	Manager & Company Secretary

Kolkata, April 26, 2025

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

1. Your Directors submit their 91st Report for the financial year ended 31st March, 2025.

2. COMPANY PERFORMANCE

During the year under review, your Company earned a Total Income of ₹ 2,510.65 lakhs (previous year: ₹ 2,482.45 lakhs) with Net Profit of ₹ 2,379.67 lakhs (previous year: ₹ 2,311.77 lakhs). The Company remains committed to its growth strategy through its joint venture interest in ITC Filtrona Limited and continues to explore newer growth opportunities. The temporary surplus funds of the Company have been deployed in bank fixed deposits and debt mutual funds.

The financial results of your Company, summarised, are as under:

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
Profits		
a. Profit Before Tax	2,406.91	2,331.12
b. Less : Tax Expense	27.24	19.35
c. Profit After Tax	2,379.67	2,311.77
d. Add : Other Comprehensive Income	–	–
e. Total Comprehensive Income	2,379.67	2,311.77
Retained Earnings		
a. At the beginning of the year	1,421.66	1,365.66
b. Add : Profit for the year	2,379.67	2,311.77
c. Add : Other Comprehensive Income	–	–
d. Less : Interim Dividend paid	2,255.77	2,255.77
e. At the end of the year	1,545.56	1,421.66

3. DIVIDEND

During the year under review, Interim Dividend of ₹ 14.10 per Equity Share was declared by your Directors on 26th March, 2025. Such Dividend was paid to the Members whose names appeared in the Register of Members of the Company on the aforesaid date. The said Interim Dividend aggregating ₹ 2,255.77 lakhs has been confirmed by your Directors as the Final Dividend for the financial year ended 31st March, 2025.

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL
(a) Changes in Directors

During the year, there were no changes in the Board of Directors of the Company ('the Board').

(b) Changes in Key Managerial Personnel

There were no changes in the Key Managerial Personnel of the Company during the year.

(c) Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with the Articles of Association of the Company, Mr. Jagdish Singh (DIN: 00042258), Director, will retire by rotation at the ensuing Annual General Meeting ('AGM') of the Company, and being eligible, offers himself for re-election. Your Board has recommended his re-election.

5. BOARD MEETINGS

Five meetings of the Board were held during the year ended 31st March, 2025.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- (a) followed in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Accounting Standards with proper explanation relating to material departures, if any;

(b) selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) taken proper and sufficient care for the 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 fraud and other irregularities;

(d) prepared the Annual Accounts on a going concern basis; and

(e) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. ASSOCIATE AND JOINT VENTURE

The statement in Form AOC-1 containing the salient features of the financial statements of ATC Limited, associate company, and ITC Filtrona Limited, joint venture company, is attached to the Financial Statements of the Company.

The Company, being an intermediate wholly owned subsidiary, is not required to prepare Consolidated Financial Statements. However, brief details of the performance and financial position of the Company's associate and joint venture are given below:

Name of Associate / Joint Venture Company	Total Revenue / Income (₹ in lakhs)		Profit After Tax (₹ in lakhs)	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
ATC Limited (associate company)	3,674.56	3,224.20	54.33	100.31
ITC Filtrona Limited (joint venture company)	76,988.62	74,852.09	8,384.85	8,080.30

8. PARTICULARS OF EMPLOYEES

The details of employees of the Company, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in the Annexure to this Report.

The Company seeks to create equal opportunities for men and women and is committed to a gender-friendly workplace. During the year, no complaint for sexual harassment was received. However, the Company is not required to constitute Internal Complaints Committee in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

9. RISK MANAGEMENT

The risk management framework of the Company is commensurate with its size and nature of business. Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board. The Internal Auditor of the Company periodically carries out risk focused audits with the objective of identifying areas where risk management processes could be further strengthened. The Board annually reviews the effectiveness of the Company's risk management systems and policies.

10. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with respect to the financial statements, commensurate with its size and scale of operations. The Internal Auditor of the Company periodically evaluates the adequacy and effectiveness of such internal financial controls. The Board which provides guidance on internal controls, also reviews internal audit findings and implementation of internal audit recommendations, if any.

During the year, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

12. RELATED PARTY TRANSACTIONS

During the year ended 31st March, 2025, the Company has neither entered into any contract or arrangement with its related parties which is not at arm's length nor has the Company entered into any material contract or arrangement with them, in terms of Section 188 of the Act. Accordingly, the disclosure of Related Party Transactions, as required in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form No. AOC-2, is not applicable for this year.

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING GOING CONCERN STATUS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

14. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

15. STATUTORY AUDITORS

Messrs. S R B C & CO LLP, Chartered Accountants ('SRBC'), were re-appointed as the Auditors of your Company at the 90th AGM held on 28th June, 2024 to hold such office till the conclusion of the 95th AGM. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, remuneration of SRBC for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

16. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption.

During the year under review, there has been no foreign exchange earnings or outflow.

On behalf of the Board

S. DUTTA T.S.M. SHENOY
Chairman Director

Dated: 26th April, 2025 (DIN : 01804345) (DIN : 09476476)

Annexure to the Report of the Board of Directors for the financial year ended 31st March, 2025

[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Name	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of employment / deputation	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
A. Basu *	51	Chief Financial Officer	46,97,441/-	32,22,266/-	B.Com.(Hons.), A.C.A.	22	15.01.2024	ITC Limited – Manager (Finance)
P. Kumar *	34	Manager and Company Secretary	30,25,907/-	21,98,666/-	B.Com.(Hons.), A.C.S.	10	01.10.2021	ITC Limited – Manager (Secretarial)

* On deputation from ITC Limited, the Holding Company.

Notes:

- Gross Remuneration includes salary, variable pay / performance bonus, allowances and other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net Remuneration comprises cash income less tax deducted at source and employee's own contribution to provident fund.
- The aforesaid employees are / were neither relative of any Director / Manager of the Company nor hold any equity share in the Company.

On behalf of the Board

S. DUTTA T.S.M. SHENOY
Chairman Director
(DIN : 01804345) (DIN : 09476476)

Dated: 26th April, 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLD FLAKE CORPORATION LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Gold Flake Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other 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 Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

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 Board report, but does not include the Ind AS financial statements and our auditor's report thereon. Our opinion on the Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS 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. 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.

Responsibility of Management for the Ind AS 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 Ind AS 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 the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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.
- 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Statement of Cash Flows 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (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 is 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 these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the Company has not paid/provided any managerial remuneration to its directors during the year and hence the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company for the year ended March 31, 2025;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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. a) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by

the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such 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 (a) and (b) contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 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 the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya

Partner

Place of Signature: Mumbai

Date: April 26, 2025

Membership Number: 124790

UDIN: 25124790BMLDY18195

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: Gold Flake Corporation Limited ("the Company")

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) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business, in view of its current operations, does not require maintenance of inventories and, accordingly, the requirements to report on clause 3(ii)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the

nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Services Tax, cess and other statutory dues applicable to it. Customs duty and excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, cess and other statutory dues applicable to it were outstanding, at the year end, for a period of more than six months from the date they became payable. Customs duty and excise duty are not applicable to the Company.
- (c) According to the information and explanations given to us, there are no dues of income tax, customs duty, excise duty, Goods and Services Tax, cess and other statutory dues which have not been deposited on account of any dispute.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the

- requirement to report on Clause 3(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 did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) On an overall examination of the Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its associates or joint ventures. The Company does not have any subsidiary company.
- (f) The Company has not raised loans during the year on the pledge of securities held in its joint ventures or associate companies. The Company does not have any subsidiary company. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations given by the management, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year
- (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii)(a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order in so far as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv)(a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.
- (xvi)(a) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 18(ix) to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, 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 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) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xx) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya

Partner

Place of Signature: Mumbai

Date: April 26, 2025

Membership Number: 124790

UDIN: 25124790BMLDY18195

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF GOLD FLAKE CORPORATION LIMITED

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 Ind AS financial statements of Gold Flake Corporation Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these Ind AS 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") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these Ind AS 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 these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS 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 Ind AS 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 these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
per Anant Acharya
Partner

Place of Signature: Mumbai
Date: April 26, 2025

Membership Number: 124790
UDIN: 25124790BMLDYI8195

BALANCE SHEET AS AT 31ST MARCH, 2025

	Note	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	0.02	0.02
(b) Financial Assets			
(i) Investments	4	600.64	600.64
(ii) Others	5	500.00	—
(c) Income Tax Assets (Net)	6	219.61	227.55
Current assets			
(a) Financial Assets			
(i) Investments	7	736.57	581.91
(ii) Cash and cash equivalents	8	97.28	9.39
(iii) Bank Balances other than (ii) above	9	1,343.22	1,756.34
(iv) Others	5	3.95	189.18
TOTAL ASSETS		3,501.29	3,365.03
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	10	1,599.84	1,599.84
(b) Other Equity		1,632.82	1,508.92
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	11	2.79	3.00
(b) Deferred tax liabilities (Net)	12	15.70	16.12
Current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	11	24.56	11.45
(b) Other current liabilities	13	225.58	225.70
TOTAL EQUITY AND LIABILITIES		3,501.29	3,365.03

The accompanying notes 1 to 19 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

On behalf of the Board

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 26, 2025

S. DUTTA

(DIN: 01804345)

A. BASU

Chairman

Chief Financial Officer

T.S.M. SHENOY

(DIN: 09476476)

P. KUMAR

Director

Manager & Company Secretary

Kolkata, April 26, 2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
I Other Income	14	2,510.65	2,482.45
Total Income (I)		2,510.65	2,482.45
II EXPENSES			
Employee benefits expense	15	101.46	149.15
Other expenses	16	2.28	2.18
Total expenses (II)		103.74	151.33
III Profit before tax (I - II)		2,406.91	2,331.12
IV Tax expense:			
Current Tax	17	27.66	9.99
Deferred Tax	17	(0.42)	9.36
V Profit for the year (III - IV)		2,379.67	2,311.77
VI Other Comprehensive Income		—	—
VII Total Comprehensive Income for the year (V + VI)		2,379.67	2,311.77
VIII Earnings per equity share (Face Value of ₹ 10.00 each):			
- Basic and Diluted (in ₹)	18(i)	14.87	14.45

The accompanying notes 1 to 19 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

On behalf of the Board

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 26, 2025

S. DUTTA

(DIN: 01804345)

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T.S.M. SHENOY

(DIN: 09476476)

P. KUMAR

Director

Manager & Company Secretary

Kolkata, April 26, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

(₹ in lakhs)

	Balance at the beginning of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	1,599.84	–	1,599.84
For the year ended 31st March, 2024	1,599.84	–	1,599.84

B. Other Equity

(₹ in lakhs)

FY 2024-25	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at 1st April, 2024	87.26	1,421.66	1,508.92
Profit for the year	–	2,379.67	2,379.67
Other Comprehensive Income (net of tax)	–	–	–
Total Comprehensive Income for the year	–	2,379.67	2,379.67
Interim Dividend Paid	–	(2,255.77)	(2,255.77)
Balance as at 31st March, 2025	87.26	1,545.56	1,632.82

FY 2023-24	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
Balance as at 1st April, 2023	87.26	1,365.66	1,452.92
Profit for the year	–	2,311.77	2,311.77
Other Comprehensive Income (net of tax)	–	–	–
Total Comprehensive Income for the year	–	2,311.77	2,311.77
Interim Dividend Paid	–	(2,255.77)	(2,255.77)
Balance as at 31st March, 2024	87.26	1,421.66	1,508.92

General Reserve: This Reserve is created by an appropriation from one component of Equity (generally Retained Earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 19 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

On behalf of the Board

Anant Acharya
Partner
(Membership No. 124790)
Mumbai, April 26, 2025

S. DUTTA
(DIN: 01804345)
A. BASU

Chairman
Chief Financial Officer

T.S.M. SHENOY
(DIN: 09476476)
P. KUMAR

Director
Manager & Company Secretary
Kolkata, April 26, 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	2,406.91	2,331.12
ADJUSTMENTS FOR:		
Interest Income on Bank Deposits	(203.25)	(155.86)
Interest on Income Tax refund	(7.94)	(8.29)
Dividend Income	(2,250.00)	(2,250.00)
Net gain arising on investments mandatorily measured at Fair value through profit or loss	(49.46)	(68.30)
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(103.74)	(151.33)
ADJUSTMENTS FOR:		
Other financial asset	173.90	(173.90)
Other financial liabilities and Other liabilities	12.78	50.94
CASH GENERATED FROM / (USED IN) OPERATIONS	82.94	(274.29)
Income tax paid (net of refunds)	(11.79)	(56.46)
NET CASH FROM / (USED IN) OPERATING ACTIVITIES	71.15	(330.75)
B. Cash Flow from Investing Activities		
Purchase of current investments	(300.00)	(880.00)
Sale / redemption of current investments	194.80	942.39
Dividend Income	2,250.00	2,250.00
Interest received	214.59	164.12
Investment in bank deposits (original maturity more than 3 months)	(4,514.59)	(4,229.35)
Redemption / maturity of bank deposits (original maturity more than 3 months)	4,427.71	4,345.49
NET CASH FROM INVESTING ACTIVITIES	2,272.51	2,592.65
C. Cash Flow from Financing Activities		
Dividend paid	(2,255.77)	(2,255.77)
NET CASH USED IN FINANCING ACTIVITIES	(2,255.77)	(2,255.77)
NET INCREASE IN CASH AND CASH EQUIVALENTS	87.89	6.13
OPENING CASH AND CASH EQUIVALENTS	9.39	3.26
CLOSING CASH AND CASH EQUIVALENTS (Note 8)	97.28	9.39

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

The accompanying notes 1 to 19 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

Anant Acharya
Partner
(Membership No. 124790)
Mumbai, April 26, 2025

S. DUTTA
(DIN: 01804345)
A. BASU

Chairman
Chief Financial Officer

On behalf of the Board

T.S.M. SHENOY
(DIN: 09476476)
P. KUMAR

Director
Manager & Company Secretary
Kolkata, April 26, 2025

NOTES TO THE FINANCIAL STATEMENTS

Company Information:

Gold Flake Corporation Limited, CIN: U16003WB1935PLC008314, a wholly owned subsidiary of ITC Limited, is a Public Limited Company within the meaning of the Companies Act, 2013, having its registered office located at Virginia House, 37 Jawaharlal Nehru Road, Kolkata 700071, West Bengal, India. While the main objects of the Company are primarily to manufacture and deal in tobacco & tobacco related products, it continues to explore newer growth opportunities. It remains committed to its growth strategy through its joint venture and associate. The temporary surplus funds of the Company, in the meantime, are deployed in investment in Companies, bank fixed deposits and debt mutual funds.

1. Material Accounting Policies**Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2016.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair values, as explained in the accounting policies.

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.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products or services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PP&E recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP).

Cost is inclusive of inward freight, import duties & non-refundable taxes and incidental expenses related to acquisition. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

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

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost of the assets after commissioning (or other amount substituted for cost), less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of PP&E of the Company are as follows:

Office Equipment - Desktop	3 years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amounts of

assets exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

Investment in Associate and Joint Venture

Investment in associate and joint venture are carried at cost less accumulated impairment, if any.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include investments, trade receivables, advances, security deposits, cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

The financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value, unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised under 'other income' in the Statement of Profit and Loss in the period in which they arise.

Advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed the Company shall reclassify all affected financial assets prospectively from the

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are de-recognised when the right to receive cash flows from the assets has expired, or has been transferred and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Employee Share Based Compensation

The cost of stock options and stock appreciation units granted by ITC Limited, the Holding Company, to its eligible employees deputed to the Company is recognised at fair value. These Schemes are in the nature of equity settled / cash settled share based compensation and are assessed, managed / administered by the Holding Company.

In case of stock options, the fair value of stock options at the grant date is amortised on a straight line basis over the vesting period and cost recognised as an employee benefits expenses in the Statement of Profit and Loss with a corresponding credit in equity, net of reimbursements, if any.

In case of stock appreciation units, the fair value of stock appreciation units at the grant date is initially recognised and remeasured at each reporting date, until settled, and cost recognized as an employee benefits expenses in the Statement of Profit and Loss with a corresponding increase in other financial liabilities.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted or substantively enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation

purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

2. Use of Estimates and Judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could 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 the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in the notes to the financial statements

(₹ in lakhs)

Particulars	Gross Block							Depreciation and Amortization						Net Book Value	
	As at 31st March, 2023	Additions	Withdrawals and adjustments	As at 31st March, 2024	Additions	Withdrawals and adjustments	As at 31st March, 2025	Upto 31st March, 2023	For the year	On Withdrawals and adjustments	Upto 31st March, 2024	For the year	On Withdrawals and adjustments	Upto 31st March, 2025	As at 31st March, 2025
3. Property, Plant and Equipment	0.42	–	–	0.42	–	–	0.42	0.40	–	–	0.40	–	–	0.40	0.02
TOTAL	0.42	–	–	0.42	–	–	0.42	0.40	–	–	0.40	–	–	0.40	0.02

NOTES TO THE FINANCIAL STATEMENTS (contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
4. Non-current investments		
INVESTMENT IN EQUITY INSTRUMENTS [Unquoted]		
In Associates (at cost)		
ATC Limited		
55,650 Equity Shares of ₹ 100.00 each, fully paid	83.48	83.48
1,39,125 Equity Shares of ₹ 100.00 each, ₹ 70.00 paid	292.16	292.16
In Joint Ventures (at cost)		
ITC Filtrona Limited		
22,50,000 Equity Shares of ₹ 10.00 each, fully paid	225.00	225.00
TOTAL	600.64	600.64
5. Other Financial Assets		
Bank deposits with more than 12 months maturity	–	–
Interest accrued on Deposits	3.95	–
Others	–	15.28
TOTAL	3.95	189.18
6. Income Tax Assets (Net) :		
Income Tax Assets (net of provisions)	219.61	227.55
TOTAL	219.61	227.55
7. Current Investments		
INVESTMENT IN MUTUAL FUNDS (at fair value through profit or loss) [Unquoted]		
Axis Liquid Fund		
633 (2024 - 204) units of ₹ 1000.00 each	18.09	5.42
Aditya Birla Sun Life Saving Fund		
69,523 units of ₹ 100.00 each	379.82	351.70
Kotak Corporate Bond Fund		
789 units of ₹ 1000.00 each	30.37	27.90
Axis Ultra Short Term Fund		
9,61,441 (2024 - 12,41,530) units of ₹ 10.00 each	147.20	176.21
UTI Liquid Cash Plan		
Nil (2024 - 527) units of ₹ 1000.00 each	–	20.68
HDFC Liquid Fund		
3,198 (2024 - Nil) units of ₹ 1000.00 each	161.09	–
TOTAL	736.57	581.91
8. Cash and cash equivalents[@]		
Balances with Banks		
Current accounts	97.28	9.39
TOTAL	97.28	9.39
[@] Cash and cash equivalents include cash on hand, cheques, cash at bank, deposits with banks with original maturity of 3 months or less etc., as applicable. The Company does not have any significant cash and cash equivalents that are not available for use.		
9. Bank Balances other than cash and cash equivalents		
In deposit accounts *	1,343.22	1,756.34
TOTAL	1,343.22	1,756.34
* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.		

	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 (₹ in lakhs)
10. Equity Share capital				
Authorised				
Equity Shares of ₹ 10.00 each	2,00,00,000	2,000.00	2,00,00,000	2,000.00
Issued and Subscribed				
Equity Shares of ₹ 10.00 each, fully paid	1,59,98,385	1,599.84	1,59,98,385	1,599.84
A) Reconciliation of number of Equity Shares outstanding				
As at beginning and at the end of the year	1,59,98,385	1,599.84	1,59,98,385	1,599.84
B) Shareholders holding more than 5% of the Equity Shares in the Company				
	As at 31st March, 2025 (No. of Shares)	As at 31st March, 2025 (%)	As at 31st March, 2024 (No. of Shares)	As at 31st March, 2024 (%)
ITC Limited - the Holding Company	1,59,98,385	100.00	1,59,98,385	100.00
C) Rights, preferences and restrictions attached to the Equity Shares				
The Equity Shares of the Company, having par value of ₹ 10.00 per share, rank <i>pari passu</i> in all respects including voting rights and entitlement to dividend.				
D) Shares held by promoter				

	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
Equity Shares of ₹ 10.00 each, fully paid	ITC Limited	1,59,98,385	100.00	–	1,59,98,385	100.00	–
TOTAL		1,59,98,385	100.00	–	1,59,98,385	100.00	–

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs) Current	As at 31st March, 2025 (₹ in lakhs) Non-Current	As at 31st March, 2024 (₹ in lakhs) Current	As at 31st March, 2024 (₹ in lakhs) Non-Current
11. Other financial liabilities				
Other payables to related parties	–	–	2.73	–
Others	24.56	2.79	8.72	3.00
TOTAL	24.56	2.79	11.45	3.00
		As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)
12. Deferred tax liabilities (Net)				
Deferred tax liabilities		16.40		16.12
Less : Deferred tax assets		0.70		–
TOTAL		15.70		16.12
Movement in Deferred tax liabilities / (assets) balances 2024-25	Opening Balance	Recognised in profit or loss	Recognised in OCI	(₹ in lakhs) Closing Balance
Deferred tax liabilities in relation to :				
On current investments - FVTPL	16.12	0.28	–	16.40
Total deferred tax liabilities	16.12	0.28	–	16.40
Other timing differences	–	0.70	–	0.70
Total deferred tax assets	–	0.70	–	0.70
Deferred tax liabilities/ (assets) (Net)	16.12	(0.42)	–	15.70
Movement in Deferred tax liabilities / (assets) balances 2023-24	Opening Balance	Recognised in profit or loss	Recognised in OCI	(₹ in lakhs) Closing Balance
Deferred tax liabilities in relation to:				
On current investments - FVTPL	6.76	9.36	–	16.12
Total deferred tax liabilities	6.76	9.36	–	16.12
Total deferred tax assets	–	–	–	–
Deferred tax liabilities / (assets) (Net)	6.76	9.36	–	16.12
		As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)
13. Other liabilities (Current)				
Statutory liabilities		225.58		225.70
TOTAL		225.58		225.70
		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)
14. Other income				
Interest income		211.19		164.15
Dividend income		2,250.00		2,250.00
Other non-operating income		49.46		68.30
TOTAL		2,510.65		2,482.45
Interest income comprises interest from:				
a) Deposits with banks - carried at amortised cost		203.25		155.86
b) Others (from statutory authorities)		7.94		8.29
TOTAL		211.19		164.15
Dividend income comprises dividend from:				
Non- Current investments		2,250.00		2,250.00
TOTAL		2,250.00		2,250.00
Other non-operating income:				
Net gain / (loss) arising on financial assets mandatorily measured at FVTPL *		49.46		68.30
TOTAL		49.46		68.30

* Includes ₹ 2.40 Lakhs (2024: ₹ 28.05 Lakhs) being net gain on sale of investments.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
15. Employee benefits expense		
Remuneration of managers' salary on deputation @	100.88	147.61
Staff welfare expenses	0.58	1.54
TOTAL	101.46	149.15
@ Includes charge/ (credit) on account of share based payments as under :		
- Employee Stock Appreciation Linked Reward (ESAR) Plan : Nil [2024 : ₹ 2.85 Lakhs] [Refer Note 18(vii)]		
16. Other expenses		
Rates and taxes	0.11	0.14
Insurance	0.01	0.01
Bank charges	0.07	0.07
Consultancy / Professional fees	0.78	0.71
Miscellaneous expenses	1.31	1.25
TOTAL	2.28	2.18
Miscellaneous expenses include:		
Auditors' remuneration and expenses#		
Audit fees	0.75	0.66
Tax audit fees	0.10	0.10
Fees for other services	0.25	0.31
#Excluding taxes.		
17. Income tax expenses		
A. Amount recognised in profit or loss		
Current tax		
Income tax for the year	29.69	11.20
Adjustments / (credits) related to previous years - Net	(2.03)	(1.21)
Total current tax	27.66	9.99
Deferred tax		
Deferred tax for the year	(0.42)	9.36
Total deferred tax	(0.42)	9.36
TOTAL	27.24	19.35
B. Reconciliation of effective tax rate		
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax	2,406.91	2,331.12
Income tax expense calculated @ 25.168%	605.77	586.70
Effect of tax relating to uncertain tax positions	-	0.38
Effect of difference in taxable income / deductible expense	(566.28)	(566.28)
Other differences	(10.22)	(0.24)
Total	29.27	20.56
Adjustments recognised in the current year in relation to the current tax of prior years	(2.03)	(1.21)
Income tax recognised in profit or loss	27.24	19.35
The tax rate used for the above reconciliations is the corporate tax rate of 25.168% (22% + surcharge @ 10% + cess @ 4%) payable on taxable profits under the Income-tax Act, 1961.		

18. Additional Notes to the Financial Statements**(i) Earnings per share:**

	2025	2024
Earnings per share has been computed as under:		
(a) Profit for the year (₹ in lakhs)	2,379.67	2,311.77
(b) Weighted average number of Equity Shares outstanding for the purpose of basic earnings per share	1,59,98,385	1,59,98,385
(c) Earnings per share on profit for the year (Face Value ₹ 10.00 per share) - Basic & Diluted [(a)/(b)] (in ₹)	14.87	14.45

(ii) Uncalled liability in respect of partly paid-up 1,39,125 shares of ATC Limited @ ₹ 90.00 per share (includes ₹ 60.00 per share as premium) is ₹ 125.21 Lakhs (2024: ₹ 125.21 Lakhs).

(iii) Defined Benefit Plans / Long Term Compensated Absences:**Description of Plans**

The Company makes provisions for Defined Benefit Plans for qualifying employees. Gratuity and Leave Encashment Benefits are unfunded in nature.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuary, using the projected unit credit method at the year end.

Risk Management

The Defined Benefit Plans expose the Company to risk of actuarial deficit arising out of interest rate risk and salary cost inflation risk.

Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(iv) Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006):**

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2025. This information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

(v) Segment Reporting:

The Company operates in a single business and geographical segment in India. The entity-wide disclosures are as under:

(₹ in Lakhs)

	2025	2024
Non-current assets (in India)	719.61	227.55

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, which is the Chief Operating Decision Maker.

(vi) Related Party Disclosures:**(a) RELATIONSHIP:****(i) Holding Company:**

- ITC Limited

(ii) Key Management Personnel:

- Mr. S. Dutta Chairman & Non-Executive Director
- Ms. N. Bajaj Non-Executive Director
- Mr. T.S.M. Shenoy Non-Executive Director
- Mr. J. Singh Non-Executive Director
- Mr. V. Luharuka Chief Financial Officer (upto 31.12.2023)
- Ms. A. Basu Chief Financial Officer (w.e.f. 15.01.2024)
- Mr. P. Kumar Manager & Company Secretary

(iii) Other related parties with whom the Company had transactions:

- Joint Venture
- ITC Filtrona Limited

(b) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES FOR THE YEAR AND THE STATUS OF OUTSTANDING BALANCES AS AT THE YEAR END:

(₹ in Lakhs)

Related Party Transaction Summary		Holding Company		Joint Venture		Key Management Personnel		Total	
		2025	2024	2025	2024	2025	2024	2025	2024
1.	Purchase of Internal audit services	0.48	0.33	–	–	–	–	0.48	0.33
2.	Dividend Income	–	–	2,250.00	2,250.00	–	–	2,250.00	2,250.00
3.	Remuneration of managers on deputation reimbursed*								
	- for Chief Financial Officer (CFO) (Mr. V. Luharuka upto 31.12.23)	–	98.20	–	–	–	–	–	98.20
	- for Chief Financial Officer (CFO) (Ms. A. Basu w.e.f. 15.01.24)	55.13	9.44	–	–	–	–	55.13	9.44
	- for Manager & Company Secretary	30.14	26.05	–	–	–	–	30.14	26.05
4.	Remuneration on account of share based payment for manager on deputation (for CFO)	–	2.85	–	–	–	–	–	2.85
5.	Expenses Reimbursed	0.58	1.54	–	–	–	–	0.58	1.54
6.	Dividend Paid	2,255.77	2,255.77	–	–	–	–	2,255.77	2,255.77
Outstanding Balances									
7.	Payables [Refer Note 11]	–	2.73	–	–	–	–	–	2.73

*Excludes provision for bonus of ₹ 16.00 Lakhs which gets finalized subsequently

(vii) The former Chief Financial Officer of the Company, who was on deputation from ITC Limited (ITC), the Holding Company, had been granted Stock Options and Employee Stock Appreciation Linked Reward Units (ESAR Units) by ITC under the ITC Employee Stock Option Schemes (ITC ESOS) and under ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR Plan).

The cost of equity settled options granted under ITC ESOS / cash settled units granted under ITC ESAR Plan have been recognized as equity settled / cash settled share based payments respectively in accordance with Ind AS 102 – Share Based Payment. In terms of the deputation arrangement, the Company has accounted for the cost of the fair value of Stock Options / ESAR units granted to the deputed employee on-charge by ITC. Accordingly, an amount of Nil [2024: ₹ 2.85 Lakhs] towards ESAR Units have been recognized as employee benefits expense (Refer Note 15). The liability of Nil (2024: ₹ 2.73 Lakhs) on account of ESAR Units is presented under Note 11 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

The summary of movement of the aforesaid Stock Options granted by ITC and status of the outstanding options is as under:

Particulars	As at 31st March, 2025	As at 31st March, 2024
	No. of Options	No. of Options
Outstanding at the beginning of the year	-	6,222
Add: Granted during the year	-	1,100
Less: Lapsed during the year	-	-
Less : Option due to transfer in and transfer out	-	(5,126)
Less: Exercised during the year	-	(2,196)
Outstanding at the end of the year	-	-
Options exercisable at the end of the year	-	-

Note: The weighted average exercise price of the options granted to all Optionees under the ITC ESOS is computed by ITC as a whole.

Since the above-mentioned Stock Options / ESAR Units are not tradeable, no perquisite or benefit is conferred upon the employee by grant of such Options / Units.

(viii) List of significant investments:

a. Interest in Associate:

Name of the Investee	Principal Place of Business	Proportion of the ownership interest *		Method used to account for the investments in Separate Financial Statement
		As at 31st March, 2025	As at 31st March, 2024	
ATC Limited	Hosur, India	47.50%	47.50%	At cost

b. Interest in Joint Venture: The Company's interest, as a venturer, in jointly controlled entity (incorporated Joint Venture) is:

Name of the Investee	Principal Place of Business	Proportion of the ownership interest *		Method used to account for the investments in Separate Financial Statement
		As at 31st March, 2025	As at 31st March, 2024	
ITC Filtrona Limited	Bengaluru, India	50.00%	50.00%	At cost

* Also refer Note 4.

(ix) Financial Ratios:

Particulars	Numerator	Denominator	31st March, 2025	31st March, 2024
Current ratio (in times)	Current Assets	Current Liabilities	8.72	10.70
Return on Equity (in %)	Profit after Tax (PAT)	Average Shareholder's Equity	75.05	75.04
Return on Capital Employed (in %)	Profit before Interest and Taxes (PBIT)	Average Capital Employed	75.53	75.39
Return on Investment (in %)	Income from Investment	Time Weighted Average Investments	184.20	154.29

Note: Debt-Equity Ratio, Debt Service Coverage Ratio, Inventory Turnover Ratio, Trade Receivables Turnover Ratio, Trade Payables Turnover Ratio, Net Capital Turnover Ratio & Net Profit Ratio are not applicable to the Company.

(x) The financial statements were approved for issue by the Board of Directors on April 26, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of The Companies Act, 2013.

19. Financial Instruments and Related Disclosures

a. Capital Management

The Company funds its operations mainly through internal accruals and does not have any borrowings. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

b. Categories of Financial Instruments

(₹ in Lakhs)

Particulars	Note	As at 31st March, 2025		As at 31st March, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets					
a) Measured at amortised cost					
i) Cash and cash equivalents	8	97.28	97.28	9.39	9.39
ii) Bank Balances other than (i) above	9	1,343.22	1,343.22	1,756.34	1,756.34
iii) Other financial assets	5	503.95	503.95	189.18	189.18
Sub-total		1,944.45	1,944.45	1,954.91	1,954.91
b) Measured at Fair Value through Profit or Loss					
i) Investment in Mutual Funds	7	736.57	736.57	581.91	581.91
Sub-total		736.57	736.57	581.91	581.91
Total financial assets		2,681.02	2,681.02	2,536.82	2,536.82
B. Financial liabilities					
a) Measured at amortised cost					
i) Other financial liabilities	11	27.35	27.35	14.45	14.45
Total financial liabilities		27.35	27.35	14.45	14.45

c. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations. It also seeks to drive accountability in this regard.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Market Risk

As the Company is debt-free and its deferred payment liabilities do not carry interest, the exposure to interest rate risk from the perspective of financial liabilities is negligible. Investments are made in debt instruments, within approved policies and procedures guided by the tenets of liquidity, safety and return. This ensures that investments are only made within acceptable risk parameters.

The Company's investments are predominantly held in debt mutual funds, fixed deposits etc. The Company invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

Fixed deposits are held with highly rated banks and companies, have a short tenure and are not subject to interest rate volatility.

Liquidity Risk

The Company's Current assets aggregate to ₹ 2,181.02 Lakhs (2024: ₹ 2,536.82 Lakhs) including Current Investments, Cash and cash equivalents, and Other Bank Balances of ₹ 2,177.07 Lakhs (2024: ₹ 2,347.64 Lakhs) against an aggregate current liability of ₹ 250.14 Lakhs (2024: ₹ 237.15 Lakhs) on the reporting date.

In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

Credit Risk

The risk management framework of the Company is designed to bring robustness to the risk management processes within the Company. With respect to the Company's investing activities, counter parties are shortlisted and exposure limits determined on the basis of their credit rating, where available, financial statements and other relevant information. The counter party risk is considered insignificant. Based on the assessment of financial assets, no loss provision is considered necessary.

d. Fair value measurement**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of financial liabilities, where applicable, is determined using market observable inputs such as quotes from market participants, value published by the issuer etc.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade payables and other Current financial assets and liabilities, where applicable, is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. The sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities does not have a significant impact on their value. There were no transfers between Level 1, Level 2 and Level 3 during the year.

The following table presents the fair value hierarchy of assets measured at fair value:

(₹ in lakhs)

Particulars	Fair Value		
	Fair Value Hierarchy (Level)	As at 31st March, 2025	As at 31st March, 2024
A. Financial assets			
Measured at Fair value through Profit or Loss			
Investment in Mutual Funds	1	736.57	581.91

On behalf of the Board

S. DUTTA
(DIN: 01804345)

Chairman

T. S. M. SHENOY
(DIN: 09476476)

Director

A. BASU

Chief Financial Officer

P. KUMAR

Manager & Company Secretary

Kolkata, April 26, 2025

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries / Associate companies / Joint Ventures

Part A: Subsidiaries

Not Applicable

Part B: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures

Name of Associates / Joint Ventures		ATC Limited	ITC Filtrona Limited
1.	Latest audited Balance Sheet Date	31-March-2025	31-March-2025
2.	Date on which the Associate or Joint Venture was associated or acquired	06-April-1996	30-June-1994
3.	Shares of Associate / Joint Venture held by the Company on the year end		
	Number	1,94,775 #	22,50,000
	Amount of Investment in Associate / Joint Venture (₹ in Lakhs)	375.64	225.00
	Extent of Holding %	47.50	50.00
4.	Description of how there is significant influence	Associate	Joint Venture
5.	Reason why the Associate / Joint Venture is not consolidated	Not Applicable *	Not Applicable *
6.	Net worth attributable to Share holding as per latest audited Balance Sheet (₹ in Lakhs)	807.73	14,600.99
7.	Profit / (Loss) for the year (₹ in Lakhs)	54.33	8,384.85
	i. Considered in Consolidation (₹ in Lakhs)*	-	-
	ii. Not Considered in Consolidation (₹ in Lakhs)*	54.33	8,384.85

Comprises,

55,650 Equity shares of ₹ 100.00 each, fully paid-up and

1,39,125 Equity shares of ₹ 100.00 each, ₹ 70.00 paid-up

* The Company, being an intermediate wholly owned subsidiary, is not required to prepare Consolidated Financial Statements in terms of the Companies (Accounts) Rules, 2014 and ITC Limited, the Holding Company, prepares Consolidated Financial Statements.

1. Names of the Associates or Joint Ventures which are yet to commence operations : None

2. Names of Associates or Joint Ventures which have been liquidated or sold during the year : None

On behalf of the Board

S. DUTTA
(DIN: 01804345)

Chairman

T. S. M. SHENOY
(DIN: 09476476)

Director

A. BASU

Chief Financial Officer

P. KUMAR

Manager & Company Secretary

Kolkata, April 26, 2025

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Your Directors submit their 13th Report for the financial year ended 31st March, 2025.

2. COMPANY PERFORMANCE

During the year under review, the Company earned Total Income of ₹ 2,149.94 lakhs (previous year: ₹ 1,278.11 lakhs), with Profit After Tax of ₹ 141.38 lakhs (previous year: ₹ 60.08 lakhs). The Company is engaged in the business of providing support to the Business Shared Service operations of ITC Limited, the Holding Company ('ITC'). During the year, the Company has also entered into an agreement for providing support to the Business Shared Service operations of ITC Hotels Limited, an associate company of ITC, with effect from 1st January, 2025. The Company is working towards progressively scaling up its business.

The financial results of your Company, summarised, are as under:

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
Profits		
a. Profit Before Tax	179.82	94.98
b. Less : Tax Expense	38.44	34.90
c. Profit After Tax	141.38	60.08
d. Add : Other Comprehensive Income	5.58	–
e. Total Comprehensive Income	146.96	60.08
Retained Earnings		
a. At the beginning of the year	162.01	101.93
b. Add : Profit for the year	141.38	60.08
c. Add : Other Comprehensive Income	5.58	–
d. At the end of the year	308.97	162.01

3. DIRECTORS AND KEY MANAGERIAL PERSONNEL**(a) Changes in Directors**

During the year, there were no changes in the Board of Directors of the Company ('the Board').

(b) Changes in Key Managerial Personnel

As the Members are aware, Mr. Rajesh Mehrotra resigned as the Manager of the Company with effect from close of work on 2nd April, 2024.

(c) Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with the Articles of Association of the Company, Ms. Nidhi Bajaj (DIN: 02171721) and Mr. Amitav Mukherji (DIN: 10105060), Directors, will retire by rotation at the ensuing Annual General Meeting ('AGM') of the Company, and being eligible, offer themselves for re-election. Your Board has recommended their re-election.

4. BOARD MEETINGS

Four meetings of the Board were held during the year ended 31st March, 2025.

5. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

6. SUBSIDIARY COMPANY

The statement in Form AOC-1 containing the salient features of the financial statements of MRR Trading & Investment Company Limited, a wholly owned subsidiary, is attached to the Financial Statements of the Company.

The Company, being an intermediate wholly owned subsidiary, is not required to prepare Consolidated Financial Statements. However, brief details of the performance and financial position of the Company's subsidiary company are given below:

Name of Subsidiary	Total Income (₹ in lakhs)		Net Profit (₹ in lakhs)	
	FY 2024-25	FY 2023-24	FY 2024-25	FY 2023-24
MRR Trading & Investment Company Limited	7.58	7.38	0.41	0.66

7. PARTICULARS OF EMPLOYEES

The details of top ten employees of the Company in terms of remuneration drawn, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including details of employee(s) who had drawn remuneration more than the limit specified in the said Rule, are provided in **Annexure 1** to this Report.

The Company seeks to create equal opportunities for men and women and is committed to a gender-friendly workplace. Your Company has constituted an Internal Committee in compliance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, one complaint was received and resolved; no complaint was pending on 31st March, 2025.

8. RISK MANAGEMENT

The Company's risk management framework is designed to identify and address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board. The Internal Auditor of the Company periodically carries out risk focused audits with the objective of identifying areas where risk management processes could be further strengthened. The Board annually reviews the effectiveness of the Company's risk management systems and policies.

9. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with respect to the financial statements, commensurate with its size and scale of operations. The Internal Auditor of the Company periodically evaluates the adequacy and effectiveness of such internal financial controls. The Board which provides guidance on internal controls, also reviews internal audit findings and implementation of internal audit recommendations, if any.

During the year, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

11. RELATED PARTY TRANSACTIONS

The details of material related party transaction entered into by the Company during the year ended 31st March, 2025 in the prescribed Form No. AOC-2 are enclosed under **Annexure 2** to this Report.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING GOING CONCERN STATUS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

13. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

14. STATUTORY AUDITORS

Messrs. S R B C & CO LLP, Chartered Accountants ('SRBC'), were re-appointed as the Auditors of your Company at the 12th AGM held on 28th June, 2024 to hold such office till the conclusion of the 17th AGM. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, remuneration of SRBC for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

15. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption.

During the year under review, there has been no foreign exchange earnings or outflow.

On behalf of the Board

S. DUTTA

T.S.M. SHENOY

Chairman

Director

Dated: 29th April, 2025

(DIN : 01804345)

(DIN : 09476476)

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025*[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

Name	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualification	Experience (Years)	Date of commencement of employment / deputation	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
R. Roy *	38	Head - HR	1,18,75,746/-	67,47,695/-	B.E., M.B.A.(HR)	13	01.04.2023	ITC Limited – Senior Manager (Human Resources)
K. Poddar	47	Accounts Payable Tower Head	96,63,363/-	65,02,424/-	B.Com. (Hons.), C.A. Intermediate	27	03.07.2023	DXC Technology - Director Finance, Shared Services
A. S. Barman	50	Transformation & Transition Lead	89,42,418/-	60,31,296/-	M.B.A.	25	28.09.2023	Bunge India Private Limited – Continuous Improvement, Projects and Robotic Process Automation Leader
V. Kumar DR	29	Senior Manager	30,86,355/-	23,42,663/-	M.B.A.(HR)	8	21.11.2023	Amazon Development Centre India Private Limited – Senior Specialist
K. V. Nidwanche	46	Senior Manager	23,51,808/-	19,40,226/-	M.Sc.	17	19.02.2024	Qess Corp. Limited – Senior Manager
D. Bhattacharya	40	Manager	22,85,198/-	18,41,269/-	M.Com., M.A.	13	14.09.2023	PepsiCo – Manager
S. K. Suman	39	Senior Manager	22,33,316/-	17,91,866/-	B.Com. (Hons.)	15	13.03.2024	Tata Consultancy Services Limited – Senior Manager
S. Ray	37	Manager - Human Resources	17,90,707/-	15,03,850/-	Bachelor of Hotel Management	14	31.05.2024	Tata Consultancy Services Limited – HR Manager
D. K. Mishra	45	Manager	17,73,241/-	15,06,976/-	M.B.A.	19	14.06.2024	Capgemini SE – Engagement Manager
A. Mishra	40	Manager	17,63,593/-	14,96,003/-	M.B.A.	15	05.02.2024	Johnson Controls - Deputy General Manager

* On deputation from ITC Limited, the Holding Company ('ITC').

Notes:

- (a) Gross Remuneration includes salary, variable pay / performance bonus, long-term incentives, allowances, contribution to provident fund and other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- (b) Net Remuneration comprises cash income less tax deducted at source and employee's own contribution to provident fund.
- (c) Mr. R. Roy, who is on deputation, has been granted Stock Options by ITC and its group companies at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]. Since these Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Options and accordingly, the said grant has not been considered as remuneration.
- (d) All appointments (except deputed employee) are / were contractual in accordance with terms and conditions as per the Company's rules.
- (e) The aforesaid employees are / were neither relative of any Director of the Company nor hold any equity share in the Company.

On behalf of the Board

S. DUTTA

T.S.M. SHENOY

Chairman

Director

(DIN : 01804345)

(DIN : 09476476)

Dated: 29th April, 2025

Annexure 2 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2***[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]***Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto****1. Details of contracts or arrangements or transactions not at arm's length basis**

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, the Holding Company ('ITC')
b)	Nature of the contracts / arrangements / transactions	Providing support to the Business Shared Service operations of ITC
c)	Duration of the contracts / arrangements / transactions	Service Agreement with effect from 1st March, 2023
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transaction during the year - ₹ 2,423.10 lakhs
e)	Date(s) of approval by the Board, if any	11th October, 2022
f)	Amount paid as advances, if any	Nil

On behalf of the Board

S. DUTTA

T.S.M. SHENOY

Chairman

Director

(DIN : 01804345)

(DIN : 09476476)

Dated: 29th April, 2025

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF ITC INTEGRATED BUSINESS SERVICES LIMITED****Report on the Audit of the Ind AS Financial Statements****Opinion**

We have audited the accompanying Ind AS financial statements of ITC Integrated Business Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the Ind AS 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 Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other 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 Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

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 Board report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS 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. 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.

Responsibility of Management for the Ind AS 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 Ind AS 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 the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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.
- 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Statement of Cash Flows 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (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 is 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 these Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the Company has not paid / provided any managerial remuneration to its directors during the year and hence the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company for the year ended March 31, 2025;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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. a) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or

provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.

Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 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 the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya

Partner

Place of Signature: Mumbai

Membership Number: 124790

Date: April 29, 2025

UDIN: 5124790BMLDYK8453

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

Re: ITC Integrated Business Services Limited ("the Company")

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) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirements to report on clause 3(ii)(a) of the Order is not applicable to the Company and hence not commented upon.
- (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

- (vi) To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Services Tax, cess and other statutory dues applicable to it. Customs duty and excise duty are not applicable to the Company.

- (b) According to the information and explanations given to us and audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, cess and other statutory dues applicable to it were outstanding, at the year end, for a period of more than six months from the date they became payable. Customs duty and excise duty are not applicable to the Company.

- (c) According to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, income-tax, customs duty, excise duty, value added tax, Goods and Services Tax, cess and other statutory dues which have not been deposited on account of any dispute.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause 3(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 did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

- (d) The Company did not raise any funds during the year hence, the requirement to report on clause 3 (ix)(d) of the Order is not applicable to the Company.

- (e) On an overall examination of the Ind AS financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any joint ventures or associate companies.

- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

- (x) (a) According to the information and explanations given by the management, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company and hence not commented upon.

- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

- (b) During the year, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii)(a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with Section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Ind AS financial statements, as required by the applicable accounting standards. The provisions of Section 177 are not applicable to the Company and accordingly reporting under clause 3(xiii) of the Order in so far as it relates to Section 177 of the Act is not applicable to the Company and hence not commented upon.
- (xiv)(a) The Company has implemented internal audit system on a voluntary basis which is commensurate with the size of the Company and nature of its business though it is not required to have an internal audit system under Section 138 of the Companies Act, 2013.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Companies Act, 2013.
- (xvi)(a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 21(viii) to the Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, 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 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) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 are not applicable to the Company. Accordingly, the requirement to report on clause 3(xx) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003
per Anant Acharya
Partner
Place of Signature: Mumbai
Date: April 29, 2025
Membership Number: 124790
UDIN: 51247908MLDYK8453

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF ITC INTEGRATED BUSINESS SERVICES LIMITED

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 Ind AS financial statements of ITC Integrated Business Services Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these Ind AS 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") and the Standards on Auditing, as specified under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these Ind AS 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 these Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Ind AS financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS 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 Ind AS 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 these Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Ind AS Financial Statements

Because of the inherent limitations of internal financial controls with reference to Ind AS financial statements, including the possibility of collusion or improper

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Ind AS financial statements and such internal financial controls with reference to Ind AS financial statements were operating effectively as at March 31, 2025, based on the internal control over financial

reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Anant Acharya

Partner

Place of Signature: Mumbai

Date: April 29, 2025

Membership Number: 124790

UDIN: 5124790BMLDYK8453

**ITC INTEGRATED BUSINESS SERVICES LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2025**

	Note	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3A	81.37	226.30
(b) Other Intangible Assets	3B	1.73	2.06
(c) Financial Assets			
(i) Investments	4	451.63	451.63
(d) Deferred tax assets (Net)	5	1.64	–
(e) Income Tax Assets (Net)	6A	7.06	–
		543.43	679.99
Current assets			
(a) Financial Assets			
(i) Investments	7	691.46	437.17
(ii) Trade receivables	8	75.06	17.48
(iii) Cash and cash equivalents	9	2.71	8.88
(iv) Loans	10	1.58	–
(b) Other current assets	11	20.81	31.25
		770.81	463.53
		20.81	31.25
TOTAL ASSETS		1,335.05	1,174.77
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	12	750.00	750.00
(b) Other Equity		308.97	162.01
		1,058.97	912.01
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	13	21.66	23.00
(b) Provisions	14	17.67	7.87
(c) Deferred tax liabilities (Net)	5	–	4.02
		39.33	34.89
Current liabilities			
(a) Financial Liabilities			
(i) Other financial liabilities	13	201.20	155.19
(b) Other current liabilities	15	34.11	66.08
(c) Provisions	14	1.44	0.98
(d) Current Tax Liabilities (Net)	6B	–	5.62
		236.75	227.87
TOTAL EQUITY AND LIABILITIES		1,335.05	1,174.77

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 29, 2025

On behalf of the Board

S. DUTTA

(DIN : 01804345)

Chairman

T.S.M. SHENOY

(DIN : 09476476)

Director

Kolkata, April 29, 2025

ITC INTEGRATED BUSINESS SERVICES LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
I Revenue from operations	16	2,125.30	1,265.95
II Other income	17	24.64	12.16
III Total Income (I+II)		2,149.94	1,278.11
IV EXPENSES			
Employee benefits expense	18	1,755.44	972.49
Depreciation and amortization expense	3A/3B	80.65	60.44
Other expenses	19	134.03	150.20
Total expenses (IV)		1,970.12	1,183.13
V Profit before tax (III - IV)		179.82	94.98
VI Tax expense:			
Current Tax	20	45.97	30.77
Deferred Tax	20	(7.53)	4.13
VII Profit for the year (V - VI)		141.38	60.08
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurement gains / (losses) on defined benefit plans		7.45	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	20	(1.87)	-
VIII Other Comprehensive Income [A (i)-(ii)]		5.58	-
IX Total Comprehensive Income for the year (VII + VIII)		146.96	60.08
X Earnings per equity share (Face Value ₹ 10.00 each) (Basic and Diluted) (in ₹)	21(i)	1.88	0.95

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 29, 2025

On behalf of the Board

S. DUTTA

(DIN : 01804345)

Chairman

T.S.M. SHENOY

(DIN : 09476476)

Director

Kolkata, April 29, 2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital

(₹ in lakhs)

	Balance at the beginning year of the reporting year	Changes in equity share capital during the year	Balance at the end of the reporting year
For the year ended 31st March, 2025	750.00	-	750.00
For the year ended 31st March, 2024	450.00	300.00	750.00

B. Other Equity

(₹ in lakhs)

FY 2024-25	Reserves & Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2024	162.01	162.01
Profit for the year	141.38	141.38
Other Comprehensive Income (net of tax)	5.58	5.58
Total Comprehensive Income	146.96	146.96
Balance as at 31st March, 2025	308.97	308.97

(₹ in lakhs)

FY 2023-24	Reserves & Surplus	Total
	Retained Earnings	
Balance as at 1st April, 2023	101.93	101.93
Profit for the year	60.08	60.08
Other Comprehensive Income (net of tax)	-	-
Total Comprehensive Income	60.08	60.08
Balance as at 31st March, 2024	162.01	162.01

Retained Earnings: This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 29, 2025

On behalf of the Board

S. DUTTA

(DIN : 01804345)

Chairman

T.S.M. SHENOY

(DIN : 09476476)

Director

Kolkata, April 29, 2025

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
A. Cash Flow from Operating Activities		
PROFIT BEFORE TAX	179.82	94.98
Depreciation and amortization expense	80.65	60.44
Interest Income on Bank Deposits	—	(0.98)
Profit on sale of property, plant and equipment	(16.13)	—
Net gain arising on financial instruments measured at fair value through profit or loss	(24.47)	(11.12)
Interest on Income Tax Refund	(0.17)	(0.02)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	219.70	143.30
ADJUSTMENTS FOR:		
Other current assets	(48.72)	(48.73)
Other financial liabilities, Other liabilities & Provisions	30.39	217.28
CASH GENERATED FROM OPERATIONS	201.37	311.85
Income tax paid (net of refunds)	(58.46)	(24.82)
NET CASH FROM OPERATING ACTIVITIES	142.91	287.03
B. Cash Flow from Investing Activities		
Purchase of property, plant and equipment	—	(288.80)
Proceeds from sale of property, plant and equipment	80.74	—
Purchase of current investments	(1,949.00)	(1,307.00)
Proceeds from sale of current investments	1,719.18	966.08
Interest received on bank deposits	—	1.52
Redemption / maturity of bank deposits (original maturity more than 3 months)	—	49.25
NET CASH USED IN INVESTING ACTIVITIES	(149.08)	(578.95)
C. Cash Flow from Financing Activities		
Proceed from issue of equity share	—	300.00
NET CASH FROM FINANCING ACTIVITIES	—	300.00
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(6.17)	8.08
OPENING CASH AND CASH EQUIVALENTS	8.88	0.80
CLOSING CASH AND CASH EQUIVALENTS (Note 9)	2.71	8.88

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

The accompanying notes 1 to 22 are an integral part of the Financial Statements.

In terms of our report attached

For S R B C & CO LLP

Chartered Accountants

Firm Registration Number : 324982E/E300003

On behalf of the Board

Anant Acharya

Partner

(Membership No. 124790)

Mumbai, April 29, 2025

S. DUTTA

(DIN : 01804345)

Chairman

T.S.M. SHENOY

(DIN : 09476476)

Director

Kolkata, April 29, 2025

NOTES TO THE FINANCIAL STATEMENTS

Company Information

ITC Integrated Business Services Limited (the "Company") [CIN: U74110WB2012PLC176166] a 100% subsidiary of ITC Limited, is a Public Limited Company within the meaning of the Companies Act, 2013 with its registered office at Virginia House, 37 Jawaharlal Nehru Road, Kolkata 700 071. The Company is in the business of providing support to the Business Shared Services operations of its client(s).

1. Material Accounting Policies

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2022.

Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies.

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.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products or services and the time between the acquisition of assets for processing and

their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Property, Plant and Equipment

Property, plant and equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, import duties & non-refundable taxes and incidental expenses related to acquisition. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

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

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost of the assets after commissioning (or other amount substituted for cost), less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis.

The estimated useful lives of PP&E of the Company are as follows:

Computers	3 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Other Intangible Assets

Other intangible assets represent purchased software. Software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include license fees and costs of implementation/ system integration services. The costs are capitalised in the year in which the relevant software is implemented for use and is amortised on the straight-line method over a period not exceeding 5 years. Intangible assets' useful lives are reviewed and adjusted if appropriate, at each balance sheet date.

The estimated useful lives of intangible assets of the Company with finite lives are as follows:

Computer Software	5 Years

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Impairment of Assets

Impairment loss, if any, is provided to the extent that the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

Investment in Subsidiary

Investment in subsidiary is carried at cost less accumulated impairment, if any.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include investments advances, trade receivables, cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

The financial assets are classified as those measured at:

- amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on their fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, advances, security deposits, cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are de-recognised when the right to receive cash flows from the assets has expired, or has been transferred and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Revenue from sale of services

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for services rendered, net of returns and discounts to customers.

Revenue from sale of services is recognised, net of allowances, if any, when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of services is in the period in which such services are rendered. Revenue excludes amounts collected on behalf of third parties, such as Sales Tax, Value Added Tax and Goods and Services tax.

Amounts received or billed in advance of services performed are presented as unearned revenue (contract liabilities). Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with contract terms.

Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The Company makes contribution to defined contribution scheme. Contributions to Provident Fund are in the nature of defined contribution scheme which are deposited with the Government and recognised as expense.

For defined benefit scheme, if any, the cost of providing benefit is calculated by an independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

Employee Share Based Compensation

Certain employees of the Company / the Holding Company on deputation are covered under the stock option plans / stock appreciation linked reward plan of the Holding Company.

Further, the eligible employees of the Holding Company have been granted equity settled stock options under the ITC Hotels Special Purpose Employee Stock Option Scheme ('ITC HL SP ESOP'), in terms of the 'Scheme of Arrangement between the Holding Company and ITC Hotels Limited, and their respective shareholders and creditors'.

These schemes are in the nature of equity settled / cash settled share-based compensation and are assessed, managed / administered by the respective companies.

In case of equity settled awards, the fair value of awards at the grant date is amortised on a straight-line basis over the vesting period. In case of cash settled awards, the fair value of awards at the grant date is initially recognised and remeasured at each reporting date, until settled, and cost recognised as an employee benefits expenses in the Statement of Profit and Loss with a corresponding increase in other financial liabilities.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted or substantively enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

2. Use of Estimates & Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Although these estimates are based upon management's best knowledge of current events and actions, actual results could 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 the revision affects both current and future periods.

There are no material judgements or sources of estimates uncertainty which may impact these financial statements materially.

I. Useful lives of property, plant and equipment:

As described in the material accounting policies, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

II. Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in the notes to the financial statements.

(₹ in lakhs)

Particulars		Gross Block					Depreciation and Amortization					Net Book Value					
		As at 31st March, 2023	Additions	Withdrawals and Adjustments	As at 31st March, 2024	Additions	Withdrawals and Adjustments	As at 31st March, 2025	Upto 31st March, 2023	For the year	On Withdrawals and Adjustments	Upto 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024			
3A.	Property, Plant and Equipment	-	286.30	-	286.30	-	107.29	179.01	-	60.00	-	60.00	80.32	42.68	97.64	226.30	226.30
	TOTAL	-	286.30	-	286.30	-	107.29	179.01	-	60.00	-	60.00	80.32	42.68	97.64	226.30	226.30
3B.	Other Intangible Assets	-	2.50	-	2.50	-	-	2.50	-	0.44	-	0.44	0.33	-	0.77	1.73	2.06
	Computer Software	-	2.50	-	2.50	-	-	2.50	-	0.44	-	0.44	0.33	-	0.77	1.73	2.06
	TOTAL	-	2.50	-	2.50	-	-	2.50	-	0.44	-	0.44	0.33	-	0.77	1.73	2.06

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
4. Non- current Investments		
INVESTMENT IN EQUITY INSTRUMENTS [Unquoted]		
In Subsidiary (at cost)		
MRR Trading & Investment Company Limited		
50,000 Equity Shares of ₹ 10.00 each, fully paid	451.63	451.63
TOTAL	451.63	451.63
	As at	As at
	31st March, 2025	31st March, 2024
	(₹ in lakhs)	(₹ in lakhs)
5. Deferred tax assets / (liabilities) (Net)		
Deferred tax assets	10.27	9.18
Less: Deferred tax liabilities	8.63	13.20
TOTAL	1.64	(4.02)

Movement in deferred tax assets / (liabilities) balances

(₹ lakhs)

	Opening Balance	Recognised in profit or loss	Recognised in OCI	Closing Balance
2024-25				
Deferred tax assets / (liabilities) in relation to :				
On other timing differences	0.14	–	–	0.14
On employees separation and retirement, etc.	9.04	2.96	(1.87)	10.13
Total deferred tax asset	9.18	2.96	(1.87)	10.27
On current investments - FVTPL	0.15	2.17	–	2.32
On fiscal allowances on property, plant and equipment, etc.	13.05	(6.74)	–	6.31
Total deferred tax liabilities	13.20	(4.57)	–	8.63
Deferred tax asset / (liabilities) (Net)	(4.02)	7.53	(1.87)	1.64
2023-24				
Deferred tax assets / (liabilities) in relation to :				
On other timing differences	0.14	–	–	0.14
On employees separation and retirement, etc.	–	9.04	–	9.04
Total deferred tax asset	0.14	9.04	–	9.18
On current investments - FVTPL	0.03	0.12	–	0.15
On fiscal allowances on property, plant and equipment, etc.	–	13.05	–	13.05
Total deferred tax liabilities	0.03	13.17	–	13.20
Deferred tax asset / (liabilities) (Net)	0.11	(4.13)	–	(4.02)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
6A. Income Tax Assets (Net)	Non-Current	Non-Current
Income Tax Assets (net of provisions)	7.06	–
TOTAL	7.06	–
6B. Current Tax Liabilities (Net)		
Current taxation (net of advance payment)	–	5.62
TOTAL	–	5.62
7. Current Investments		
INVESTMENT IN MUTUAL FUNDS [Unquoted]		
(at fair value through profit or loss)		
Axis Liquid Fund	691.46	–
24,191 (2024 : Nil) units of ₹ 1000.00 each		
Nippon India Liquid Fund	–	36.84
Nil (2024 : 631) units of ₹ 1000.00 each		
HDFC Liquid Fund	–	400.33
Nil (2024 : 8,527) units of ₹ 1000.00 each		
TOTAL	691.46	437.17
8. Trade receivables		
Receivable from the Holding Company	44.72	17.48
Receivable from Related Party	30.34	–
TOTAL	75.06	17.48

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
8. Trade receivables (Current)		
Considered good – Secured	–	–
Considered good – Unsecured	75.06	17.48
Which have significant increase in Credit Risk	–	–
Credit impaired	–	–
Less: Allowance for credit impairment	–	–
TOTAL	75.06	17.48

Trade receivables ageing schedule

(₹ in lakhs)

As at 31st March, 2025	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1 -2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	75.06	–	–	–	–	–	75.06
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed Trade Receivable – credit impaired	–	–	–	–	–	–	–
Disputed Trade Receivables - considered good	–	–	–	–	–	–	–
Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
TOTAL	75.06	–	–	–	–	–	75.06

(₹ in lakhs)

As at 31st March, 2024	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months -1 year	1 -2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	17.48	–	–	–	–	–	17.48
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed Trade Receivable – credit impaired	–	–	–	–	–	–	–
Disputed Trade Receivables - considered good	–	–	–	–	–	–	–
Disputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade Receivables – credit impaired	–	–	–	–	–	–	–
TOTAL	17.48	–	–	–	–	–	17.48

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
9. Cash and cash equivalents@		
Balances with Banks		
Current accounts	2.64	8.88
Cash on hand	0.07	–
TOTAL	2.71	8.88

@ Cash and cash equivalents include cash on hand, cheques, cash at bank, deposits with banks with original maturity of 3 months or less etc.
The Company does not have any significant cash and cash equivalents that are not available for use.

10. Loans**Current**

Other Loans- Employees

- Unsecured, considered good

1.58

TOTAL**1.58****11. Other Current Assets****Current**

Prepaid expenses

20.81

31.25

TOTAL**20.81****31.25**

		As at 31st March, 2025		As at 31st March, 2024	
		(No. of Shares)	(₹ in lakhs)	(No. of Shares)	(₹ in lakhs)
12.	Equity Share capital				
	Authorised				
	Equity Shares of ₹ 10.00 each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
	Issued and Subscribed				
	Equity Shares of ₹ 10.00 each, fully paid	75,00,000	750.00	75,00,000	750.00
	A) Reconciliation of number of Equity Shares outstanding				
	As at beginning of the year	75,00,000	750.00	45,00,000	450.00
	Add: Issued during the year	–	–	30,00,000	300.00
	As at end of the year	75,00,000	750.00	75,00,000	750.00

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2025		As at 31st March, 2024	
	(No. of Shares)	(%)	(No. of Shares)	(%)
B) Shareholders holding more than 5% of the Equity Shares in the Company ITC Limited - the Holding Company	75,00,000	100.00	75,00,000	100.00

C) Rights, preferences and restrictions attached to the Equity Shares

The Equity Shares of the Company, having par value of ₹ 10.00 per share, rank *pari passu* in all respects including voting rights and entitlement to dividend.

D) Shares held by promoter

	Promoter Name	As at 31st March, 2025			As at 31st March, 2024		
		No. of Shares	% of total Shares	% Change during the year	No. of Shares	% of total Shares	% Change during the year
Equity Shares of ₹ 10.00 each, fully paid	ITC Limited	75,00,000	100.00	–	75,00,000	100.00	–
TOTAL		75,00,000	100.00	–	75,00,000	100.00	–

	As at 31st March, 2025 (₹ in lakhs)	As at 31st March, 2024 (₹ in lakhs)
13. Other financial liabilities		
Current		
Employee payables	197.08	154.70
Other payables to related party [Refer Note 21(v)]	2.06	–
Others	2.06	0.49
Non-Current		
Employee payables	21.66	23.00
TOTAL	222.86	178.19
14. Provisions		
Current		
Provision for employee benefits [Refer Note 21 (ii)]		
Other benefits	1.40	0.95
Retirement benefits	0.04	0.03
Non-Current		
Provision for employee benefits [Refer Note 21 (ii)]		
Other benefits	6.49	4.34
Retirement benefits	11.18	3.53
TOTAL	19.11	8.85
15. Other liabilities (Current)		
Current		
Statutory liabilities	34.11	66.08
TOTAL	34.11	66.08
	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
16. Revenue from operations		
Sale of Services	2,125.30	1,265.95
TOTAL	2,125.30	1,265.95
17. Other income		
Interest income	0.17	1.00
Other non-operating income	24.47	11.16
TOTAL	24.64	12.16
Interest income comprises interest from:		
a) Deposits with banks - carried at amortised cost	–	0.98
b) Others (from statutory authorities)	0.17	0.02
TOTAL	0.17	1.00
Other non-operating income:		
Net gain/(loss) arising on financial instruments mandatorily measured at FVTPL*	24.47	11.12
Others	–	0.04
TOTAL	24.47	11.16

* Includes ₹ 15.84 lakhs (2024 : 10.59 lakhs) being net gain on sale of Investments.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	For the year ended 31st March, 2025 (₹ in lakhs)	For the year ended 31st March, 2024 (₹ in lakhs)
18. Employee benefits expense		
Salaries and wages	1,402.87	778.93
Remuneration of managers' salary on deputation*	159.19	130.33
Contribution to Provident and other funds	79.48	33.64
Staff welfare expenses	113.90	29.59
TOTAL	1,755.44	972.49
* Includes charge/ (credit) on account of share based payments as under :		
- Employee Stock Option Scheme (ESOS) : (₹ 32.65) lakhs [2024 : ₹ 36.30 lakhs]		
[Refer Note 21(vi)]		
19. Other expenses		
Rates and taxes	0.20	0.13
Information technology services	40.62	-
Printing & stationery	2.77	9.59
Insurance	35.33	5.24
Communication costs	0.19	0.07
Auditors' remuneration and expenses		
Audit fees*	1.00	0.55
Bank charges	0.03	...
Travelling and conveyance	13.38	6.76
(Profit)/loss on sale of property, plant and equipment	(16.13)	-
Consultancy / Professional fees	52.28	122.57
Other expenditure	4.36	5.29
TOTAL	134.03	150.20
*Auditors' remuneration and expenses#		
Audit fees	1.00	0.55
# Excluding taxes.		

20. Income tax expenses**A. Amount recognised in profit or loss**

Current Tax		
Income tax for the year	46.00	30.77
Adjustments / (credits) related to previous years - Net	(0.03)	-
Total current tax	45.97	30.77
Deferred Tax		
Deferred tax for the year	(7.53)	4.13
Total deferred tax	(7.53)	4.13
TOTAL	38.44	34.90

B. Amount recognised in other comprehensive income

The tax charge / (credit) arising on income and expenses recognised in other comprehensive income is as follows:

Deferred Tax		
On items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	1.87	-
TOTAL	1.87	-

B. Reconciliation of effective tax rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax	179.82	94.98
Income tax expense calculated @ 25.168%	45.26	23.90
Effect of tax relating to uncertain tax positions	(8.22)	9.14
Other timing differences	0.35	-
Other differences	1.08	1.86
Total	38.47	34.90
Adjustments recognised in the current year in relation to the current tax of prior years	(0.03)	-
Income tax recognised in profit or loss	38.44	34.90

The tax rate used for the above reconciliations is the corporate tax rate of 25.168% (22% + surcharge @ 10% + cess @ 4%) payable on taxable profits under the Income-tax Act, 1961.

21. Additional Notes to the Financial Statements**(i) Earnings per share:**

	2025	2024
Earnings per share has been computed as under:		
(a) Profit for the year (₹ in lakhs)	141.38	60.08
(b) Weighted average number of Equity Shares outstanding	75,00,000	63,36,066
(c) Earnings per share on profit for the year (Face Value ₹ 10.00 per share) - Basic & Diluted [(a)/(b)] (in ₹)	1.88	0.95

(ii) Defined Benefit Plans / Long Term Compensated Absences: Description of Plans

The Company makes contributions to both Defined Benefit and Defined Contribution Plans for qualifying employees. Gratuity Benefits and Leave Encashment Benefits are unfunded in nature.

The liabilities arising in the Defined Benefit Schemes are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method at the year end. The Company makes a monthly contribution as a percentage of eligible salary to significant Employee Benefit Contribution Plans.

Risk Management

The Defined Benefit Plan expose the Company to risk of actuarial deficit arising out of investment risk, interest rate risk and salary cost inflation risk. Interest Rate Risk: The present value of Defined Benefit Plans liability is determined using the discount rate based on the market yields prevailing at the end of reporting period on Government bonds. A decrease in yields will increase the fund liabilities and vice-versa.

Salary Cost Inflation Risk: The present value of the Defined Benefit Plan liability is calculated with reference to the future salaries of participants under the Plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
I	Components of Employer Expense				
	- Recognised in Profit or Loss				
	1. Current Service Cost	8.91	10.17	3.56	5.29
	2. Past Service Cost	-	-	-	-
	3. Net Interest Cost	0.25	0.30	-	-
	4. Total expense recognised in the Statement of Profit and Loss	9.16	10.47	3.56	5.29
	- Remeasurements recognised in Other Comprehensive Income (OCI)				
	5. Return on plan assets (excluding amounts included in Net interest cost)	-	-	-	-
	6. Effect of changes in demographic assumptions	-	-	-	-
	7. Effect of changes in financial assumptions	0.24	0.10	-	-

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
	8. Changes in asset ceiling (excluding interest income)	–	–	–	–
	9. Effect of experience adjustments	(1.74)	(6.05)	–	–
	10. Total remeasurements included in Other Comprehensive Income	(1.50)	(5.95)	–	–
	11. Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income (4+10)	7.66	4.52	3.56	5.29

The current service cost and net interest cost for the year pertaining to Gratuity expenses have been recognised in “Contribution to provident and other funds” and Leave Encashment in “Salaries and wages” under Note 18.

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
II	Actual Returns	–	–	–	–
III	Net Asset/(Liability) recognised in Balance Sheet				
	1. Present Value of Defined Benefit Obligation	(11.22)	(7.89)	(3.56)	(5.29)
	2. Fair Value of Plan Assets	–	–	–	–
	3. Status [Surplus/(Deficit)]	(11.22)	(7.89)	(3.56)	(5.29)
	4. Restrictions on Asset Recognised	–	–	–	–

		As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
		Current	Non-current	Current	Non-current
	5. Net Asset/(Liability) recognised in Balance Sheet				
	- Gratuity	(0.04)	(11.18)	(0.03)	(3.53)
	- Leave Encashment	(1.40)	(6.49)	(0.95)	(4.34)

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
IV	Change in Defined Benefit Obligation (DBO)				
	1. Present Value of DBO at the beginning of the year	3.56	5.29	–	–
	2. Current Service Cost	8.91	10.17	3.56	5.29
	3. Past Service Cost	–	–	–	–
	4. Interest Cost	0.25	0.30	–	–
	5. Remeasurement gains / (losses):				
	a. Effect of changes in demographic assumptions	–	–	–	–
	b. Effect of changes in financial assumptions	0.24	0.10	–	–
	c. Changes in asset ceiling (excluding interest income)	–	–	–	–
	d. Effect of experience adjustments	(1.74)	(6.05)	–	–
	6. Curtailment Cost / (Credit)	–	–	–	–
	7. Settlement Cost / (Credit)	–	–	–	–
	8. Liabilities assumed in business combination	–	–	–	–
	9. Exchange difference on foreign plans	–	–	–	–
	10. Benefits Paid	–	(1.92)	–	–
	11. Present Value of DBO at the end of the year	11.22	7.89	3.56	5.29

		As at 31st March, 2025 (₹ in lakhs)		As at 31st March, 2024 (₹ in lakhs)	
V	Best Estimate of Employers' Expected Contribution for the next year				
	- Gratuity	–	–	5.50	–
	- Leave Encashment	–	–	–	–

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

		As at 31st March, 2025	As at 31st March, 2024
		Discount Rate (%)	Discount Rate (%)
VI	Actuarial Assumptions		
	1. Gratuity	6.75	7.00
	2. Leave Encashment	6.75	7.00
	The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

		For the year ended 31st March, 2025 (₹ in lakhs)		For the year ended 31st March, 2024 (₹ in lakhs)	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
VII	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)				
	1. Present Value of Defined Benefit Obligation	11.22	7.89	3.56	5.29
	2. Fair Value of Plan Assets	–	–	–	–
	3. Status [Surplus / (Deficit)]	(11.22)	(7.89)	(3.56)	(5.29)
	4. Experience Adjustment of Plan Assets [Gain / (Loss)]	–	–	–	–
	5. Experience Adjustment of obligation [(Gain) / Loss]	–	–	–	–

VIII. Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation (DBO) presented above.

(₹ in lakhs)

		DBO as at 31st March, 2025		DBO as at 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
1	Discount Rate + 100 basis points	10.38	7.54	3.32	5.07
2	Discount Rate - 100 basis points	12.16	8.28	3.82	5.52
3	Salary Increase Rate + 1%	12.16	8.28	3.82	5.53
4	Salary Increase Rate – 1%	10.36	7.53	3.31	5.06

Maturity Analysis of the Benefit Payments

(₹ in lakhs)

		DBO as at 31st March, 2025		DBO as at 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
		Unfunded	Unfunded	Unfunded	Unfunded
1	Year 1	0.04	1.45	0.03	0.98
2	Year 2	0.04	1.27	0.03	0.86
3	Year 3	0.04	1.12	0.03	0.64
4	Year 4	0.71	0.98	0.05	0.57
5	Year 5	2.51	0.86	1.49	1.20
6	Next 5 Years	8.66	2.85	2.36	1.67

Amount towards Defined Contribution Plans have been recognised under 'Contribution to provident and other funds' in Note 18: ₹ 9.16 lakhs (2024: ₹ 3.56 lakhs).

(iii) Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006):

There are no Micro and Small Enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at 31st March, 2025. This information as required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)**(iv) Segment Reporting:**

The Company operates in a single business and geographical segment in India. The entity-wide disclosures are as under:

(₹ in lakhs)

	2025	2024
Non-current assets (in India)	83.10	228.36

The Company has two (2024 : one) customers (in India) from whom it generates revenue of ₹ 2,053.47 lakhs & ₹ 71.83 lakhs (2024: ₹ 1,265.95 lakhs).

The Operating Segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors, which is the Chief Operating Decision Maker for the Company.

(v) Related Party Disclosures:**(a) RELATIONSHIP:****(i) Holding Company:**

- ITC Limited

(ii) Subsidiary Company :

- MRR Trading & Investment Company Limited

(iii) Fellow Subsidiary Company with whom the Company had transactions:

- ITC Infotech India Limited

(iv) Associate Company (including associate of the Holding Company) with whom the Company had transactions:

- International Travel House Limited (till 31.12.2024)

- ITC Hotels Limited (w.e.f. 01.01.2025)

(v) Key Management Personnel:

- Mr. S. Dutta Chairman & Non-Executive Director
 - Ms. N. Bajaj Non-Executive Director
 - Mr. A. Mukherji Non-Executive Director
 - Mr. T.S.M. Shenoy Non-Executive Director
 - Mr. J. Singh Non-Executive Director
 - Mr. R. Mehrotra Manager (upto 02.04.2024)

(b) DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES FOR THE YEAR AND THE STATUS OF OUTSTANDING BALANCES AS AT THE YEAR END :

(₹ in lakhs)

RELATED PARTY TRANSACTION SUMMARY		Holding Company		Fellow Subsidiaries		Associate of the Holding Company		Key Management Personnel		Total	
		2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
1.	Sale of Services										
	- ITC Limited	2,423.10	1,493.82	-	-	-	-	-	-	2,423.10	1,493.82
	- ITC Hotels Limited	-	-	-	-	84.76	-	-	-	84.76	-
2.	Purchase of Goods / Services										
	- ITC Limited	8.50	5.84	-	-	-	-	-	-	8.50	5.84
	- International Travel House Limited	-	-	-	-	10.15	6.05	-	-	10.15	6.05
	- ITC Infotech India Limited	-	-	30.61	20.66	-	-	-	-	30.61	20.66
3.	Sale of Goods										
	- ITC Limited	95.27	-	-	-	-	-	-	-	95.27	-
4.	Remuneration of manager on deputation reimbursed	111.71	94.03	-	-	-	-	-	-	111.71	94.03
5.	Remuneration on account of share-based payment	3.65	36.30	-	-	-	-	-	-	3.65	36.30
6.	Remuneration on account of share-based payment for manager recovered	36.30	-	-	-	-	-	-	-	36.30	-
7.	Remuneration to Key Management Personnel	-	-	-	-	-	-	39.87	157.95	39.87	157.95
8.	Outstanding balances										
	Trade Receivables										
	- ITC Limited	44.72	17.48	-	-	-	-	-	-	44.72	17.48
	- ITC Hotels Limited	-	-	-	-	30.34	-	-	-	30.34	-
9.	Payables										
	- ITC Limited	2.06	-	-	-	-	-	-	-	2.06	-

(vi) The eligible employee(s) of the Company was granted Stock Options by ITC Limited (ITC) under the ITC Employee Stock Option Schemes (ITC ESOS) and by ITC Hotels Limited (an associate of ITC) (ITCHL) under the ITCHL Special Purpose Employee Stock Option Schemes (ITCHL SP ESOP Scheme).

The cost of equity settled options granted under ITC ESOS / ITCHL SP ESOP Scheme has been recognised as equity settled share-based payments, in accordance with Ind AS 102 – Share Based Payment. In terms of the arrangement, the Company has accounted for the cost of the fair value of Stock Options granted to the employees. Accordingly, an amount of ₹ (32.65) lakhs [2024: ₹ 36.30 lakhs] towards Stock Options has been recognised as employee benefits expense (Refer Note 18).

The summary of movement of the aforesaid Stock Options granted and status of the outstanding Options is as under:

Particulars	As at 31st March, 2025		As at 31st March, 2024
	No. of Options (ITC ESOS Scheme)	No. of Options (ITCHL SP ESOP Scheme)	No. of Options (ITC ESOS Scheme)
Outstanding at the beginning of the year	7,100	-	-
Add: Granted during the year	1,350	135	7,100
Add / (Less): Movement due to transfer of employees within the group	-	-	-
(Less): Cancelled/ Lapsed during the year	7,100	-	-
(Less): Exercised during the year	-	-	-
Outstanding at the end of the year	1,350	135	7,100
Options exercisable at the end of the year	-	-	-

Note: The weighted average exercise price of the Stock Options granted to Optionee under the ITC ESOS Scheme / ITCHL SP ESOP Scheme) is computed by respective Companies as a whole.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Since the above-mentioned Stock Options are not tradeable, no perquisite or benefit is conferred upon the employee by grant of such Options.

(vii) Figures for the previous year have been re-arranged, wherever necessary, to conform to the figures of the current year. The same does not have any material impact on the financial statements.

(viii) **Financial Ratios:**

Particulars	Numerator	Denominator	31st March, 2025	31st March, 2024
Current Ratio (in times) ¹	Current Assets	Current Liabilities	3.25	2.03
Return on Equity Ratio (in %) ²	Profit for the year	Average Shareholder's Equity	14.34	8.21
Trade Receivables Turnover Ratio (in times) ²	Gross Revenue from sale of products and services	Average Trade Receivables	46.47	146.24
Net capital turnover Ratio (in times) ²	Revenue from operations	Working Capital (Current assets- Current liabilities)	3.98	5.37
Net Profit Ratio (in %) ²	Profit for the year	Revenue from operations	6.65	4.75
Return on Capital employed (in %) ²	Profit before interest and taxes (PBIT)	Average Capital Employed	18.24	12.98
Return on investment (in %) ²	Income from Investment	Time Weighted Average Investments	3.10	1.83

Note: As the Company is debt free, Debt Equity Ratio and Debt Service Coverage Ratio are not applicable. Similarly Inventory Turnover Ratio and Trade Payables Turnover Ratio are not applicable to the Company's operations.

1. Current Ratio has changed mainly on account of higher investments in Mutual Funds due to scale up of operations.
2. These Ratios have changed due to increase in profit, revenues, receivables and income from investments due to scaling up of operations.

(ix) The financial statements were approved for issue by the Board of Directors on April 29, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of The Companies Act, 2013.

22. Financial Instruments and Related Disclosures**A. Capital Management**

The Company funds its operations mainly through internal accruals and does not have any borrowings. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

B. Categories of Financial Instruments

(₹ in lakhs)

Particulars	Note	As at 31st March, 2025		As at 31st March, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets					
a) Measured at amortised cost					
i) Cash and cash equivalents	9	2.71	2.71	8.88	8.88
ii) Loans	10	1.58	1.58	–	–
Sub - total		4.29	4.29	8.88	8.88
b) Measured at Fair value through Profit or Loss					
i) Investment in Mutual Funds	7	691.46	691.46	437.17	437.17
Sub - total		691.46	691.46	437.17	437.17
Total financial assets		695.75	695.75	446.05	446.05
B. Financial liabilities					
a) Measured at amortised cost					
i) Other financial liabilities	13	222.86	222.86	178.19	178.19
Total financial liabilities		222.86	222.86	178.19	178.19

C. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations. It also seeks to drive accountability in this regard.

Market Risk**Interest Rate Risk**

As the Company is debt-free, the exposure to interest rate risk from the perspective of financial liabilities is negligible.

The Company's investments are predominantly held in debt mutual funds and fixed deposits etc. within approved policies and procedures guided by the tenets of, safety, liquidity and return. This ensures that investments are only made within acceptable risk parameters. Fixed deposits are held with highly rated banks and companies, have a short tenure and are not subject to interest rate volatility.

The Company invests in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested, such price risk is not significant.

Liquidity Risk

The Company's Current assets aggregate ₹ 770.81 lakhs (2024: ₹ 463.53 lakhs) including Current Investments, Cash and cash equivalents, and Other Bank Balances of ₹ 694.17 lakhs (2024: ₹ 446.05 lakhs), against an aggregate Current liability of ₹ 236.75 lakhs (2024: ₹ 222.87 lakhs) on the reporting date.

In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist

Credit Risk

The risk management framework of the Company is designed to bring robustness to the risk management processes within the Company. With respect to the Company's investing activities, counter parties are shortlisted and exposure limits determined on the basis of their credit rating, financial statements and other relevant information. The counter party risk is considered insignificant.

Concentrations of credit risk with respect to trade receivables are limited as the Company's major customer is its Holding Company. Exceptions are managed and approved by appropriate authorities, after due consideration of the counterparty's credentials and financial capacity, trade practices and prevailing

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

business and economic conditions. Based on the assessment of financial assets, no loss provision is considered necessary.

D. Fair value measurement**Fair value hierarchy**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

The fair value of financial liabilities, where applicable, is determined using market observable inputs such as quotes from market participants, value published by the issuer etc.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted methodologies such as discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade payables and other Current financial assets and liabilities, where applicable, is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. The sensitivity of change in the unobservable inputs used in fair valuation of Level 3 financial assets and liabilities does not have a significant impact on their value. There were no transfers between Level 1, Level 2 and Level 3 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value:

(₹ in lakhs)

Particulars	Fair Value		
	Fair Value Hierarchy (Level)	As at 31st March, 2025	As at 31st March, 2024
A. Financial assets			
Measured at Fair value through Profit or Loss			
Investment in Mutual Funds	1	691.46	437.17
B. Financial liabilities			
Measured at amortised cost			
Other Financial liabilities	3	222.86	178.19

On behalf of the Board

Kolkata, April 29, 2025

S. DUTTA *Chairman*
(DIN : 01804345)

T.S.M. SHENOY *Director*
(DIN : 09476476)

Form AOC-1

[Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of Subsidiaries/Associate companies/Joint Ventures**Part A : Subsidiaries**

1. Sl. No.	:	1
2. Name of the subsidiary	:	MRR Trading & Investment Company Limited
3. The date since when subsidiary was acquired	:	30th March, 2015
4. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	:	Year ended 31st March, 2025 (same as Holding Company)
5. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	:	Not Applicable
		(₹ in lakhs)
6. Share Capital	:	5.00 (50,000 Equity Shares of ₹ 10.00 each)
7. Reserve & Surplus	:	(1.96)
8. Total Assets	:	5.09
9. Total Liabilities (excluding Total Equity)	:	2.05
10. Investments (excluding Investments made in subsidiaries)	:	–
11. Turnover*	:	7.58
12. Profit before taxation	:	0.55
13. Provision for taxation	:	(0.14)
14. Profit after taxation	:	0.41
15. Proposed Dividend	:	–
16. % of Shareholding	:	100.00

Notes: i) Names of Subsidiaries which are yet to commence operations : None

ii) Names of Subsidiaries which have been liquidated or sold during the year : None

* Turnover includes Other Income and Other Operating Revenue

Part B : Associates and Joint Ventures**Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate companies and Joint Ventures**

Not Applicable

On behalf of the Board

Kolkata, April 29, 2025

S. DUTTA *Chairman*
(DIN : 01804345)

T.S.M. SHENOY *Director*
(DIN : 09476476)

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Your Directors submit their Report for the financial year ended 31st March, 2025.

2. PERFORMANCE OF THE COMPANY

During the year, your Company earned revenue of ₹ 7.20 lakhs from its operations (previous year: ₹ 7.20 lakhs), with total income being ₹ 7.58 lakhs (previous year: ₹ 7.38 lakhs). Your Company recorded Net Profit for the year of ₹ 0.41 lakh (previous year: ₹ 0.66 lakh). The Company continues to provide estate maintenance services.

3. DIRECTORS**(a) Changes during the year**

During the year under review, Mr. Peter Claude Rasquinha (DIN: 09237557), stepped down as the Non-Executive Director of your Company with effect from close of work on 13th November, 2024.

Your Directors place on record their appreciation for the valuable contribution made by Mr. Rasquinha during his association with the Company.

The Board at its meeting held on 13th November, 2024 appointed Mr. Kannan Aiyer (DIN: 10775801) as an Additional Non-Executive Director of the Company with effect from the said date. In accordance with Section 161 of the Companies Act, 2013 ('the Act') and the Articles of Association of the Company, Mr. Kannan Aiyer will vacate his office at the ensuing Annual General Meeting ('AGM') and is eligible for appointment as Director of the Company.

The Board at its meeting held on 28th April, 2025 recommended for the approval of the Members, appointment of Mr. Kannan Aiyer as Non-Executive Director of your Company, liable to retire by rotation. Requisite Notice under Section 160 of the Act has been received by the Company for appointment of Mr. Kannan Aiyer, who has also filed his consent to act as Director of your Company, if appointed.

Appropriate resolution seeking your approval to the said appointment is appearing in the Notice convening the ensuing AGM of the Company.

(b) Retirement by rotation

In accordance with the provisions of Section 152(6) of the Act read with the Articles of Association of the Company, Mr. Bappaditya Ray Chaudhuri (DIN: 07125295), Director, will retire by rotation at the ensuing AGM of the Company, and being eligible, offers himself for re-election. Your Board has recommended his re-election.

4. BOARD MEETINGS

Five meetings of the Board were held during the year ended 31st March, 2025.

5. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

6. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

7. PARTICULARS OF EMPLOYEES

The requirements of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

Further, the requirement relating to constitution of Internal Complaints Committee in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is also not applicable to the Company.

8. RISK MANAGEMENT

The Company's risk management framework, designed to bring robustness to the risk management processes in the Company, addresses risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

The Internal Auditor of the Company periodically carries out risk focused audits with the objective of identifying areas where risk management processes could be strengthened. The Board annually reviews the effectiveness of the Company's risk management systems and policies.

9. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with respect to the Financial Statements, commensurate with its size and scale of operations. The Internal Auditor of the Company periodically evaluates the adequacy and effectiveness of such internal financial controls. The Board, which provides guidance on internal controls, also reviews internal audit findings and implementation of internal audit recommendations, if any.

During the year, the internal financial controls in the Company with respect to the Financial Statements were tested and no weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

11. RELATED PARTY TRANSACTIONS

During the year under review, the related party transactions entered into by the Company were in the ordinary course of business and at arm's length. The details of material related party transactions entered into by the Company during the year ended 31st March, 2025 in the prescribed Form No. AOC-2 are enclosed as Annexure to this Report.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

13. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

14. STATUTORY AUDITORS

Messrs. Deloitte Haskins & Sells, Chartered Accountants ('Deloitte'), were appointed as the Statutory Auditors of your Company at the Forty-First AGM held on 15th June, 2022 to hold such office for a period of 5 years till the conclusion of the Forty-Sixth AGM. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, the remuneration of Deloitte to conduct audit for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

There is no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors in their Report on the Financial Statements of the Company for the year ended 31st March, 2025.

15. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the scale and nature of business of your Company, no comment is required on conservation of energy and technology absorption.

During the year under review, there has been no foreign exchange earnings or outflow.

On behalf of the Board

(S. Kar) (K. Aiyer)

Director Director

DIN: 09523841 DIN: 10775801

Dated : 28th April, 2025

Annexure to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited (ITC), the ultimate Holding Company
b)	Nature of contracts / arrangements / transactions	Rendering of estate maintenance services to ITC
c)	Duration of the contracts / arrangements / transactions	1 st April, 2024 to 31 st March, 2025
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Receipt of Service Charges @ ₹ 7.20 lakhs per annum
e)	Date(s) of approval by the Board, if any	15 th January, 2024
f)	Amount paid as advances, if any	Nil

On behalf of the Board

(S. Kar) (K. Aiyer)

Director Director

DIN: 09523841 DIN: 10775801

Dated : 28th April, 2025

INDEPENDENT AUDITOR'S REPORT**To The Members of M R R Trading and Investment Company Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of M R R Trading and Investment Company Limited (the "Company"), which comprise the Balance Sheet as at March 31, 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 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 March 31, 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 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 Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

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. The Director's report is expected to be made available to us after the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and will 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 identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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 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 financial statements, management and Board of Directors 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 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 are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and

obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit we report that:
 - 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.
 - 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.
 - 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 relevant books of account.
 - In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - 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 is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
 - 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - 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 Company has not paid any remunerations to its directors during the year.
 - 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:
 - The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (a) 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.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (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 Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is not applicable to the Company as they have not used any accounting software for maintaining its books of accounts for the year ended March 31, 2025, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable to the Company.

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.

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

Sumit Trivedi
(Partner)
(Membership No. 209354)

Place: Hyderabad
Date: April 28, 2025

UDIN:25209354BMLMGL7415

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls Over Financial Reporting 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 M R R Trading and Investment Company Limited ("the Company") as at March 31, 2025 in conjunction with our audit of the 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 financial statements 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 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 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 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 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.

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 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 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.

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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Sumit Trivedi
(Partner)
(Membership No. 209354)

Place: Hyderabad
Date: April 28, 2025

UDIN:25209354BMLMGL7415

ANNEXURE B TO THE INDEPENDENT AUDITORS' 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) As the Company does not hold any property, plant and equipment reporting under clause 3(i) of the Order is not applicable.
- (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) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause (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) According to the information and explanations given to us, in respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Services tax, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities. We have been informed that the provisions of the Provident Fund, Employees' State Insurance, Sales tax, duty of Customs, duty of Excise and Value added tax are not applicable to the Company.
 - There were no undisputed amounts payable in respect of Goods and Service tax, Income-tax, cess and other material statutory dues in arrears as at March 31, 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 March 31, 2025.
- (viii) According to the information and explanations given to us, 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.
- (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) The Company has not raised funds on short-term basis, hence reporting under clause (ix)(d) of the Order is not applicable.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (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 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 and according to the information and explanations given to us the Company is in compliance with Section 188 of the Companies Act, 2013, 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. The provisions of section 177 of the Companies Act, 2013 are not applicable to the Company.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2024.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a,b,c) 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.
- (d) 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 in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Hence, reporting under clause (xviii) of the Order is not applicable.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, 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) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act 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 Company does not have any subsidiaries, associates and joint ventures and hence reporting under clause (xxi) of the Order is not applicable.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No. 0080725)
Sumit Trivedi
(Partner)
(Membership No. 209354)
UDIN:25209354BMLMGL7415

Place: Hyderabad
Date: April 28, 2025

Balance Sheet as at 31st March, 2025

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

Particulars	Note	31 st March 2025	As at 31 st March, 2024
ASSETS			
Non-Current Assets			
Advance tax and TDS receivables [Net of Provisions - ₹ 0.14 lakhs (March 31, 2024: Nil)]		0.01	—
Other Non-current financial assets	3	—	1.00
Other non-current assets	4	1.12	1.12
Total Non-Current Assets		1.13	2.12
Current Assets			
Financial assets			
Cash and cash equivalents	5	0.49	0.37
Other Bank Balances	6	3.29	2.00
Other Financial Assets	7	0.18	0.18
Total Current Assets		3.96	2.55
Total Assets		5.09	4.67
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	5.00	5.00
Other equity	9	(1.95)	(2.36)
Total Equity		3.05	2.64
Current Liabilities			
Financial liabilities			
Trade payables		—	—
- total outstanding dues of micro enterprises and small enterprises and small enterprises	10	0.96	0.90
Other current liabilities	11	1.08	1.06
Current tax liabilities (net) [Net of Advance tax Nil (March 31, 2024 : ₹ 0.15 lakhs)]		—	0.07
Total Current Liabilities		2.04	2.03
Total Equity and Liabilities		5.09	4.67

See accompanying notes forming part of the Financial Statements.

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

Sumit Trivedi
Partner

Place: Hyderabad
Date: 28/04/2025

For and on behalf of the Board of Directors

Kannan Aiyer
Director
DIN : 10775801
Place: Hyderabad
Date : 28/04/2025

Saurabh Kar
Director
DIN : 09523841

Statement of Profit and Loss for the year ended 31st March, 2025

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

Particulars	Note	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
I Revenue from operations	12	7.20	7.20
II Other income	13	0.38	0.18
III Total Income (I+II)		7.58	7.38
IV Expenses			
Other expenses	14	7.03	6.50
Total expenses (IV)		7.03	6.50
V Profit Before Tax (III- IV)		0.55	0.88
VI Tax Expense:			
Current tax	15	0.14	0.22
VII Profit for the year (V-VI)		0.41	0.66
VIII Other Comprehensive Income		—	—
IX Total Comprehensive Income for the Year (VII+VIII)		0.41	0.66
Earnings per Equity Share :			
Basic and Diluted (Face value of ₹ 10 each)	17	0.82	1.32

See accompanying notes forming part of the Financial Statements.

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

Sumit Trivedi
Partner

Place: Hyderabad
Date: 28/04/2025

For and on behalf of the Board of Directors

Kannan Aiyer
Director
DIN : 10775801
Place: Hyderabad
Date : 28/04/2025

Saurabh Kar
Director
DIN : 09523841

Statement of Cash Flow for the year ended 31st March, 2025

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

	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash Flows from Operating Activities		
Profit before tax	0.55	0.88
Adjustments for:		
Interest income	(0.38)	(0.18)
Operating Profit before Working Capital Changes	0.17	0.70
Adjustments for:		
(Increase)/decrease in other current assets	–	(0.19)
Increase/(Decrease) in trade payables and other liabilities	0.08	(1.80)
Cash generated from Operations	0.25	(1.29)
Net income tax (paid) / refunds	(0.22)	(0.09)
Net Cash generated from / (used in) Operating Activities	0.03	(1.38)
Cash Flows from Investing Activities		
Interest Income	0.38	0.18
Term deposits matured during the year	2.00	–
Term deposits placed during the year	(2.29)	(1.00)
Net Cash generated from / (used in) Investing Activities	0.09	(0.82)
Cash flows from Financing Activities		
Net Cash generated from financing activities	–	–
Net Increase / (decrease) in Cash and Cash Equivalents	0.12	(2.20)
Cash and Cash Equivalents at the beginning of the year	0.37	2.57
Cash and Cash Equivalents at the end of the year (Refer Note 5)	0.49	0.37

See accompanying notes forming part of the Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sumit Trivedi
PartnerPlace: Hyderabad
Date: 28/04/2025

For and on behalf of the Board of Directors

Kannan Aiyer
Director
DIN : 10775801Place: Hyderabad
Date : 28/04/2025Saurabh Kar
Director
DIN : 09523841**Statement of Changes in Equity for the year ended 31st March, 2025**

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

	For the year ended 31 st March, 2025	For the year ended 31 st March, 2024
A. Equity Share Capital:		
Balance as at April 1, 2024	5.00	5.00
Changes in Equity Share Capital during the year	–	–
Balance as at March 31, 2025	5.00	5.00
B. Other Equity - Reserves & Surplus:		
Retained Earnings		
Balance as at April 1, 2024	(2.36)	(3.02)
Profit for the Year	0.41	0.66
Balance as at March 31, 2025	(1.95)	(2.36)

See accompanying notes forming part of the Financial Statements.

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Sumit Trivedi
PartnerPlace: Hyderabad
Date: 28/04/2025

For and on behalf of the Board of Directors

Kannan Aiyer
Director
DIN : 10775801Place: Hyderabad
Date : 28/04/2025Saurabh Kar
Director
DIN : 09523841

Notes forming part of the Financial Statements

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

1. Company Overview

The Company has tenancy rights in a commercial premise at Eucharistic Congress Building No. 1, 4th Floor, 5 Convent Street, Colaba, Mumbai – 400039. The premise is owned by Roman Catholic Cathedral Trust. The only source of income of this Company is from estate maintenance services of the aforesaid property.

2. Summary of Material Accounting Policies**2.1 Statement of Compliance and Basis of Preparation**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention, except for certain items that are measured at amortised cost or fair values, as explained in the accounting policies below and on accrual basis. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

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 a 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. Fair value for measurement or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

2.2 Use of Estimates and Judgements

In view of the nature of the operations of the Company no significant assumption / judgement are applied in preparation of financial statements.

2.3 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) 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.

2.4 Financial instrument

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date when the Group commits to purchase or sell the asset.

2.5 Contingencies & Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. 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.

2.6 Revenue

Income from Estate Maintenance Services is recognized based on the contractual arrangement entered by the Company.

2.7 Leases

The Company's lease asset classes primarily consist of leases for Tenancy Right. The Company, at the inception of a contract, assesses whether the contract is

a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2020.

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 costs incurred and an estimate 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 end of the lease term.

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. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's 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 remeasured 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. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

2.8 Taxation

Income-tax expense comprises current tax and deferred tax charge or credit. Current tax is determined in accordance with the Income-tax Act, 1961. Income tax, in so far as it relates to items disclosed under Other Comprehensive Income or Equity, are disclosed separately under Other Comprehensive Income or Equity, as applicable.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

2.9 Earnings Per Share ('EPS')

Basic earnings per share ('EPS') is computed by dividing the net profit/(loss) attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit/(loss) attributable to the equity shareholders for the period by the weighted average number of equity and equivalent dilutive equity shares outstanding during the period, except where the results would be anti-dilutive.

2.10 Operating Segment

Operating segment is reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is one of the Directors of the Company.

2.11 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 based on the nature of services and their realisation in cash and cash equivalents.

3. Other Non-Current Financial Assets

	As at 31 st March, 2025	As at 31 st March, 2024
Term Deposits with Bank of original maturity of more than 12 months	–	1.00
TOTAL	–	1.00

4. Other Non-Current Assets

	As at 31 st March, 2025	As at 31 st March, 2024
Other deposits	1.12	1.12
TOTAL	1.12	1.12

5. Cash and Cash Equivalents

	As at 31 st March, 2025	As at 31 st March, 2024
Balances with Banks:		
- In Current Account	0.49	0.37
TOTAL	0.49	0.37

Notes forming part of the Financial Statements (contd.)

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

6. Other Bank Balances

	As at 31 st March, 2025	As at 31 st March, 2024
In Deposit Accounts*	3.29	2.00
TOTAL	3.29	2.00

*Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the balance sheet date.

7. Other Financial Assets

	As at 31 st March, 2025	As at 31 st March, 2024
Other receivables	0.07	–
Interest accrued on deposit	0.11	0.18
TOTAL	0.18	0.18

8. Equity Share Capital

	As at 31 st March, 2025	As at 31 st March, 2024
Authorised Share Capital: 50,000 Equity Shares of ₹ 10 each	5.00	5.00
Issued, Subscribed and Paid-up Capital: 50,000 Equity Shares of ₹ 10 each	5.00	5.00

A) Reconciliation of number of Equity Shares outstanding

	No. of Shares	Share capital
Balance as at April 1, 2024	50,000	5,00,000
Add: Issued during the year	–	–
Balance as at March 31, 2025	50,000	5,00,000

B) Shareholders holding more than 5% of the Equity Shares in the Company:

	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	%	No. of Shares	%
ITC Integrated Business Services Limited (formerly ITC Investments & Holdings Limited) * and its Nominees	50,000	100	50,000	100

* 49,994 equity shares are held by ITC Integrated Business Services Limited (formerly ITC Investments and Holdings Limited), the Holding Company and the balance 6 equity shares are held by the nominees of the Holding Company jointly with the Holding Company. The Ultimate Holding Company is ITC Limited.

C) Rights, preferences and restrictions attached to the Equity Shares:

The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

D) Shareholding of Promoters

Share held by promoters at the end of the year Promoter Name	As at March 31, 2025			As at March 31, 2024		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
ITC Integrated Business Services Limited (formerly ITC Investments & Holdings Limited) and its nominees	50,000	100%	–	50,000	100%	–
Total	50,000	100%	–	50,000	100%	–

9. Other Equity

	As at March 31, 2025	As at March 31, 2024
Reserves and Surplus:		
Retained Earnings		
Retained Earnings comprise of the Company's undistributed earnings after taxes.	(1.95)	(2.36)
	(1.95)	(2.36)

10. Trade Payables

	As at March 31, 2025	As at March 31, 2024
Trade payables other than acceptances:		
(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 20)	–	–
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.96	0.90
	0.96	0.90

Particulars	Unbilled	Not Due	Outstanding for following periods from due date / transaction date of payment				Total
As at March 31, 2025			Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	–	–	–	–	–	–	–
Others	0.96	–	–	–	–	–	0.96
Disputed dues – MSME	–	–	–	–	–	–	–
Disputed dues – Others	–	–	–	–	–	–	–
Total	0.96	–	–	–	–	–	0.96

Particulars	Unbilled	Not Due	Outstanding for following periods from due date / transaction date of payment				Total
As at March 31, 2024			Less than 1 year	1-2 years	2-3 years	more than 3 years	
MSME	–	–	–	–	–	–	–
Others	0.90	–	–	–	–	–	0.90
Disputed dues – MSME	–	–	–	–	–	–	–
Disputed dues – Others	–	–	–	–	–	–	–
Total	0.90	–	–	–	–	–	0.90

Notes forming part of the Financial Statements (contd.)

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

11. Other Current Liabilities

	As at March 31, 2025	As at March 31, 2024
Other payables	1.08	1.06
TOTAL	1.08	1.06

12. Revenue from Operations

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Sale of Services	7.20	7.20
TOTAL	7.20	7.20

13. Other Income

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Interest on		
- Other Deposits	0.16	–
- Bank Fixed Deposits	0.22	0.18
- Income Tax Refund	–	–
TOTAL	0.38	0.18

14. Other Expenses

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Rent	1.00	0.97
Rates and taxes	2.67	2.63
Maintenance and upkeep expenses	1.97	1.71
Bank charges	*	*
Payments to auditors	0.15	0.15
Consultancy and Professional fees	0.39	0.63
Miscellaneous expenses	0.85	0.41
TOTAL	7.03	6.50

* Less than ₹ One thousand

14(a) Payment to Auditors

– Statutory Audit	0.15	0.15
TOTAL	0.15	0.15

15. Tax Expense

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
Profit before income tax	0.55	0.88
Enacted tax rates	25.17%	25.17%
Income tax expense	0.14	0.22
TOTAL	0.14	0.22

16. Contingent liabilities

	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as Debts:	–	–

17. Earnings per share

	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Computation of earnings per share is set out below:		
Net Profit attributable to Equity Shareholders (A)(Rs. In lakhs)	0.41	0.66
Weighted Average Number of Equity Shares outstanding during the year (B) (Nos.)	50,000	50,000
Face Value of Equity Share (Rs.)	10	10
Earnings Per Share (Basic and Diluted) (A/B) (Rs.)	0.82	1.32

18. Segment Information

The Board of Directors of the Company have identified one of the directors as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108 Operating Segments. The Company's activities involve providing estate maintenance services which is considered to be a single business segment since these are subject to similar risks and returns. Further, the business is carried out in India and hence there are no reportable geographical segments.

The entity-wide disclosures are as under:

	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Customer Information	The Company's revenue from operations arises entirely (100%) from sale of services to the Ultimate Holding Company	The Company's revenue from operations arises entirely (100%) from sale of services to the Ultimate Holding Company
Non-current Assets (In India) (Rs. lakhs)	1.13	2.12

19. Related Party Disclosures

a) Details of Related Parties

Name Relationship

ITC Limited	Ultimate Holding Company
ITC Integrated Business Services Limited (formerly ITC Investments & Holdings Limited)	Holding Company

Key Management Personnel (KMP):

Relationship	
Kannan Aiyer	Non-Executive Director (from November 13, 2024)
Peter Rasquinha	Non-Executive Director (upto November 13, 2024)
Saurabh Kar	Non-Executive Director
B.R. Chaudhuri	Non-Executive Director

b) Details of Related Party Transactions during the year:

Description	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
ITC Limited:		
Consultancy and Professional fees	0.28	0.12
Sale of Services – Estate Management Services	7.20	7.20
Other Income	0.22	–

c) Details of outstanding balances as at year end:

Description	As at March 31, 2025	As at March 31, 2024
ITC Limited:		
Trade payables - Consultancy and Professional fees	0.28	0.12
Other receivables	0.07	–

20. The Company, based on the information available on the status of the suppliers, does not have any dues to enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006.

21. Ratios:

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

Particulars	As at March 31, 2025	As at March 31, 2024	Variance	Reason for Variance
Current ratio	1.94	1.26	54%	Increase in current assets due to term deposit maturing within 12 months.
Debt-Equity ratio	–	–	NA	There is no debt with the Company, hence the ratios are not applicable.
Debt Service Coverage ratio	–	–	NA	
Return on Equity ratio	14.50	28.57	-49%	Due to decrease in profit
Return on Capital employed ratio	18.10	33.33	-46%	Due to decrease in profit
Trade Payables turnover ratio	7.46	8.00	-7%	
Net Profit Ratio	0.06	0.09	-37%	Due to decrease in profit
Trade Receivables turnover ratio	–	–	NA	There are no closing trade receivables, hence these ratios are not applicable.
Return on investment	0.07	0.07	-2%	Due to maturity of fixed deposits and reinvested during the year end
Inventory turnover ratio	–	–	NA	There are no Inventories, hence these ratios are not applicable.
Net capital turnover ratio	3.75	13.84	-73%	Increase in current assets due to term deposit maturing within 12 months.

Notes forming part of the Financial Statements (contd.)

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

Particulars	Numerator	Denominator
Current ratio	Current Assets (CA)	Current Liabilities (CL)
Debt-Equity ratio	Total Debt	Shareholders equity
Debt Service Coverage ratio	Profit after tax + Interest cost + Depreciation	Debt Service
Return on Equity ratio	Profit after tax	Average Shareholders equity
Return on Capital employed ratio	Earning before Interest and tax	Capital Employed (Tangible Networth+Total Debt + Deferred Tax liability)
Trade Payables turnover ratio	Sales (Revenue from Operations)	Closing Trade Payables
Net Profit Ratio	Profit after tax	Sales (Revenue from Operations)
Trade Receivables turnover ratio	Sales (Revenue from Operations)	Closing Trade Receivables
Return on investment	Income generated from investments	Average Investment made
Inventory turnover ratio	Sales (Revenue from Operations)	Average inventory
Net capital turnover ratio	Sales (Revenue from Operations)	Working Capital= CA-CL

22. The Company is holding tenancy rights of the property in Mumbai taken on rent, which rights are governed by the Maharashtra Rent Control Act, 1999. The lease period is not explicit in the terms of this arrangement and therefore the lease liability cannot be estimated reliably for future period. Further, considering materiality, such tenancy rights are accounted for, on the basis of rent paid on a periodical basis which is more representative of the pattern of the lessee's benefit.

23. Financial Instruments and Related Disclosures**a) Capital Management:**

The Company funds its operations mainly through internal accruals. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds in order to carry on the operations of its businesses as a going concern. The carrying amounts of trade payables and cash and cash equivalents are considered to be the same as their fair values due to their short term nature.

b) Categories of Financial Instruments

	Note	As at March 31, 2025		As at March 31, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets (Measured at amortised cost)					
Other Non-Current Financial Assets	3	–	–	1.00	1.00
Cash and Cash Equivalents	5	0.49	0.49	0.37	0.37
Other Bank balances	6	3.29	3.29	2.00	2.00
Other Financial Assets (Accrued Interest)	7	0.18	0.18	0.18	0.18
Total Financials Assets		3.96	3.96	3.55	3.55
Financial Liabilities (Measured at amortised cost)					
Trade Payables	10	0.96	0.96	0.90	0.90
Total Financials Liabilities		0.96	0.96	0.90	0.90

c) Financial risk management:

Given the nature of operations of the Company as indicated in Note 1 above, the Company has minimal activity and the only source of income is from estate maintenance services provided to its sister companies. Accordingly, the Company has no exposure towards market risks. Similarly, its exposure to credit risk and liquidity risk are also minimal as explained hereunder.

d) Credit Risk:

The only source of income to the Company arises through receipts from estate maintenance services from its ultimate holding company. Being part of the same group, exposure to credit risk is minimum. The Board of Directors analyze and monitor these financial instruments and assess the risk on an individual basis and take necessary action where required.

e) Liquidity risk:

The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. The company's liquidity position is regularly monitored and as the Company does not have any borrowings, its working capital is sufficient to ensure adequate liquidity for operations.

f) Fair value measurement

The Company does not have any Non-current Financial Liabilities. Fair value of Non-Current Financial assets, Current Financial Assets and Current Financial Liabilities is equivalent to their carrying value.

24. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

25. The financial statements were approved for issue by the Board of Directors on April 28, 2025.

For and on behalf of the Board of Directors

Kannan Aiyer	Saurabh Kar
Director	Director
DIN : 10775801	DIN : 09523841

Place: Hyderabad
Date: 28/04/2025

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The directors submit their report for the financial year ended 31 March, 2025.

Directors

The names of the directors in office at any time during or since the end of the year are:

Mr Surampudi Sivakumar	
Mr Dharmarajan Ashok	
Mr Kanapathipillai Sathiamoorthy	
Mr Ganesh Kumar Sundararaman	Appointed 2 August 2024
Mr David Charles McDonald	Resigned 4 May 2024
Mr Rajnikant Rai	Resigned 24 August 2024

All the directors have been in office since the start of the financial year until the date of this report.

Corporate information

Technico Pty Limited is a company limited by shares that is incorporated and domiciled in Australia. Its parent entity is ITC Limited, a public company registered in India and listed on the National Stock Exchange of India Limited, the BSE Limited and the Calcutta Stock Exchange Limited in India.

The registered office of Technico Pty Limited is located at:

10 Bundaroo Street
BOWRAL NSW 2576,
Australia

Principal activities

The principal activities of the Company during the financial year under review were anchored on horticulture technology, its downstream implementation, commercialisation and activities associated therewith. The Company owns the proprietary TECHNITUBER® Technology and has undertaken commercialisation of such technology through its wholly owned subsidiaries in different geographies viz.:

- Technico Technologies Inc., Canada
- Technico Asia Holdings Pty Limited, Australia ('TAHL')
- Technico Horticultural (Kunming) Co. Limited, China (100% subsidiary of TAHL)

Review and Results of Operations

Your Company is focused on ensuring the continuous upgrading of the TECHNITUBER® Technology and customising its application across various geographies. Your Company is also engaged in the marketing of TECHNITUBER® seeds to global customers by leveraging the production facilities of its subsidiaries in China and Canada as well as the Facilities of its group company Technico Agri Sciences Limited, India ('TASL').

For the year under review, your Company has reported revenue from sale of goods of A\$2,857,898 (2024: A\$1,691,933) and earned a net profit after tax of A\$1,512,872 (2024: A\$806,884). Net profit for the year is higher due to improved sales and controlled cost.

Dividend paid

The Company paid A\$5,007,752 dividend to ITC Limited (parent company) during the year (2024: NIL).

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Company during the year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental regulation and performance

The Company is not subject to any particular or significant environmental regulation.

Indemnification and Insurance of Directors, Officers and Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been a Director, Officer or Auditor of the Company.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year

Auditor's independence

The Auditor's independence declaration in accordance with applicable code of professional conduct, for the year ended 31 March 2025 has been received and is included in the financial report.

Signed in accordance with a resolution of the Board of Directors:

Kanapathipillai Sathiamoorthy
Director

Place: Sydney, Australia
Date: 01 May 2025

DIRECTORS' DECLARATION FOR THE YEAR ENDED 31 MARCH 2025

In accordance with a resolution of the directors of Technico Pty Limited, the directors have determined:

- the financial statements and notes of the company:
 - give a true and fair view of the company's financial position as at 31 March 2025 and of their performance for the year ended on that date;
 - comply with Australian Accounting Standards to the extent described in Note 1.

- There are reasonable grounds to believe that the registered entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board:

Kanapathipillai Sathiamoorthy
Director

Place: Sydney, Australia
Date: 01 May 2025

Auditor's Independence Declaration To the Directors of Technico Pty Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2025 there has been no contravention of any applicable code of professional conduct in relation to the audit.

Kelly Partners (South West Sydney) Partnership

Daniel Kuchta
Registered Auditor Number 335565
Campbelltown
Dated this 1st day of May 2025

INDEPENDENT AUDIT REPORT

To the Members of Technico Pty Limited,

Opinion

We have audited the financial report of Technico Pty Limited, which comprises the statement of financial position as at 31 March 2025, the statement of profit or loss and 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 the directors' declaration.

In our opinion, the accompanying financial report of Technico Pty Limited:

- give a true and fair view of the company's financial position as at 31 March 2025 and of its financial performance for the year then ended; and
- comply with Australian Accounting Standards to the extent described in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the professional standards, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities to the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report for the year ended 31 March 2025, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the 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 the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation in Note 1 to the financial report is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If 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 report 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 report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Kelly Partners (South West Sydney) Partnership

Daniel Kuchta

Registered Auditor Number 335565

Campbelltown

Dated this 1st May 2025

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 March 2025

	Notes	2025		2024	
		\$	₹	\$	₹
Sale of goods	2(a)	28,57,898	15,42,15,866	16,91,933	9,23,26,753
Cost of sales		(16,82,974)	(9,08,15,465)	(7,04,391)	(3,84,37,772)
Gross profit		11,74,924	6,34,00,401	9,87,542	5,38,88,982
Other revenue	2(a)	9,28,203	5,00,87,065	4,46,800	2,43,81,340
Research and development expenses		(34,825)	(18,79,202)	(17,145)	(9,35,582)
Occupancy expenses		(5,142)	(2,77,469)	(4,733)	(2,58,274)
Administrative expenses	2(d)	(56,521)	(30,49,948)	(1,89,370)	(1,03,33,694)
Profit before income tax expense		20,06,639	10,82,80,873	12,23,095	6,67,42,805
Income tax expense	3 (a)	(4,93,768)	(2,66,44,354)	(4,16,210)	(2,27,12,101)
Total comprehensive income for the year		15,12,872	8,16,36,519	8,06,884	4,40,30,704

STATEMENT OF FINANCIAL POSITION AS AT THE 31 MARCH 2025

		2025		2024	
	Notes	\$	₹	\$	₹
CURRENT ASSETS					
Cash and cash equivalents	4	1,29,341	69,59,841	85,664	46,35,493
Trade and other receivables	5	25,55,953	13,75,35,838	17,19,743	9,30,59,593
Other financial assets	7a	67,21,094	36,16,62,093	97,84,565	52,94,67,244
Other assets	6	1,72,922	93,04,944	1,70,700	92,37,004
Total current Assets		95,79,311	51,54,62,716	1,17,60,671	63,63,99,334
NON-CURRENT ASSETS					
Other financial assets	7b	9,69,736	5,21,81,494	9,69,736	5,24,74,839
Deferred tax asset	3 (c)	14,52,456	7,81,56,635	17,80,048	9,63,22,804
Intangible assets	8	8,195	4,40,957	10,944	5,92,207
Total non-current assets		24,30,386	13,07,79,086	27,60,728	14,93,89,851
Total assets		1,20,09,697	64,62,41,803	1,45,21,400	78,57,89,184
CURRENT LIABILITIES					
Trade and other payables	9a	12,83,229	6,90,50,645	8,67,432	4,69,38,914
Provisions	9b	4,99,200	2,68,61,952	–	–
Current tax liabilities	3 (b)	35,786	19,25,629	15,379	8,32,219
Total current liabilities		18,18,215	9,78,38,226	8,82,811	4,77,71,133
NON CURRENT LIABILITIES					
Deferred tax liabilities	3 (d)	1,10,333	59,37,045	62,561	33,85,338
Total non current liabilities		1,10,333	59,37,045	62,561	33,85,338
Total liabilities		19,28,549	10,37,75,271	9,45,373	5,11,56,470
Net assets		1,00,81,148	54,24,66,531	1,35,76,028	73,46,32,828
Represented by					
EQUITY					
Contributed equity	10	1,94,89,182	1,04,87,12,883	1,94,89,182	1,05,46,08,361
Accumulated losses	11	(1,10,19,494)	(59,29,58,984)	(1,10,19,494)	(59,62,92,359)
Reserves	17	16,11,460	8,67,12,632	51,06,340	27,63,16,826
Total equity		1,00,81,148	54,24,66,531	1,35,76,028	73,46,32,828

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Contributed equity \$	Accumulated losses \$	Reserves \$	Total \$
At 1 April 2023	1,94,89,182	(1,30,76,318)	42,99,456	1,07,12,320
Total comprehensive income for the year		8,06,884		8,06,884
Transfer to reserves		(8,06,884)	8,06,884	–
Deferred tax asset recognised		20,56,823		20,56,823
At 31 March 2024	1,94,89,182	(1,10,19,494)	51,06,340	1,35,76,028
Total comprehensive income for the year		15,12,872		15,12,872
Transfer to reserves		(15,12,872)	15,12,872	–
Dividend paid- ITC Limited (parent)			(50,07,752)	(50,07,752)
At 31 March 2025	1,94,89,182	(1,10,19,494)	16,11,460	1,00,81,148
	Contributed equity ₹	Accumulated losses ₹	Reserves ₹	Total ₹
At 1 April 2023	1,07,23,92,240	(71,95,24,396)	23,65,77,575	58,94,45,419
Total comprehensive income for the year		4,40,30,704		4,40,30,704
Transfer to reserves		(4,40,30,704)	4,40,30,704	–
Deferred tax asset recognised		9,63,22,804		9,63,22,804
Exchange rate variance	(1,77,83,879)	2,69,09,233	(42,91,452)	48,33,901
At 31 March 2024	1,05,46,08,361	(59,62,92,359)	27,63,16,826	73,46,32,828
Total comprehensive income for the period		8,16,36,519		8,16,36,519
Transfer to reserves		(8,16,36,519)	8,16,36,519	–
Dividend paid- ITC Limited (parent)		(26,94,67,109)		(26,94,67,109)
Exchange rate variance	(58,95,478)	33,33,375	(17,73,605)	(43,35,707)
At 31 March 2025	1,04,87,12,883	(59,29,58,984)	8,67,12,632	54,24,66,531

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	2025		2024	
	\$	₹	\$	₹
CASH FLOW FROM OPERATING ACTIVITIES				
Receipts from customers	20,57,579	11,10,29,637	17,61,406	9,61,17,820
Payments to suppliers and employees	(8,59,474)	(4,63,78,341)	(9,18,037)	(5,00,96,174)
Income tax paid	(97,997)	(52,88,022)	(66,144)	(36,09,400)
Dividend received	4,78,988	2,58,46,808	–	–
Interest received	4,08,863	2,20,62,795	3,71,597	2,02,77,617
Net cash flows from operating activities - Note 4 (b)	19,87,959	10,72,72,877	11,48,822	6,26,89,863
CASH FLOW FROM INVESTING ACTIVITIES				
Payment for acquisition of financial assets	(22,55,102)	(12,16,88,241)	(16,14,839)	(8,81,19,830)
Proceeds from sale of financial assets	53,18,572	28,69,97,048	4,40,287	2,40,25,925
Net cash flows from/(used in) investing activities	30,63,470	16,53,08,807	(11,74,552)	(8,81,19,830)
CASH FLOW FROM FINANCING ACTIVITIES				
Dividend paid (including withholding tax)	(50,07,752)	(27,02,24,807)	–	–
Net cash flows (used in)/from financing activities	(50,07,752)	(27,02,24,807)	–	–
Net increase/(decrease) in cash held	43,677	23,56,877	(25,730)	(2,54,29,967)
Add opening cash brought forward	85,664	46,35,493	1,11,394	47,98,95,389
Non cash exchange gain/(loss) on translation	–	(32,529)	–	(44,98,29,953)
Cash and cash equivalents at end of period - Note 4	1,29,341	69,59,841	85,664	46,35,493

Notes to the Financial Statements for the year ended 31 March 2025

Note 1: MATERIAL ACCOUNTING POLICY INFORMATION

Corporate information

Technico Pty Limited is a for profit proprietary company limited by shares that is incorporated and domiciled in Australia. Its parent entity is ITC Limited, a public company listed in National Stock Exchange and Bombay Stock Exchange in India.

The registered office of Technico Pty Limited is located at:

10 Bundaroo Street
BOWRAL NSW 2576,
Australia

(a) Basis of preparation

The financial statements are special purpose financial statements that have been prepared in order to meet the needs of the members, as requested by the parent company.

The material accounting policies used in the preparation of this report, as described below, are in the opinion of the directors, appropriate to meet the needs of members.

The financial report has been prepared on a historical cost basis and is presented in Australian dollars. The supplementary information in INR (Indian Rupees), which are unaudited, have been arrived at by applying the year end inter-bank exchange rate of 1 AUD = INR 53.8100 for the current year balance sheet (2024: INR 54.1125) and the average rate of 1 AUD = INR 53.9613 for the current year income statement and cash flow statement (2024: INR 54.5688), and have been included in the financial report as required by the parent entity.

The financial statements have been prepared in accordance with note 1. Even though the entity is small proprietary company, the directors have determined that in order for the financial report to give a true and fair view of the company's results of operations and state of affairs, the requirements of Accounting Standards and other professional reporting requirements in Australia relating to the measurement and recognition of assets, liabilities, revenues, expenses and equity (except for consolidation standard) should be complied with.

The material accounting policies that have been adopted in the preparation of the financial report are as follows:

(b) Significant accounting judgements, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Investment in subsidiaries

The carrying value of the investment in subsidiaries is assessed at each reporting date as to whether there is an indication that the asset may be impaired. The assessment includes estimates and assumptions of future events including anticipated rates of growth, gross margins, together with the application of a discount rate. These assumptions correspond with the best estimates of management at reporting date.

(c) Foreign currency translation

The functional and presentation currency of Technico Pty Limited is Australian dollars (\$).

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. FEDAI exchange rates provided by the parent company are used for FX translation of debtors and foreign currency bank accounts using year end rates.

All exchange differences in the financial report are taken to profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents are cash at bank and highly liquid investments (deposits at call) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(e) Receivables

Trade receivables are recognised and carried at the original amount less any provision for doubtful debts. Bad debts are written off as incurred.

A provision is recognised using the Expected Credit Loss (ECL) model, simplified approach when collection of the full amount is no longer probable.

(f) Other financial assets

Investments in controlled entities are recorded at cost less impairment of the investment value.

Term deposits with initial maturity of over 3 months are recorded as financial assets.

(g) Impairment of assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

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. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

(h) Payables

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the company prior to the end of the financial year that are unpaid and arise when the company becomes obliged to make future payments in respect of the purchase of these goods and services.

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

(i) **Contributed equity**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(j) **Revenue recognition**

Revenue arises from the sale of goods and delivery of services.

Sale of goods

To determine whether to recognise revenue, the entity follows a 5-step process:

1. Identifying the contract with a 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.
- The entity enters into transactions for delivery of goods (TT seeds) to the customers. In all cases, the total transaction price for a contract is allocated to this sole performance obligation i.e. delivery of goods.

Revenue is recognised at a point in time when the entity satisfies the performance obligation by transferring the promised goods or services to its customers. The control of the goods passes to the customers upon delivery of the goods, based on locations specified on the respective invoices.

The entity recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the entity satisfies a performance obligation before it receives the consideration, the entity recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

Rendering of services

Revenue from the provision of services is recognised when control of the right to be compensated for the services and the stage of completion can be reliably measured.

Dividend income

Dividend is recognised when right to receive the dividend is achieved and when declared.

(k) **Taxation**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax asset on carried forward tax losses have not been recognised.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(l) **Other taxes**

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the cash flow statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which are recoverable from, or payable to, the taxation authority, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within twelve months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within twelve months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

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(m) **Intangibles**

Technology, patents and trademarks

Intangibles include TECHNITUBER® technology of the company and trademarks and are considered to have finite lives, and are amortised over the useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. If benefit is no longer expected to be received, the asset will be written down to its net realisable value.

(n) **Financial Instruments**

Financial instruments are recognised initially on the date that the company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the company classifies its financial assets into the following categories, those measured at:

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost.

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the company's historical experience and informed credit assessment and including forward looking information.

The company uses the presumption that an asset which is more than 180 days past due has seen a significant increase in credit risk.

The company uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the company in full, without recourse to the company to actions such as realising security (if any is held); or
- the financial assets is more than 180 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The company has determined the probability of non payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Financial liabilities

The company measures all financial liabilities initially at fair value less transaction cost, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the company comprise trade payables.

(o) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Notes to and Forming Part of the Financial Statements for the year ended 31 March 2025

	Notes	2025		2024	
		\$	₹	\$	₹
2 Revenues and expenses					
(a) Revenue from contract with customers					
Sale of goods - TT seeds		28,57,898	15,42,15,866	16,91,933	9,23,26,753
Other revenue					
Bank interest		4,13,324	2,23,03,501	4,20,629	2,29,53,220
Dividend received- TAHL		4,78,988	2,58,46,808	—	
Freight income		35,892	19,36,757	26,171	14,28,120
		<u>9,28,203</u>	<u>5,00,87,065</u>	<u>4,46,800</u>	<u>2,43,81,340</u>
(b) Depreciation and amortisation					
Amortisation of non-current assets:					
Technology and trademarks		2,750	1,48,396	2,832	1,54,539
Total amortisation of non-current assets		<u>2,750</u>	<u>1,48,396</u>	<u>2,832</u>	<u>1,54,539</u>
(c) Employee benefit expense					
Wages and salaries - incl super and travel allowance		29,499	15,91,812	13,172	7,18,780
Workers' compensation costs/(recovery).		(776)	(41,882)	1,241	67,720
PAYG tax		5,326	2,87,398	3,973	2,16,828
		<u>34,049</u>	<u>18,37,329</u>	<u>18,386</u>	<u>10,03,328</u>
(d) Administration expenses					
Consultancy expense		46,257	24,96,088	81,180	44,29,895
Audit and accounting fee		26,270	14,17,563	23,450	12,79,638
Overseas travel		72,716	39,23,859	60,095	32,79,312
Legal & Professional cost		41,741	22,52,401	11,961	6,52,697
Realised FX loss		46,143	24,89,954	32,803	17,90,020
Unrealised FX loss/(gain)- net		(1,97,158)	(1,06,38,928)	(43,502)	(23,73,852)
Others		20,552	11,09,012	23,383	12,75,982
Total		<u>56,521</u>	<u>30,49,948</u>	<u>1,89,370</u>	<u>1,03,33,694</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	2025		2024	
	\$	₹	\$	₹
3 Income tax				
(a) The major components of income tax expenses are:				
Current tax	6,01,030	3,24,32,351	3,87,688	2,11,55,690
Deferred tax	(1,07,262)	(57,87,997)	28,522	15,56,411
Income tax expense	<u>4,93,768</u>	<u>2,66,44,354</u>	<u>4,16,210</u>	<u>2,27,12,101</u>
A reconciliation between income tax expense and the product of accounting profit before income tax multiplied by the company's applicable income tax rate is as follows:				
Accounting profit at the statutory income tax rate of 30%	6,01,992	3,24,84,262	3,66,928	2,00,22,841
Add back/(less): Permanent Difference				
Attributable income	34,528	18,63,176	48,660	26,55,318
Dividend received from TAHL (from China)	(1,43,696)	(77,54,023)		
TAHL loss	(270)	(14,570)		
Deferred tax adjustment	1,214	65,509		
Prior year under provision	–	–	622	33,942
Income tax expense	<u>4,93,768</u>	<u>2,66,44,354</u>	<u>4,16,210</u>	<u>2,27,12,101</u>
Timing differences	<u>1,07,262</u>	<u>57,87,997</u>	<u>(28,522)</u>	<u>(15,56,411)</u>
Current tax	<u>6,01,030</u>	<u>3,24,32,351</u>	<u>3,87,688</u>	<u>2,11,55,690</u>
(b) Provision for income tax/(refund)	<u>35,786</u>	<u>19,25,629</u>	<u>15,379</u>	<u>8,32,219</u>
(c) Deferred tax assets comprise of:				
Accruals and prepayments	13,268	7,13,951	7,993	4,32,532
Provision	1,49,760	80,58,586	–	–
Tax loss	12,89,427	6,93,84,067	17,72,054	9,58,90,272
	<u>14,52,456</u>	<u>7,81,56,635</u>	<u>17,80,048</u>	<u>9,63,22,804</u>
Movement of deferred tax assets:				
Opening	17,80,048	9,63,22,804	20,82,869	11,27,09,222
Tax loss utilised in 2024	(4,82,627)	(2,59,70,159)	(3,10,814)	(1,68,18,928)
Initial recognition - timing differences			15,365	8,31,439
Exchange rate translation difference		(5,38,444)		
Charged or credited to Profit or loss	1,55,035	83,42,433	(7,372)	(3,98,928)
	<u>14,52,456</u>	<u>7,81,56,635</u>	<u>17,80,048</u>	<u>9,63,22,804</u>
(d) Deferred tax liability comprise of:				
Interest income accrual	51,242	27,57,332	49,904	27,00,403
Unrealised FX- net gain	59,091	31,79,687	12,658	6,84,934
	<u>1,10,333</u>	<u>59,37,045</u>	<u>62,561</u>	<u>33,85,338</u>
Movement of deferred tax liabilities:				
Opening	62,561	33,85,338	41,411	22,40,874
Charged or credited to Profit or loss	47,772	25,70,611	21,150	11,44,463
Exchange rate translation difference	–	(18,904)	–	–
	<u>1,10,333</u>	<u>59,37,045</u>	<u>62,561</u>	<u>33,85,338</u>
	2025		2024	
	\$	₹	\$	₹
4 Cash and cash equivalents				
Current				
Cash at bank and on hand	1,29,341	69,59,841	85,664	46,35,493
	<u>1,29,341</u>	<u>69,59,841</u>	<u>85,664</u>	<u>46,35,493</u>
(b) Reconciliation of net profit/(loss) after tax to the net cash flows from operations:				
Net profit after tax	15,12,872	8,16,36,512	8,06,884	4,40,30,737
Non-cash items:				
Amortisation of non-current assets	2,750	1,48,396	2,832	1,54,539
COS- TT seed provision	4,99,200	2,69,37,481	–	–
Changes in assets and liabilities:				
(Increase)/decrease in trade and other receivables	(8,36,211)	(4,51,23,040)	43,302	23,62,938
Decrease/(increase) in other current assets	(2,222)	(1,19,913)	(50,935)	(27,79,462)
Increase/(decrease) in trade creditors and accruals and tax	4,15,797	2,24,36,973	(3,329)	(1,81,662)
Increase/(decrease) in tax	3,95,771	2,13,56,334	3,50,068	1,91,02,803
Cash flows from operations	<u>19,87,959</u>	<u>10,72,72,877</u>	<u>11,48,822</u>	<u>6,26,89,863</u>

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

Notes	2025		2024	
	\$	₹	\$	₹
5 Trade and other receivables				
<i>Current</i>				
Trade debtors (a)	25,55,953	13,75,35,838	17,19,743	9,30,59,593
Provision for doubtful debts	—	—	—	—
	<u>25,55,953</u>	<u>13,75,35,838</u>	<u>17,19,743</u>	<u>9,30,59,593</u>
(a) Terms and conditions relating to the above financial instrument:				
(i) current trade debtors are non-interest bearing and generally on 180 to 210-day terms;				
6. Other assets				
<i>Current</i>				
Prepayments and other receivables	2,117	1,13,903	4,355	2,35,660
Interest accrued	1,70,805	91,91,040	1,66,345	90,01,344
	<u>1,72,922</u>	<u>93,04,944</u>	<u>1,70,700</u>	<u>92,37,004</u>
7 Other financial assets - amortised cost				
7a Current				
Term deposits	67,21,094	36,16,62,093	97,84,565	52,94,67,274
Total other financial assets- current	<u>67,21,094</u>	<u>36,16,62,093</u>	<u>97,84,565</u>	<u>52,94,67,274</u>
7b Non-current				
Shares in subsidiaries:				
At cost	48,80,863	26,26,39,242	48,80,863	26,41,15,699
Provision for write-down (a)	(39,11,127)	(21,04,57,748)	(39,11,127)	(21,16,40,860)
Total other financial assets- non current	<u>9,69,736</u>	<u>5,21,81,494</u>	<u>9,69,736</u>	<u>5,24,74,839</u>
(a) Provision for write-down of subsidiaries				
The losses generated within the subsidiaries have resulted in a provision for write-down to net assets being recorded against the cost amount of the investment.				
The investments are recorded at amortised cost.				
<i>Interest in subsidiaries</i>				
Technico Asia Holdings Pty Ltd (formerly known as Technico China Pty Ltd)				
Percentage of equity interest held by country of incorporation: Australia - 100%				
Cost	36,84,522	19,82,64,129	36,84,522	19,93,78,697
Accumulated impairment	(27,14,786)	(14,60,82,635)	(27,14,786)	(14,69,03,857)
	<u>9,69,736</u>	<u>5,21,81,494</u>	<u>9,69,736</u>	<u>5,24,74,839</u>
Technico Technologies Inc.				
Percentage of equity interest held by country of incorporation: Canada - 100%				
Cost	11,96,341	6,43,75,114	11,96,341	6,47,37,002
Accumulated impairment	(11,96,341)	(6,43,75,114)	(11,96,341)	(6,47,37,002)
	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
	2025		2024	
	\$	₹	\$	₹
8 Intangible assets				
<i>Non-current</i>				
TECHNITUBER®				
technology, patents and trademarks at cost	34,27,186	18,44,16,894	34,27,186	18,54,53,602
Less: accumulated amortisation	(34,18,992)	(18,39,75,936)	(34,16,242)	(18,48,61,395)
	<u>8,195</u>	<u>4,40,957</u>	<u>10,944</u>	<u>5,92,207</u>
<i>Movement in intangibles</i>				
Balance at beginning of the year	10,944	5,88,897	13,776	7,45,454
Additions	—	—	—	—
Amortisation expense	(2,750)	(1,47,980)	(2,832)	(1,53,247)
Balance at the end of the year	<u>8,195</u>	<u>4,40,957</u>	<u>10,944</u>	<u>5,92,207</u>
	2025		2024	
	\$	₹	\$	₹
9a Trade and other payables				
<i>Current</i>				
Trade creditors	12,45,829	6,70,38,084	8,41,032	4,55,10,344
Sundry creditors and accruals	37,400	20,12,494	26,400	14,28,570
	<u>12,83,229</u>	<u>6,90,50,645</u>	<u>8,67,432</u>	<u>4,69,38,914</u>
Terms and conditions relating to the above financial instruments:				
(i) trade creditors are non-interest bearing and are normally settled on 180 to 210-day terms; and				
(ii) balance due to sundry creditors is non-interest bearing and is normally settled on 30-day terms.				

NOTES TO THE FINANCIAL STATEMENTS (Contd.)

	2025		2024	
	\$	₹	\$	₹
9b Provisions				
Current				
Provision - seed quality	4,99,200	2,68,61,952	—	—
	<u>4,99,200</u>	<u>2,68,61,952</u>	<u>—</u>	<u>—</u>
Movement:				
Opening provision	—	—	—	—
Provision - seed quality- 2025	4,99,200	2,68,61,952	—	—
Closing provision	<u>4,99,200</u>	<u>2,68,61,952</u>	<u>—</u>	<u>—</u>
10 Contributed equity				
(a) Issued and paid up capital				
Ordinary shares fully paid 10,015,502 shares (2024: 10,015,502)	1,94,89,182	1,04,87,12,883	1,95,98,046	1,06,04,99,264
Share capital redemption	—	—	—	—
Discount on issue	—	—	(1,08,864)	(58,90,903)
	<u>1,94,89,182</u>	<u>1,04,87,12,883</u>	<u>1,94,89,182</u>	<u>1,05,46,08,361</u>
(b) Terms and conditions of contributed equity				
Ordinary shares				
Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.				
11 Accumulated losses				
Accumulated losses	1,10,19,494	59,29,58,984	1,10,19,494	59,62,92,367
Balance at beginning of year	1,10,19,494	59,62,92,359	1,30,76,318	71,95,24,396
Net (profit)/loss attributable to the members of Technico Pty Ltd	(15,12,872)	(8,16,36,519)	(8,06,884)	(4,40,30,704)
Transfer to reserves 17	15,12,872	8,16,36,519	8,06,884	4,40,30,704
Deferred tax asset recognised	—	—	(20,56,823)	(11,12,99,808)
Exchange rate variance	—	(33,33,375)	—	(1,19,32,229)
Total available for appropriation	1,10,19,494	59,29,58,984	1,10,19,494	59,62,92,359
Dividends paid or provided for	—	—	—	—
Balance at end of period	<u>1,10,19,494</u>	<u>59,29,58,984</u>	<u>1,10,19,494</u>	<u>59,62,92,359</u>
12 Contingent liabilities				
Estimates of material amounts of contingent liabilities, not provided for in the financial report	—	—	—	—
13 Events Subsequent to the End of the Reporting Period				
No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.				
14 Capital and lease commitments				
There are no capital and operating lease commitments. Under AASB 16 month to month rental repayments for storage filing space are expensed.				
15 Related party transactions				
Technico Pty Ltd purchases TT seeds from Technico Horticultural (Kunming) Co. Limited, China ('THKL' - 100% subsidiary of Technico Asia Holdings Pty Limited - 'TAHL') and Technico Agri Sciences Limited, India ('TASL'). THKL is a 100% owned subsidiary of TAHL, which is 100% owned by TPL. TASL is a 100% subsidiary of ITC Limited (ultimate parent company) in India. The purchases made during the year are reflected in cost of sales in AUD. Any amounts outstanding as payable is recorded in trade payables.				
16 Remuneration of auditors				
Amounts received or due and receivable by auditor:				
Audit of the entity by auditor /group auditor	15,000	8,09,420	14,100	7,69,420
Other services in relation to the entity- taxation	8,210	4,43,022	13,750	7,50,321
	<u>23,210</u>	<u>12,52,442</u>	<u>27,850</u>	<u>15,19,741</u>
17 Reserves				
2025 Profit	15,12,872	8,14,07,621	—	—
2025 Dividend paid	(50,07,752)	(26,94,67,109)	—	—
2024 Profit	8,06,884	4,34,18,401	8,06,884	4,36,62,522
2023 Profit	10,37,707	5,58,39,016	10,37,707	5,61,52,922
2022 Profit	9,09,425	4,89,36,166	9,09,425	4,92,11,267
2021 Profit	7,93,203	4,26,82,236	7,93,203	4,29,22,179
2020 Profit	15,59,121	8,38,96,301	15,59,121	8,43,67,935
	<u>16,11,460</u>	<u>8,67,12,632</u>	<u>51,06,340</u>	<u>27,63,16,826</u>
Profits are set aside for declaration of future dividends.				

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Your directors submit their Report for the financial year ended 31 March, 2025.

Directors

The following are the directors of the Company as on 31st March, 2025:

Ms Bhavani Parameswar

Mr. Sundararaman Ganesh Kumar *

Mr. Nripendra Kumar Jha *

*Appointed with effect from 16th July, 2024

Mr. Rajnikant Rai ceased to be director of the Company with effect from 24th August, 2024.

Corporate information

Technico Technologies Inc. is a company limited by shares that is incorporated and domiciled in Canada. It is a wholly owned subsidiary of Technico Pty Ltd, a company incorporated in Australia.

The registered office of Technico Technologies Inc is located at:

Stewart McKelvey Stirling Scales

501 - 140 Carleton Street, Fredericton

New Brunswick E3B 3T4, Canada

Principal activities

The principal activity of your Company is production of TECHNITUBER® seed potatoes for sale in the Canadian and export markets. However, the Company has wound down its seeds business operations and is looking for new business opportunities.

Review and results of operations

Consequent to winding down of seeds business, the Company registered sales of C\$ Nil (previous year C\$ 56,711) and posted a net profit of C\$ 1,874 (previous year C\$ 764,591).

No dividends have been paid or declared during the financial year.

Auditors

The Company has engaged M/s Teed Saunders Doyle & Co as auditors for the year under review whose report is annexed to the financial report.

Environmental regulation and performance

Your Company is not subject to any particular or significant environmental regulation.

Bhavani Parameswar

Director

Place: New Jersey, USA

Date: 30th April, 2025

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Technico Technologies Inc.

Opinion

We have audited the accompanying financial statements of Technico Technologies Inc., which comprise the balance sheet as at March 31, 2025 and the statements of income, retained earnings (deficit) and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis of 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 ethical responsibilities in accordance with those 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 and fair presentation 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 relating 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.

May 1, 2025

Fredericton, New Brunswick

CHARTERED PROFESSIONAL ACCOUNTANTS

BALANCE SHEET AS AT MARCH 31, 2025

	2025	2025	2024	2024
	\$	₹	\$	₹
ASSETS				
Current Assets				
Cash	1,138,046	67,660,249	1,159,911	71,064,847
Government remittances receivable	9,564	568,608	5,346	327,536
Prepaid expenses	211	12,545	-	-
	<u>1,147,821</u>	<u>68,241,402</u>	<u>1,165,257</u>	<u>71,392,383</u>
Property and Equipment (note 4)	<u>97</u>	<u>5,767</u>	<u>248</u>	<u>15,194</u>
	<u>1,147,918</u>	<u>68,247,169</u>	<u>1,165,505</u>	<u>71,407,577</u>
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	<u>54,191</u>	<u>3,221,818</u>	<u>73,652</u>	<u>4,512,474</u>
STOCKHOLDER'S EQUITY				
Capital Stock (note 7)	1,087,998	64,684,745	1,087,998	66,658,917
Retained Earnings	<u>5,729</u>	<u>340,606</u>	<u>3,855</u>	<u>236,186</u>
	<u>1,093,727</u>	<u>65,025,351</u>	<u>1,091,853</u>	<u>66,895,103</u>
	<u>1,147,918</u>	<u>68,247,169</u>	<u>1,165,505</u>	<u>71,407,577</u>
Approved by the Board: (Bhavani Parameswar) Director				

STATEMENT OF RETAINED EARNINGS (DEFICIT)
FOR THE YEAR ENDED MARCH 31, 2025

	2025	2025	2024	2024
	\$	₹	\$	₹
Retained Earnings At Beginning Of Year	3,855	236,186	(760,736)	(46,151,953)
Net Income For The Year	1,874	113,905	764,591	46,615,202
Change In Unrealized Foreign Exchange				
During The Year	-	(9,485)	-	(227,063)
Retained Earnings At End Of Year	<u>5,729</u>	<u>340,606</u>	<u>3,855</u>	<u>236,186</u>

STATEMENT OF INCOME
FOR THE YEAR ENDED MARCH 31, 2025

	2025	2025	2024	2024
	\$	₹	\$	₹
Sales	-	-	56,711	3,457,528
Cost Of Sales	-	-	28,305	1,725,685
Gross Profit	<u>-</u>	<u>-</u>	<u>28,406</u>	<u>1,731,843</u>
Expenses				
Advertising and trade shows	863	52,455	1,525	92,975
Amortization of equipment	150	9,117	593	36,154
Bank charges	230	13,980	655	39,934
Insurance	464	28,203	2,121	129,312
Occupancy costs	301	18,295	10,190	621,259
Office and supplies	24	1,459	511	31,154
Professional services	13,583	825,596	20,225	1,233,068
Telephone	1,022	62,119	3,302	201,315
Vehicle and travel	6,400	389,002	3,803	231,859
Wages and benefits	7,426	451,364	79,629	4,854,781
	<u>30,463</u>	<u>1,851,590</u>	<u>122,554</u>	<u>7,471,811</u>
	<u>(30,463)</u>	<u>(1,851,590)</u>	<u>(94,148)</u>	<u>(5,739,968)</u>
Other Income				
Gain on sale of capital assets	-	-	847,369	51,661,970
Net revenue - Support services (note 8)	-	-	11,370	693,200
Interest	32,337	1,965,495	-	-
	<u>32,337</u>	<u>1,965,495</u>	<u>858,739</u>	<u>52,355,170</u>
Net Income For The Year	<u>1,874</u>	<u>113,905</u>	<u>764,591</u>	<u>46,615,202</u>

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2025

	2025 \$	2025 ₹	2024 \$	2024 ₹
Cash Provided By (Required For):				
Operating Activities				
Net income for the year	1,874	113,904	764,591	46,615,201
Items not affecting cash:				
Amortization of property and equipment	150	9,117	593	36,154
Gain on sale of assets	-	-	(847,369)	(51,661,970)
Foreign currency fluctuations	-	(2,107,286)	-	166,411
	2,024	(1,984,265)	(82,185)	(4,844,204)
Changes in non cash operating working capital (note 6)	(23,889)	(1,420,273)	74,677	4,575,274
	(21,865)	(3,404,538)	(7,508)	(268,930)
Investing Activities				
Proceeds on sales of assets	-	-	900,000	55,140,750
Financing Activities				
Capital stock issuance (redemption)	-	-	(51,026)	(3,126,235)
Increase (Decrease) In Cash During The Year	(21,865)	(3,404,538)	841,466	51,745,585
Cash Position At Beginning Of Year	1,159,911	71,064,847	318,445	19,319,262
Cash Position At End Of Year	1,138,046	67,660,309	1,159,911	71,064,847

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025

1. Nature of Business Activities

The Company is a wholly-owned subsidiary of Technico Pty Limited (Australia). It previously, produced early generation seed potatoes for the North American market and provided information technology support services to ITC Infotech (USA) Inc. However, the Company has wound down its seeds business and it no longer provides information technology support services. The Company is looking for newer business opportunities.

2. Material Accounting Policies

Basis of Presentation

The financial statements were prepared in accordance with Canadian accounting standards for private enterprises (ASPE).

The financial statements include Indian Rupee equivalent figures, arrived at by applying the year-end exchange rate of CAD \$1 = Rs. 59.4530 (2024 - CAD \$1 = Rs. 61.2675) to the balance sheet and the average annual exchange rate of CAD \$1 = Rs. 60.7816 (2024 - CAD \$1 = Rs. 60.9675) to the income statement as provided by the parent company.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale or issue of the financial instruments are expensed when incurred.

Measurement Uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amount of net assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

Cash and cash equivalents

The company considers cash on hand, short term deposits and balances with banks, net of overdrafts as cash or cash equivalents. Bank borrowings are considered to be financing activities.

Income Taxes

The company uses the income taxes payable method of accounting for income taxes. Under this method, the company reports as an expense (income) of the period only the cost (benefit) of current

income taxes determined in accordance with the rules established by taxation authorities.

Revenue

Revenue is recognized when products and services are delivered to the customer and ultimate collection is reasonably assured. Interest income is accrued as earned.

Amortization

Depreciation of equipment is recorded on a straight line basis at an annual rate of 10%.

Income Taxes

Income taxes are reported using the taxes payable method. Under this method, the company reports as an expense (income) of the period only the cost (benefit) of the current income taxes determined in accordance with the rules established by taxation authorities.

3. Financial Instruments

The company is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the company's risk exposure and concentration as of March 31, 2025.

Currency risk

Currency risk is the risk to the company's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The company is exposed to foreign currency exchange risk on export sales to foreign countries. The company does not use derivative instruments to reduce its exposure to foreign currency risk.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The company is exposed to credit risk from customers. In order to reduce its credit risk, the company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and the payment of funds for accounts payables and long term debt.

4. Property and Equipment

	Accumulated	2025	2024	
Cost	Amortization	Net	Net	
\$	\$	\$	\$	
Equipment	<u>752</u>	<u>655</u>	<u>97</u>	<u>248</u>

	Accumulated	2025	2024	
Cost	Amortization	Net	Net	
₹	₹	₹	₹	
Equipment	<u>44,709</u>	<u>38,942</u>	<u>5,767</u>	<u>15,194</u>

5. Income Taxes

The company has non-capital losses for income tax purposes of \$446,191 which may be carried forward to reduce taxable income in future years. If not applied against taxable income, the non-capital losses will expire as follows:

	\$	₹
2027	36,579	2,174,731
2028	214,636	12,760,754
2030	115,010	6,837,690
2031	12,550	746,135
2032	7,695	457,491
2040	8,787	522,414
2041	10,825	643,579
2042	36,579	2,174,731
	<u>446,191</u>	<u>26,527,394</u>

The company has investment tax credits of \$38,318 available to reduce taxes payable of future years. The benefit of investment tax credits and non-capital losses carried forward have not been recorded in the financial statements.

6. Changes In Non-Cash Operating Working Capital

	2025	2025	2024	2024
	\$	₹	\$	₹
Accounts receivable	(4,218)	(250,773)	(4,306)	(263,818)
Inventory	-	-	29,528	1,809,107
Prepaid expenses	(211)	(12,545)	2,002	122,658
Accounts payable and accrued liabilities	<u>(19,460)</u>	<u>(1,156,955)</u>	<u>47,453</u>	<u>2,907,327</u>
	<u>(23,889)</u>	<u>(1,420,273)</u>	<u>74,677</u>	<u>4,575,274</u>

7. Capital Stock

	2025	2025	2024	2024
	\$	₹	\$	₹
Authorized				
An unlimited number of common shares				
200,000 non-voting, non-cumulative, non-participating, redeemable and retractable Class A preferred shares				
Issued				
1,087,999 Common shares	<u>1,087,998</u>	<u>64,684,475</u>	<u>1,087,998</u>	<u>66,658,917</u>

The company's common shares are owned by Technico Pty Limited.

8. Net Revenue - Support Services

	2025	2025	2024	2024
	\$	₹	\$	₹
Revenue	-	-	118,254	7,209,651
Expenses				
Wages and benefits	-	-	105,778	6,449,020
Work visa charges	-	-	-	-
Office rent	-	-	1,106	67,431
	-	-	106,884	6,516,451
Net Revenue - Support services	-	-	11,370	693,200

Support services revenue is generated entirely from ITC Infotech (USA) Inc., a wholly owned subsidiary of ITC Infotech India Limited, which in turn, is a wholly owned subsidiary company of ITC Limited, which is the ultimate parent company of Technico Technologies Inc. (Canada) and the parent company of Technico Pty Limited (Australia). These related party transactions are recorded at the exchange amount as established and agreed to by the related parties and are subject to normal trade terms.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Your directors present their report on the Company for the financial year ended 31 March, 2025.

Directors

The names of directors in office at any time during or since the end of the year are:

Mr Dharmarajan Ashok	
Mr Kanapathipillai Sathiamoorthy	
Mr Nripendra Kumar Jha	Appointed 2 August 2024
Mr Ganesh Kumar Sundaraman	Appointed 2 August 2024
Mr David Charles McDonald	Resigned 4 May 2024
Mr Rajnikant Rai	Resigned 24 August 2024

The Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Corporate information

Technico Asia Holdings Pty Limited is a Company limited by shares that is incorporated and domiciled in Australia. It is a wholly owned subsidiary of Technico Pty Ltd, a company incorporated in Australia.

The registered office of Technico Asia Holdings Pty Limited is located at:

10 Bundaroo Street, BOWRAL NSW 2576, Australia

The Company had no employees during the year.

Principal Activities

During the year, the Company did not have any activity other than holding 100% of the shares of Technico Horticultural (Kunming) Co Limited, China.

Significant Changes in the State of Affairs

No significant changes in the Company's state of affairs occurred during the financial year.

Review and Results of Operations

During the year, the Company incurred a loss of A\$900 [2024: profit of A\$487,845].

DIRECTORS' DECLARATION FOR THE YEAR ENDED 31 MARCH 2025

In accordance with a resolution of the directors of Technico Asia Holdings Pty Limited, the directors have determined:

- (a) the financial statements and notes of the company:
 - (i) give a true and fair view of the company's financial position as at 31 March 2025 and of their performance for the year ended on that date;
 - (ii) comply with Australian Accounting Standards to the extent described in Note 1.

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of Technico Asia Holdings Pty Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2025 there has been no contraventions of any applicable code of professional conduct in relation to the audit.

INDEPENDENT AUDIT REPORT

To the Members of Technico Asia Holdings Pty Limited

Opinion

We have audited the financial report of Technico Asia Holdings Pty Limited, which comprises the statement of financial position as at 31 March 2025, the statement of profit or loss and 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 the directors' declaration.

In our opinion, the accompanying financial report of Technico Asia Holdings Pty Limited:

- (a) give a true and fair view of the company's financial position as at 31 March 2025 and of its financial performance for the year then ended; and
- (b) comply with Australian Accounting Standards to the extent described in Note 1.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Environmental regulation and performance

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

A final dividend of A\$ 0.13 per share amounting to A\$ 478,987.86 was declared for the Financial Year 2023-24 and paid to Technico Pty Ltd on 30th April, 2024.

Indemnification of Officers or Auditor

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an Officer or Auditor of the Company.

Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Auditor's independence

The Auditor's independence declaration in accordance with applicable code of professional conduct, for the year ended 31 March 2025 has been received and is included in the financial report.

Signed in accordance with a resolution of the Board of Directors:

Kanapathipillai Sathiamoorthy
Director

Place: Sydney, Australia

Date: 01 May 2025

- (b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board:

Kanapathipillai Sathiamoorthy
Director

Place: Sydney, Australia

Date: 01 May 2025

Kelly Partners (South West Sydney) Partnership

Daniel Kuchta

Registered Auditor Number 335565

Campbelltown

Dated this 1st day of May 2025

Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the professional standards, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting

We draw attention to Note 1 of the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities to the members. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the directors' report for the year ended 31 March 2025, but does not include the financial report and our auditor's report thereon.

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the 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 the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation in Note 1 to the financial report is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the Australian 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 this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, 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 the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If 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 report 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 report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Kelly Partners (South West Sydney) Partnership

Daniel Kuchta

Registered Auditor Number 335565

Campbelltown

Dated this 1st day of May 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2025

Notes	2025		2024	
	\$	₹	\$	₹
Dividend Income-Technico Horticultural (Kunming) Co Ltd	—	—	487,845	26,621,104
Cost of sales:				
Other cost of sales	—	—	—	—
Inventory write off and write down	—	—	—	—
Total Revenue	<u>—</u>	<u>—</u>	<u>487,845</u>	<u>26,621,104</u>
Other Income	—	—	—	—
Marketing expenses	—	—	—	—
Research and development expenses	—	—	—	—
Occupancy expenses	—	—	—	—
Administration expenses:				
Other administration expenses	—	—	—	—
Recovery investments and loans	—	—	—	—
Finance costs	900	48,565	—	—
Other expenses	—	—	—	—
Profit/(Loss) before income tax expense	<u>(900)</u>	<u>(48,565)</u>	<u>487,845</u>	<u>26,621,104</u>
Income tax expense	1 (e) —	—	—	—
Total comprehensive income/(Loss) for the year	<u><u>(900)</u></u>	<u><u>(48,565)</u></u>	<u><u>487,845</u></u>	<u><u>26,621,104</u></u>

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

		2025		2024	
	Notes	\$	₹	\$	₹
CURRENT ASSETS					
Cash and cash equivalents	2	7,957	428,162	487,845	26,398,501
Trade and other receivables		–	–	–	–
Inventories		–	–	–	–
Other		–	–	–	–
Total Current Assets		<u>7,957</u>	<u>428,162</u>	<u>487,845</u>	<u>26,398,501</u>
NON-CURRENT ASSETS					
Receivables		–	–	–	–
Other financial assets	3	969,736	52,181,494	969,736	52,474,839
Property plant & equipment		–	–	–	–
Intangible assets		–	–	–	–
Total non-current assets		<u>969,736</u>	<u>52,181,494</u>	<u>969,736</u>	<u>53,359,723</u>
Total assets		<u>977,693</u>	<u>52,609,656</u>	<u>1,457,581</u>	<u>78,873,340</u>
CURRENT LIABILITIES					
Trade and other payables		–	–	–	–
Loans and borrowings		–	–	–	–
Provisions		–	–	–	–
Total current liabilities		<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
NON CURRENT LIABILITIES					
Interest free loans and borrowings		–	–	–	–
Provisions		–	–	–	–
Total non current liabilities		<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total liabilities		<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
Net assets		<u>977,693</u>	<u>52,609,656</u>	<u>1,457,581</u>	<u>78,873,340</u>
Represented by					
EQUITY					
Contributed equity	4	368,4522	198,264,129	3,684,522	199,378,697
Accumulated losses	5	(2,714,786)	(146,082,635)	(2,714,786)	(146,903,857)
Reserves	6	7,957	428,162	487,845	26,398,501
Total equity		<u>977,693</u>	<u>52,609,656</u>	<u>1,457,581</u>	<u>78,873,340</u>

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Contributed equity \$	Accumulated losses \$	Reserves \$	Total \$
At 1 April 2023	3,684,522	(2,714,786)	–	969,736
Total Comprehensive income for the period	–	487,845	–	487,845
Transfer to reserves	–	(487,845)	487,845	–
At 31 March 2024	3,684,522	(2,714,786)	487,845	1,457,581
Total Comprehensive income/(Loss) for the period	–	(900)	–	(900)
Transfer to reserves	–	900	(900)	–
Dividend paid-Technico Pty Ltd	–	–	(478,988)	(478,988)
At 31 March 2025	<u>3,684,522</u>	<u>(2,714,786)</u>	<u>7,957</u>	<u>977,693</u>
	Contributed equity ₹	Accumulated losses ₹	Reserves ₹	Total ₹
At 1 April 2023	202,740,823	(149,381,100)	–	53,359,723
Total Comprehensive income for the period	–	26,621,104	–	26,621,104
Transfer to reserves	–	(26,621,104)	26,621,104	–
Exchange rate difference	(3,362,126)	2,477,243	(222,603)	(1,107,487)
At 31 March 2024	199,378,697	(146,903,857)	26,398,501	78,873,340
Total Comprehensive income/(loss) for the period	–	(48,565)	–	(48,565)
Transfer to reserves	–	48,565	(48,565)	–
Exchange rate difference	(1,114,568)	821,222	(25,970,339)	(26,263,685)
At 31 March 2025	<u>198,264,129</u>	<u>(146,082,635)</u>	<u>428,162</u>	<u>52,609,656</u>

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025		2024	
		\$	₹	\$	₹
Cash flow from operating activities					
Finance cost paid		(900)	(48,565)	—	—
Net cash flows (used in)/from operating activities		(900)	(48,565)	—	—
Cash flow from investing activities					
Dividend received		—	—	487,845	26,621,104
Net cash flows (used in)/from investing activities		—	—	487,845	26,621,104
Cash Flow From Financing Activities					
Dividend paid		(478,988)	(25,846,808)	487,845	—
Net cash flows (used in)/from financing activities		(478,988)	(25,846,808)	487,845	—
Net increase/(decrease) in cash held		(479,888)	(25,895,373)	487,845	26,621,104
Exchange rate difference		—	(74,966)	—	(222,604)
Add opening cash brought forward		487,845	26,398,501	—	—
Cash and cash equivalents at end of the year		7,957	428,162	487,845	26,398,501

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Note 1 MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

The financial report is a special purpose financial report prepared for distribution to members. The accounting policies used in the preparation of this report, as described below, are in the opinion of the directors, appropriate to meet the needs of members. Technico Asia Holdings Pty Limited is a for profit proprietary company limited by shares that is incorporated and domiciled in Australia.

The financial report has been prepared on a historical cost basis and is presented in Australian dollars. The supplementary information in INR (Indian Rupees), which are unaudited, have been arrived at by applying the year end inter-bank exchange rate of 1 AUD = INR 53.8100 for the current year balance sheet (2024: INR 54.1125) and the average rate of 1 AUD = INR 53.9613 for the current year income statement and cash flow statement (2024: INR 54.5688), and have been included in the financial report as required by the parent entity. The financial statements have been prepared in accordance with note 1 to the financial report.

Even though the entity is a small proprietary company, the directors have determined that in order for the financial report to give a true and fair view of the company's results of operations and state of affairs, the requirements of Accounting Standards to the extent disclosed in note 1 below, and other professional reporting requirements in Australia relating to the measurement and recognition of assets, liabilities, revenues, expenses and equity should be complied with (except for consolidation standard). The material accounting policies that have been adopted in the preparation of the financial report are as follows:

(b) Significant accounting judgements, estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Investment in subsidiaries

The carrying value of the investment in subsidiaries is assessed at each reporting date as to whether there is an indication that the asset may be impaired. The assessment includes estimates and assumptions of future events including anticipated rates of growth, gross margins, together with the application of a discount rate. These assumptions correspond with the best estimates of management at reporting date.

(c) Other financial assets

Investments in controlled entities are recorded at cost less impairment of the investment value.

(d) Impairment of assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

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. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset.

(e) Dividend income

Dividends are recognised in profit or loss only when:

- (a) the entity's right to receive payment of the dividend is established;
- (b) it is probable that the economic benefits associated with the dividend will flow to the entity; and
- (c) the amount of the dividend can be measured reliably.

Dividend income received from Technico Horticultural (Kunming) Co Ltd is non assessable non exempt income. Technico Asia Holdings Pty. Ltd. tax is consolidated in Technico Pty Ltd., as part of tax consolidated group.

(f) Cash and cash equivalents

Cash and cash equivalents are cash at bank and highly liquid investments (deposits at call) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(g) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

	2025		2024	
	\$	₹	\$	₹
Note 2 Cash & cash equivalents				
Cash and Bank	7,957	428,162	487,845	26,398,501
Total cash & cash equivalent	7,957	428,162	487,845	26,398,501

2025

2024

\$ ₹ \$ ₹

Note 3 Other financial assets - Amortised cost

Non-current

Shares in subsidiaries:

At cost

Provision for write-down

Total other financial assets

3,684,522	198,264,129	3,684,522	199,378,697
(2,714,786)	(146,082,635)	(2,714,786)	(146,903,857)
<u>969,736</u>	<u>52,181,494</u>	<u>969,736</u>	<u>52,474,839</u>

Provision for write-down of subsidiaries

The losses generated within the subsidiaries have resulted in a provision for write-down to net assets being recorded against the cost amount of the investment.

Technico Horticultural (Kunming) Co Ltd

Percentage of equity interest held by country of incorporation: China - 100%

2025

2024

\$ ₹ \$ ₹

Cost

Accumulated impairment

3,684,522	198,264,129	3,684,522	199,378,697
(2,714,786)	(146,082,635)	(2,714,786)	(146,903,857)
<u>969,736</u>	<u>52,181,494</u>	<u>969,736</u>	<u>52,474,839</u>

2025

2024

\$ ₹ \$ ₹

Note 4 Contributed equity

Issued and paid up capital

3,684,522 Ordinary shares fully paid

3,684,522	198,264,129	3,684,522	199,378,697
<u>3,684,522</u>	<u>198,264,129</u>	<u>3,684,522</u>	<u>199,378,697</u>

Terms and conditions of contributed equity

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the company.

Note 5 Accumulated losses

Balance at beginning of year

Total Comprehensive income attributable to the members of Technico Asia Holdings Ltd

Transfer to reserves

Exchange rate difference

Total available for appropriation

Dividends paid or provided for

Balance at end of year

2,714,786	146,903,857	2,714,786	149,381,100
900	48,565	(487,845)	(26,621,104)
(900)	(48,565)	487,845	26,621,104
–	(821,223)	–	(2,477,242)
<u>2,714,786</u>	<u>146,082,635</u>	<u>2,714,786</u>	<u>146,903,857</u>
–	–	–	–
<u>2,714,786</u>	<u>146,082,635</u>	<u>2,714,786</u>	<u>146,903,857</u>

Note 6 Reserves

2024 Profit

2024 Dividend paid Technico Pty Ltd

2025 Loss

Exchange rate difference

487,845	26,398,501	487,845	26,398,501
(478,988)	(25,846,808)	–	–
(900)	(48,565)	–	–
–	(74,966)	–	–
<u>7,957</u>	<u>428,162</u>	<u>487,845</u>	<u>26,398,501</u>

NOTE 7 Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the entity, the results of those operations or the state of affairs of the entity in future financial years.

MANAGEMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2024

Corporate Information

Technico Horticultural (Kunming) Co Ltd ("Company") is domiciled in Yunnan Province, People's Republic of China. Its parent entity is Technico Asia Holdings Pty Ltd, a company incorporated in Australia.

The registered office of the Company is located at,

A-38 Yanglin Industrial Development Zone,

Songming,

Yunnan Province,

People's Republic of China.

Principal activities

The Company is primarily engaged in production and supply of TECHNITUBER® Seed potatoes to export markets.

Business Review

For the year under review, the Company achieved a turnover of CNY 4,345,188 (2023: CNY 4,245,750) and posted a profit of CNY 1,005,415 (2023: CNY 1,165,655). Net Profit is lower owing to change in sale price skew, hence lower margins compared to last year.

Auditors

The Company has engaged M/s China Audit Asia Pacific Certified Public Accountants LLP as auditors for the year under review whose report is annexed to the financial report.

Environmental regulation and performance

Your Company complies with the applicable environmental regulations set by the Songming Environmental Bureau.

Haoxuan Shen

Legal Representative

Place: Songming

Date: 1st May, 2025

AUDITORS' REPORT

To the Management

Technico Horticultural (Kunming) Co., Ltd.

I. Audit Opinion

We have audited the accompanying financial statements of Technico Horticultural (Kunming) Co., Ltd., which include the Statements of Financial Position as of 31 December 2024, the Statements of Comprehensive Income, the Statements of Cash Flows and the Statements of Changes in Shareholders' Equity for the year then ended and the notes to the financial statements.

In our opinion, the financial statements have been prepared in accordance with the requirements of the Small Business Accounting Standards of China and presented fairly, in all material respects, the financial position of Technico Horticultural (Kunming) Co., Ltd. as at 31 December 2024, and the Company's results of operations and cash flows for the year then ended.

II. Basis of Forming the Audit Opinion

We conducted our audit in accordance with the Chinese Certified Public Accountant Auditing Standards. The section "Auditors' Responsibility for the Financial Statements" in the audit report further describes our responsibilities in accordance with these standards. According to the Code of Ethics for Chinese Certified Public Accountants, we are independent of the Company and fulfilled other responsibilities of code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

Management of Technico Horticultural (Kunming) Co., Ltd. is responsible for preparing and presenting the financial statements in accordance with Enterprise Accounting Standards of China and for the purpose of fair presentation and designing, implementing and maintaining internal control necessary to the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

During the preparation of the financial statements, the management is responsible for assessing the Company's going-concern capability; disclosing, where applicable, matters in relation to the going-concern status; and applying the going-concern assumption for preparation of the financial statements, unless the management plans to liquidate the Company, terminates operation of the Company or has no other practical alternative choice.

Those charged with governance are responsible for monitoring the Company's financial reporting process.

IV. Auditors' Responsibility for the Financial Statements

Our objective is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to frauds or errors, and issue an audit report with audit opinion. Reasonable assurance is a high level assurance, but there is no guarantee that a material misstatement will always be found in the audit performed in accordance with the auditing standards. Misstatements may be caused by fraud or error. Misstatements are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users based on the financial statements.

During the performance of our audit in accordance with the auditing standards, we use professional judgment and maintain professional skepticism. We also perform the following procedures:

- A. Identify and assess the risks of material misstatement of the financial statements due to fraud and error, design and implement audit procedures to address these risks, and obtain sufficient and appropriate audit evidence

as a basis for forming the audit opinion. As fraud may involve collusion, forgery, willful omission, misrepresentation or override of internal control, the risk of not discovering a material misstatement due to fraud is higher than the risk of failing to detect a material misstatement resulting from a mistake.

- B. Understand the internal controls related to auditing in order to design appropriate audit procedures.
- C. Evaluate the appropriateness of accounting policies adopted by the management and the reasonableness of accounting estimates and relevant disclosures made by management.
- D. Conclude on the appropriateness of management's application of the going concern assumption. Meanwhile, based on the audit evidence obtained, conclude whether there is material uncertainty about the Company's ability to continue as a going-concern. If we conclude that there is material uncertainty, the auditing standards require us to draw attention of the users of the financial statements to the relevant disclosures in the financial statements. If the disclosure is inadequate, we shall express a qualified opinion. Our conclusion is based on information available as of the date of the audit report. However, future events or circumstances may cause the Company not being able to continue as a going-concern.
- E. Evaluate the overall presentation, structure and content of financial statements (including disclosures), and evaluate whether the financial statements present fairly the relevant transactions and events.
- F. Obtain sufficient and appropriate audit evidence regarding to the Company's financial information of the entities or business activities in order to express opinion on the financial statements. We are responsible for the guidance, supervision and execution of the group audit. We take full responsibility for the audit opinion.

We communicate with those charged with governance on the scope and time schedule of the audit, and significant audit findings, etc., including deficiency of internal control that we identified during the audit which warrants attention.

We also provide a statement to those charged with governance regarding the fact that we comply with the requirements of professional ethics relating to independence, and also communicate with them about all relationships and other matters that may be reasonably deemed to affect our independence as well as, where applicable, the relevant precautions.

Through the matters we communicate with those charged with governance, we identify matters that are significant in the audit of the financial statements for the current period, which therefore become the key audit items. We disclose these items in the audit report, unless public disclosure of such items is prohibited by laws and regulations; in exceptional circumstances, where the benefit arising from public disclosure of certain matters is outweighed by the negative consequence brought by such disclosure in consideration of public interest, we do not disclose such items in the audit report.

China Audit Asia Pacific Certified Public
Accountants LLP - Yunnan Branch
Kunming, The People's Republic of China

Chinese Certified Public Accountants:
Chinese Certified Public Accountants:
Date: 01st May 2025

BALANCE SHEET AS ON 31ST DECEMBER 2024

Printed by Technico Horticultural (Kunming) Co. Ltd.

ITEMS	LINE NO	31-Dec-23		31-Dec-24	
		CNY	INR	CNY	INR
Current Assets	1				
Bank and Cash	2	16,211,786.52	189,431,483.13	13,853,221.95	161,137,907.08
Short-term investments	3				
Notes receivable	4				
Dividend receivable	5				
Interest receivable	6	509,437.42	5,952,674.37	434,342.31	5,052,182.88
Account receivable	7	3,040,214.54	35,524,298.86	3,562,338.83	41,436,412.80
Other receivable	8				
Advances to suppliers	9				
Subsidy receivable	10				
Export Rebates receivable	11				
Inventory	12	555,507.77	6,490,997.19	843,130.46	9,807,124.88
Prepaid Expenses	13				
Long-term debt investment due within one year	14				
Other current assets	15	14,072.35	164,432.60	13,794.00	160,449.05
TOTAL CURRENT ASSETS	16				
LONG-TERM INVESTMENTS	17	20,331,018.60	237,563,886.14	18,706,827.55	217,594,076.70
Long-term stock investments	18				
Long-term creditor investments	19				
TOTAL LONG-TERM INVESTMENTS	20				
FIXED ASSETS	21				
Fixed assets-cost	22	25,727,794.00	300,624,127.33	25,727,794.00	300,624,127.33
Less: Accumulated depreciation	23	23,611,627.74	275,897,147.82	23,614,623.24	274,680,574.60
Fixed assets-value	24	2,116,166.26	24,726,979.51	2,113,170.76	24,579,979.65
Less: Provision for fix assets	25				
Fixed assets-net value	26	2,116,166.26	24,726,979.51	2,113,170.76	24,579,979.65
Construction Material	27				
Construction in process	28				
Disposal of fixed assets	29				
TOTAL FIXED ASSETS	30	2,116,166.26	24,726,979.51	2,113,170.76	24,579,979.65
INTANGIBLE ASSETS & OTHER ASSETS	31				
Intangible assets	32	1,004,193.75	11,733,803.13	963,206.25	11,203,822.46
Long-term anticipate expenses	33				
Other intangible assets	34				
TOTAL INTANGIBLE ASSETS & OTHER ASSETS	35	1,004,193.75	11,733,803.13	963,206.25	11,203,822.46
DEFERRED TAX	36				
Debit of deferred tax	37				
TOTAL ASSETS	38	23,451,378.61	274,024,668.78	21,783,204.56	253,377,878.80
CURRENT LIABILITIES	39				
Short-term loans	40				
Notes payable	41				
Accounts payable	42				
Advances from customers	43	20,000.00	233,696.00		
Salary Payable	44	121,836.87	1,423,639.46	126,575.18	1,472,297.18
Welfare Payable	45				
Dividends payable	46				
Interest payable	47				
Tax payable	48	57,214.87	668,544.31	57,425.40	667,960.77
Other payables	49	170,735.12	1,995,005.73	85,902.46	999,200.23

BALANCE SHEET AS ON 31ST DECEMBER 2024 (Contd.)

Printed by Technico Horticultural (Kunming) Co. Ltd.

ITEMS	LINE NO	31-Dec-23		31-Dec-24	
		CNY	INR	CNY	INR
Expenses in advance	50				
Anticipated Liabilities	51				
Deferred income	52				
Long-term liabilities due within one year	53				
Other current liabilities	54				
TOTAL CURRENT LIABILITIES	55	369,786.86	4,320,885.50	269,903.04	3,139,458.18
LONG-TERM LIABILITIES	56				
Debtor of Investors	57				
Debentures payable	58				
Long-term accounts payable	59				
Specific accounts payable	60				
Other long-term liabilities	61				
TOTAL LONG-TERM LIABILITIES	62				
DEFERRED TAX	63				
Credit of deferred tax	64				
TOTAL LIABILITIES	65	369,786.86	4,320,885.50	269,903.04	3,139,458.18
OWNER'S EQUITY	66				
Registered capital	67	19,013,598.02	222,170,090.14	19,013,598.02	221,162,369.45
Capital surplus	68	42,666.57	498,550.34	42,666.57	496,289.01
Surplus	69			285,966.30	3,326,302.81
Retained Earning	70	4,025,327.16	72,921,255.82	2,171,070.63	86,017,008.53
Including: appropriation of profit after balance sheet day	71				
Translation reserve	72			-25,886,113.02	-60,763,549.17
TOTAL OWNER'S EQUITY	73	23,081,591.75	269,703,783.28	21,513,301.52	250,238,420.63
TOTAL LIABILITIES & OWNER'S EQUITY	74	23,451,378.61	274,024,668.78	21,783,204.56	253,377,878.81

Income statement and profit appropriation 2024

Printed by Technico Horticultural (Kunming) Co. Ltd.

ITEMS	LINE	2023		2024	
		CNY	INR	CNY	INR
Income for main business	1	4,245,750.09	50,146,978.89	4,345,187.97	50,967,751.33
Less: cost of main business	2	3,238,234.99	38,247,117.29	2,969,576.94	34,832,246.63
Taxation and additional of main	3				
Main business profit	4	1,007,515.10	11,899,861.60	1,375,611.03	16,135,504.70
Add: other profit	5				
Taxes and Surcharges	6			111,046.24	
Less: Operating expenses	7	248,485.07	2,934,882.01	257,579.22	3,021,326.98
Management expenses	8	147,323.95	1,740,057.91	79,555.74	933,164.96
Including : Business entertainment	9				
Research and development expense	10				
Financial Expenses	11	-547,829.73	-6,470,471.72	-71,653.70	-840,476.40
Including: Interest exchange	12				
Operation Profit	13	1,159,535.81	13,695,393.41	999,083.53	13,021,489.16
Add: Investment income	14				
Including: for the investment benefits from the invested business and the united business and joint venture	15				
Subsidy Income	16				
Non-operating income	17	6,119.45	72,277.44	6,331.24	74,263.55
Including: income from disposal of long term assets	18				
Income from non-monetary assets exchange	19				
Government grants (subsidy income)	20				
Income from debt restructuring	21				
Less: Non-operating expenses	22				
Including: Loss on disposal of long-term assets	23				
Loss on non-monetary assets exchange	24				
Loss on debt restructuring	25				
Total Profit	26	1,165,655.26	13,767,670.84	1,005,414.77	13,095,752.71
Less: Income tax	27				
Net Profit	28	1,165,655.26	13,767,670.84	1,005,414.77	13,095,752.71
Add:Undistributed Profit at the beginning of year	29	2,859,671.90	33,775,870.78	4,025,327.16	47,215,879.99
Other transfer-in	30				
Profit available for distribution	31	4,025,327.16	47,543,541.62	5,030,741.93	60,311,632.70
Less: Appropriation of statutory surplus reserves	32			285,966.30	3,354,298.91
Appropriation of Company expand fund	33				
Appropriation of staff incentive and welfare fund	34				
Capital redemption	35				
Profit available for owners' distribution	36	4,025,327.16	47,543,541.62	4,744,775.63	56,957,333.79
Less: Appropriated profit	37			2,573,705.00	30,188,787.54
Common stock turn to capital	38				
Undivided Profit	39	4,025,327.16	47,543,541.62	2,171,070.63	26,768,546.25
Supplementary Information:	40				
Gains on disposal of operating divisions or investments	41				
Losses from natural disaster	42				
Increase (decrease) in profit due to changes in accounting policies	43				
Increase (decrease) in profit due to changes in accounting estimates	44				
Losses from debt restructuring	45				
Other	46				

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Printed by Technico Horticultural (Kunming) Co. Ltd.

ITEMS	LINE NO	2023		2024	
		CNY	INR	CNY	INR
1. Cash Flow from Operating Activities	1				
Cash from selling commodities or offering labor	2	4,710,878.17	55,640,653.15	3,916,117.53	45,934,883.79
Refund of tax and fee received	3				
Other cash received related to operating activities	4	343,168.25	4,053,194.52	377,530.03	4,428,313.99
Cash Inflow Subtotal	5	5,054,046.42	59,693,847.67	4,293,647.56	50,363,197.78
Cash paid for commodities or labor	6	1,018,942.02	12,034,826.09	925,832.48	10,859,737.24
Cash paid to and for employees	7	2,306,832.29	27,246,226.86	2,463,853.81	28,900,266.04
Taxes and fees paid	8	179,910.32	2,124,938.78	148,747.94	1,744,768.71
Other cash paid related to operating activities	9	3,688.93	43,570.32	540,082.52	6,335,005.93
Cash Outflow Subtotal	10	3,509,373.56	41,449,562.05	4,078,516.75	47,839,777.92
Cash flow generated from operating activitiesNet Amount	11	1,544,672.86	18,244,285.62	215,130.81	2,523,419.86
2. Cash Flow from Investing Activities	12				
Cash from investment withdrawal	13				
Cash from investment income	14				
Net cash from disposing fixed assets, intangible assets and other long-term assets	15				
Net cash inflows of disposal of subsidiaries and other business entities	16	-		-	
Other cash received related to investing activities	17				
Cash Inflow Subtotal	18	-	-	-	-
Cash paid for buying fixed assets, intangible assets and other long-term investments	19	-		-	
Cash paid for investment	20				
Net cash outflows of procurement of subsidiaries and other business units	21				
Other cash paid related to investing activities	22				
Cash Outflow Subtotal	23	-	-	-	-
Cash flow generated from investing activities Net Amount	24	-	-	-	-
3. Cash Flow from Financing Activities	25				
Cash received from accepting investment	26				
Including: cash inflows from minority investment in subsidiaries	27				
Borrowings	28				
Other cash received related to financing activities	29				
Cash Inflow Subtotal	30				
Cash paid for debt	31				
Cash paid for dividend profit or interest	32			2,573,705.00	30,188,787.54
Including: dividends and earnings paid to minorities by subsidiaries	33				
Other cash paid related to financing activities	34				
Cash Outflow Subtotal	35			2,573,705.00	30,188,787.54
Cash flow from financing activitiesNet Amount	36			-2,573,705.00	-30,188,787.54
4. Foreign Currency Translation Gains (Losses)	37	-		9.62	112.84
5. Net Increase Of Cash and Cash Equivalents	38	1,544,672.86	18,244,285.62	-2,358,564.57	-27,665,254.84
Add: cash and cash equivalents beginning bal.	39	12,957,706.13	153,044,762.87	16,211,786.52	171,289,048.49
6. Cash and cash equivalents ending bal.	40	14,502,378.99	171,289,048.49	13,853,221.95	143,623,793.65

STATEMENT OF CASH FLOW (II) 2024

Printed by Technico Horticultural (Kunming) Co. Ltd.

Monetary UNIT : CNY

ITEMS	LINE	2023		2024	
Supplementary Information:	1	CNY	INR	CNY	INR
1. Reconciliation of Net Profit to Cash Flow from Operating Activities:	2				
Net Profit	3	1,165,655.26	13,767,670.84	1,005,414.77	11,793,213.63
Add: Impairment losses on assets	4	112,418.25		2,623.74	30,775.68
Depreciation of fixed assets	5	36,845.48	435,185.65	2,995.50	35,136.32
Amortisation of intangible assets	6	40,987.50	484,107.46	40,987.50	480,771.08
Amortisation of long-term deferred expenses	7	-21.78	-257.25	278.35	3,264.96
Decrease (increase) in deferred expenses	8				
Increase (decrease) in accrued expenses	9				
Losses (gains) on disposal of fixed assets, intangible assets and other long-term assets	10				
Losses on write-off of fixed assets	11				
Finance expense (income)	12	-214,200.32	-2,529,941.40		
Losses (gains) arising from investments	13				
Deferred tax credit (debit)	14				
Decrease (increase) in inventories	15	152,700.29	1,803,558.40	-287,622.69	-3,373,727.87
Decrease (increase) in receivables under operating activities	16	367,939.42	4,345,769.28	-449,652.92	-5,274,293.86
Increase (decrease) in payables under operating activities	17	126,598.42	1,495,266.60	-99,893.44	-1,171,720.08
Others	18	-244,249.66			
Net cash flow from operating activities	19	1,544,672.86	18,244,285.62	215,130.81	2,540,931.51
2. Investing and Financing Activities that do not Involve Cash Receipts and Payments:	20				
Conversion of debt into capital	21				
Fixed assets acquired under finance leases	22				
3. Net Increase in Cash and Cash Equivalents:	23				
Cash at the end of the period	24	16,211,786.52	191,479,031.77	13,853,221.95	162,494,137.51
Less: Cash at the beginning of the year	25	14,667,113.66	173,234,746.15	16,211,786.52	190,159,392.34
Add: Cash equivalents at the end of the period	26				
Less: Cash equivalents at the beginning of the period	27				
Net increase in cash and cash equivalents	28	1,544,672.86	18,244,285.62	-2,358,564.57	-27,665,254.84

NOTES TO THE FINANCIAL STATEMENTS

1. Brief information on the Company

Technico Horticultural (Kunming) Co., Ltd. (the "company") was established as a wholly foreign-owned enterprise invested by Technico Asia Holdings Pty Limited., under the "laws of the People's Republic of China (the "PRC") on Enterprises Operated Exclusively with Foreign Capital" and through the approval by the Foreign Economic and Trade Department of Yunnan province in the certification Dian zi (1997) No.0049. The Company of the registered capital USD2,300,000.00 was registered, with the business license number of Qi Du Zong zi No.000716, on 8 December 1997. The tenure of the Company is 50 years and may be extended upon application by the Company and approval of the relevant government authorities. The principal activities of the Company are the development, production and supply of microtuber potato.

2. Significant accounting policies and accounting estimates

The financial statements of the company are based on the assumption of going concern, based on actual transactions and events, it is recognized and measured in accordance with the "Accounting Standards for Small Businesses" (Cai Kuai [2011] No. 17) issued by the Ministry of Finance. For transactions or events that occur that are not regulated by the "Accounting Standards for Small Businesses", they shall be handled with reference to the relevant provisions in the

"Accounting Standards for Business Enterprises", and prepared in accordance with the important accounting policies and accounting estimates as described below.

(1) Accounting regulations

The Company implements the "Accounting Standards for Small Businesses".

(2) Fiscal year

The fiscal year for the Company is from 1 January to 31 December of each calendar year.

(3) Accounting currency

The Company's financial records are maintained and the financial statements are stated in Renminbi ("CNY").

(4) Accounting basis and principle

The accounting basis of The Company is accrual principle, and the accounting principle is historical cost principle.

(5) Foreign currency transactions

All foreign currency transactions have been translated into CNY at the market rates of exchange prevailing on the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into CNY at the market rates of exchange ruling at that date. The resulting exchange gains or losses are capitalized if they

have relation to acquiring fixed assets before the fixed assets intended-use have been commenced; or are accounted as long-term prepaid expense in the preparative duration, or are dealt with in the profit and loss account in the operating duration, if they have not relation to acquiring fixed assets.

(6) Cash equivalents

Cash equivalents are the short-term investments, which are held by the Company at the short-term (generally within 3 months from the purchasing date to the date due), are easy to convert into currency and their value does not fluctuate significantly.

(7) Allowances for uncollectible accounts

The Company uses the allowance method in which the allowances for uncollectible accounts for the receivable items (including the accounts receivable and other receivable) are recognized in the aging receivable account method and are dealt with in the profit and loss account and the balance sheet. The aging receivable account method is made as follows:

- Within 1 year, provision created at 0.5 percent of the receivable value;
- 1-2 year, provision created at 10 percent part of the receivable value;
- 2-3 year, provision created at 30 percent the receivable value.

If any receivable is evidently different from the others, the specific identification method is made for such receivable item.

(8) Inventories

Inventories, which are recorded at actual cost, include finished goods, work-in-progress and raw material.

For the unrecoverable inventory cost due to the damage, partly or wholly obsolescent, or where market price is lower than the cost, the provision for decline in value of inventories is determined according to the difference of the actual cost lower than net realizable value on an item-by-item basis, at the end of the period, and accounted for in the books.

(9) Fixed assets and depreciation

Fixed assets are recorded based on the actual cost. At the inception of a lease, the fixed assets used by a lessee under a finance lease are recorded at an amount equal to the lower of the carrying amount of the leased asset originally recorded in the books of the lessor and the present value of the minimum lease payments. (If the proportion of the recorded amount of the leased assets to the total amount of assets is lower than 30 percent, the leased assets are recorded at an amount equal to the total minimum lease payments.)

The standard about fixed asset: House and building, machinery and equipment, Motor vehicle and so on of the useful life more than one year, and non-principle operating equipment of the unit value over 2000 CNY with useful life more than two years

Depreciation is calculated on the straight-line basis to write off the cost of each asset over its estimated useful life after deducting the estimated residual value. The categories, useful life, residual value and annual depreciation rate are as follows:

Category	Estimated useful life	Annual depreciation rate	Residual value
House and building	20years	4.50%	10.00%
Production equipment	10years	9.00%	10.00%
Motor vehicle	5years	18.00%	10.00%
Office equipment and other	5years	18.00%	10.00%

Provision for impairment: At the end of each period, The Company examines its fixed assets and if market value of the fixed asset has declined continually, become obsolete in technology, been not in use in the long term, or has been damaged, and the recoverable amount of the fixed asset is less than its carrying amount, the provision for impairment is determined according to the difference between the recoverable amount of the fixed asset and its carrying amount, on an item-by-item basis.

(10) Intangible assets

An intangible asset, which is acquired separately, is recorded based on the actual purchase price paid.

The cost of an intangible asset is amortized evenly over its expected useful life starting in the month in which it is obtained.

If the expected useful life exceeds the beneficial period stipulated in the relevant contract or the effective period stipulated by law, the amortization period of an intangible asset is determined in accordance with the following rules:

- If the relevant contract stipulates the beneficial period but the law does not stipulate the effective period, the amortization period is not longer than the beneficial period stipulated by the relevant contract;
- If the relevant contract does not stipulate the beneficial period but the law stipulates the effective period, the amortization period is not longer than the effective period stipulated by law;
- If the relevant contract stipulates the beneficial period but the laws also stipulate the effective period, the amortization period is not longer than the shorter of the beneficial period and the effective period.
- If the relevant contract does not stipulate the beneficial period and the law does not stipulate the effective period, the amortization period does not exceed 10 years.
- If an intangible asset is no longer expected to be able to generate any economic benefits that flow to the enterprise, the carrying amount of the intangible asset is written off and is recognized in the books as gain or loss of the current period.

The Company reviews the carrying amount of the intangible asset at the end of each period. The difference between the expected receivable amount and the carrying amount of the intangible asset is recognized in the books as provision for impairment, on an item-by-item basis.

(11) Long-term prepaid expense

Long-term prepaid expenses are recorded based on the actual payments and amortized on the straight-line basis over the beneficial period.

The expenses (except for acquiring fixed assets), which occur in the preparative duration, are recorded as long-term expense, and are amortized over a period of five years starting from the month in which operations commence.

(12) Principle for recognition of revenue

a. Revenue from the sale of goods

The revenue is recognized when all the following conditions have been satisfied: the Company has transferred to the buyer significant risks and rewards of ownership of the goods; the enterprise retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold; it is probable that the economic benefits will flow to the Company; the relevant amount of revenue and costs can be measured reliably.

b. Revenue from rendering of services

When the provision of services is started and completed within the same accounting year, revenue is recognized at the time of completion of the services, and receipt of money or holding the qualification of acquiring money;

When the provision of services is started and completed in different accounting years, the total income and the completion degree involving the service contract can be estimated reliably, it is probable that the economic benefits will flow to the Company and the outcome of a transaction involving the rendering of services can be estimated reliably, the service revenue is recognized at the balance sheet date by the use of the percentage of completion method.

The revenue referred to above is recognized when all the following conditions have been satisfied:

- It is probable that the economic benefits will flow to the Company;
- The amount of the revenue can be measured reliably.

(13) Corporation income tax

Corporation income tax is accounted on the tax payable basis.

3. Tax

VAT: According to the relevant tax laws in the PRC, the Company is exempted from VAT for the sales of the agricultural produce harvested by the Company.

Corporation income tax is accounted on the tax payable basis at a rate of 25% on its taxable income. However, according to the new income tax-laws in the PRC, the Company is an agricultural production company which is exempted from corporate income tax.

4. Notes to significant items in the financial statements

(1) Cash

Items	Ending Balance	Beginning Balance
Cash on hand	16,995.39	32,287.06
Cash in bank	13,836,226.56	16,179,499.46
Total	13,853,221.95	16,211,786.52

(2) Account receivable

Ageing	Ending Balance			Beginning Balance		
	Amount	Percentage (%)	Provision for bad debts	Amount	Percentage (%)	Provision for bad debts
Within 1 year	3,580,240.03	100.00	17,901.20	3,055,492.00	100.00	15,277.46
Total	3,580,240.03	100.00	17,901.20	3,055,492.00	100.00	15,277.46

(3) Inventories and provision for loss on realization of inventory

Item	Ending balance	Beginning balance
Work-in-progress	326,291.82	326,291.82
Finished goods	516,838.64	229,215.95
Total	843,130.46	555,507.77
Less: Provision for loss on realization of inventory		
Total	843,130.46	555,507.77

(4) Fixed assets

Item	Beginning balance	Increase of this year	Decrease of this year	Ending book balance
(1) Total original book value	25,727,794.00			25,727,794.00
Including: Houses and building	11,705,911.00			11,705,911.00
Production equipment	13,512,126.72			13,512,126.72
Transportation	168,499.12			168,499.12
Office and other equipment	341,257.16			341,257.16
(2) Total accumulated Depreciation	23,611,627.74	2,995.50		23,614,623.24
Including: Houses and building	10,987,557.68			10,987,557.68
Production equipment	12,162,498.46	1,607.16		12,164,105.62
Transportation	151,649.26			151,649.26
Office and other equipment	309,922.34	1,388.34		311,310.68
(3) Total net book value	2,116,166.26			2,113,170.76
Including: Houses and building	718,353.32			718,353.32
Production equipment	1,349,628.26			1,348,021.10
Transportation	16,849.86			16,849.86
Office and other equipment	31,334.82			29,946.48
(4) Total impairment provision				
Including: Houses and building				
Production equipment				
Transportation				
Office and other equipment				
(5) Total book value	2,116,166.26			2,113,170.76
Including: Houses and building	718,353.32			718,353.32
Production equipment	1,349,628.26			1,348,021.10
Transportation	16,849.86			16,849.86
Office and other equipment	31,334.82			29,946.48

Office and other equipment are fixed assets that have been fully depreciated and are still in use.

(5) Intangible assets

Item	Beginning balance	Increase of this year	Decrease of this year	Ending balance
(1) Total original price	2,049,375.00			2,049,375.00
Including: Land use rights	2,049,375.00			2,049,375.00
(2) Total accumulated amortization	1,045,181.25	40,987.50		1,086,168.75
Land use rights	1,045,181.25	40,987.50		1,086,168.75
(3) Total impairment provision				
Including: Land use rights				
(4) Total book value	1,004,193.75	-	-	963,206.25
Including: Land use rights	1,004,193.75	-	-	963,206.25

(6) Other payables

Ageing	Ending balance	Beginning balance
Within 1 year (including 1 year)	85,902.46	170,735.12
1-2 years (including 2 years)		
2-3 years (including 3 years)		
Over 3 years		
Total	85,902.46	170,735.12

(7) Paid-in capital

Investors	Beginning balance		Ending balance	
	Shareholding percentage	Contributed amount	Shareholding percentage	Contributed amount
Technico Asia Holdings Pty Limited	100.00	19,013,598.02	100.00	19,013,598.02
Total	100.00	19,013,598.02	100.00	19,013,598.02

(8) Capital surplus

Item	Beginning balance	Increase of this year	Decrease of this year	Ending balance	Change reason
Translation reserve	42,666.57			42,666.57	
Total	42,666.57			42,666.57	

(9) Retained Earning

Items	Ending balance
Undistributed Profit at the beginning of year	4,025,327.16
Add: Net Profit	1,005,414.77
Other	
Less: Appropriation of statutory surplus reserves	285,966.30
Appropriation of Company expand fund	
Appropriation of staff incentive and welfare fund	
Capital redemption	
Appropriated profit	2,573,705.00
Common stock turn to capital	
Undivided Profit	2,171,070.63

(10) Primary operating profit

Item	Operating revenue		Operating cost	
	Amount incurred this year	Amount incurred last year	Amount incurred this year	Amount incurred last year
Sales income TT	4,345,187.97	4,245,750.09	2,969,576.94	3,238,234.99
Total	4,345,187.97	4,245,750.09	2,969,576.94	3,238,234.99

(11) Finance expense

Item	Amount incurred this year	Amount incurred last year
Interest expense		
Less: Interest income	296,513.50	337,048.79
Foreign exchange loss	298,980.11	69,715.72
Less: Foreign exchange gain	78,578.20	283,916.04
Bank fee	4,457.89	3,419.38
Total	-71,653.70	-547,829.73

5. Contingencies

Up to 31 December 2024, there are no material contingencies for the Company.

6. Promised events

Up to 31 December 2024, there are no material promised events for the Company.

7. Non-adjusting events subsequent to the balance sheet date

There are no material non-adjusting events subsequent to the balance sheet date for the Company.

8. Other material events stated

Up to 31 December 2024, there are no other material matters specially stated for the Company.

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

Your Board of Directors ('Board') hereby submit their Report for the financial year ended 31st March, 2025.

OPERATING ENVIRONMENT

Your Company's leadership in the production of early generation seed potatoes and strength in agronomy continues to support the seed potato requirements of the farmer base across India and also the Bingo! range of potato chips of ITC Limited, the parent entity.

During the year under review, potato production in India was 53 million metric tons (MT), lower by 5% compared to the previous year. The drop in production volume of potatoes coupled with lower availability of premium quality seed potatoes resulted in higher prices of seed potatoes.

Your Company continued to leverage its institutional strengths and strong brand value to consolidate its relationship with farmers, enter new markets and expand distribution. Coupled with the favorable market conditions, this led to the highest ever revenue from seed potato sales during the year.

Your Company's Revenue from Operations stood at ₹ 383.68 crores (previous year ₹ 323.95 crores) with Net Profit of ₹ 83.76 crores (previous year ₹ 37.81 crores). Total Comprehensive Income for the year stood at ₹ 83.71 crores (previous year ₹ 37.82 crores).

Your Company continues to build a strong foundation for the future and remains confident of effectively leveraging its deep domain expertise to fortify its market standing in the potato industry.

SEEDS BUSINESS

(a) Growing of TECHNITUBER® Seed Potatoes

During the year under review, your Company harvested higher quantum of TECHNITUBER® seed potatoes at 440.83 lakhs (previous year: 295.62 lakhs), from the Facilities of the Company, facilitated by the addition of 14 new green houses during the year and better yields due to conducive weather.

(b) Field agricultural operations

Your Company achieved production of 148,918 MT (previous year: 126,806 MT) of early generation seed potatoes, aided by higher planting area of 14,233 acres, (previous year: 12,531 acres) and further supported by conducive weather during the entire crop period from October, 2024 to March, 2025. Your Company continued to conduct trials and introduce new varieties of potatoes that improve farm yields and augment farmer incomes on the one hand, while supporting the requirements of the processing industry on the other. Your Company also continued to promote farm & storage mechanisation processes and showcase benefits of soil health and the latest technology to farmers in the said areas for knowledge dissemination and adoption.

Your Company in order to address the inherent risk of crop losses due to weather conditions and diseases, undertakes widening of the geographical spread of farms and farmers, coupled with the use of multiple varieties of seed potatoes that carry resistance to biotic and abiotic stress.

(c) Marketing

Your Company also achieved sales of 94,918 MT of early generation seed potatoes as against 1,02,278 MT in the previous year. This sale quantity is lower in comparison to last year owing to preponement of sales at farmgate level in the previous year. TECHNITUBER® seed potato sales volume were higher at 145.32 lakhs as against 81.16 lakhs in the previous year. Your Company also, sold 38,753 MT of Chipstock Potatoes, as against 49,633 MT in the previous year. This is lower in comparison to last year owing to lower demand from processing players.

Your Company is exposed to market risks arising from fluctuations in the demand and price environment in potato markets. While it has no control over the market behaviour, your Company seeks to continually reinforce its market standing on the strength of its brand supported by proprietary technology, package of agronomy practices and farmer relationships, and by diversifying the geographies in which it operates.

Your Company is confident of its competitive edge in the market place and its capacity to deliver superior product performance, premised on the strong demand for its seed potatoes from loyal customer and farmer bases, fuelled by its superior technology and the expertise of its employees.

COMMERCIAL POTATOES BUSINESS

Your Company has been building capabilities for growing and sourcing commercial potatoes for edible purpose and processing industry from its farmer base and supplying to processors and retailers. Your Company continue to provide back-end sourcing support to the 'Farmland' brand of potatoes for edible purpose and regularly supplying chipstock potatoes for Bingo! range of potato chips of its parent entity.

FINANCIAL PERFORMANCE

The summarised financial results of your Company, are as under:

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(₹ in lakhs)		
Profits		
a. Profit Before Tax	10120.87	5013.46
b. Less : Tax Expense	1744.86	1232.32
c. Profit After Tax	8376.01	3781.14
d. Add : Other Comprehensive Income / (Loss)	(4.62)	1.13
e. Total Comprehensive Income	8371.39	3782.27

RETAINED EARNINGS

The movement in Retained Earnings is summarised below:

	For the year ended 31st March, 2025	For the year ended 31st March, 2024
(₹ in lakhs)		
Retained Earnings		
a. At the beginning of the year	11913.65	10598.96
b. Add : Profit for the year	8376.01	3781.14
c. Add : Other Comprehensive Income / (Loss)	(4.62)	1.13
d. Less: Interim Dividend paid	3037.02	2467.58
e. At the end of year	17248.02	11913.65

DIVIDEND

During the year, an interim dividend of ₹ 8 per share on 3,79,62,800 Equity Shares of Rs. 10/- each, aggregating around ₹ 30.37 Crores, was declared by the Board of Directors of the Company ("Board") on 24th March, 2025 and thereafter paid. The Board has recommended that the said interim dividend be confirmed as the final dividend for the financial year ended 31st March, 2025.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Changes in Directors during the year

The Board appointed Ms. Kavita Chaturvedi (DIN: 10659795) as an Additional Non-Executive Director of the Company with effect from 10th June, 2024. With your approval at the 25th Annual General Meeting ('AGM') held on 11th July, 2024, Ms. Chaturvedi was appointed as Non-Executive Director of your Company with effect from 11th July, 2024, liable to retire by rotation.

Mr. Rajnikant Rai (DIN: 02539763) stepped down as Non- Executive Director of your Company with effect from 24th August, 2024. Your Directors place on record appreciation for the contribution made by Mr. Rai during his tenure with the Company.

During the year under review, there was no other change in the composition of the Board of Directors.

(b) Retirement of Directors by rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('Act') read with Article 123 of the Articles of Association of the Company, Messrs. Dharmarajan Ashok (DIN: 02009735) and Kavita Chaturvedi (DIN: 10659795), Directors of the Company will retire by rotation at the ensuing AGM of the Company, and being eligible, offer themselves for re-election. Your Board has recommended their re-election.

(c) Changes in Key Managerial Personnel during the year

There was no change in the Key Managerial Personnel of your Company, during the year under review.

(d) Board Evaluation

The Board carried out annual performance evaluation of its own performance, that of the individual Directors and also functioning of the CSR Committee, as required under Section 134 of the Act, based on the criteria approved by the Board. A report on the functioning of the CSR Committee was placed before the Board by the Chairman of the Committee after discussion with the Committee members.

BOARD & BOARD COMMITTEE**Board of Directors**

The composition of the Board of Directors as on 31st March, 2025 is given below:

Mr. S. Sivakumar	--	Chairman & Non Executive Director
Mr. D. Ashok	--	Non Executive Director
Mr. S. Ganesh Kumar	--	Non Executive Director
Ms. Kavita Chaturvedi*	--	Non Executive Director

*Appointed w.e.f. 10th June, 2024

Nine meetings of the Board were held during the year ended 31st March, 2025.

CSR Committee

Your Company is not required to constitute any Board Committee under the Act except the CSR Committee. The composition of the CSR Committee as on 31st March, 2025 is given below:

Mr. S. Sivakumar	--	Chairman
Mr. D. Ashok	--	Member
Mr. Ganesh K Sundararaman*	--	Member

* Appointed as a member w.e.f. 4th May, 2024

Two meetings of the CSR Committee of the Board were held during the year ended 31st March, 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit of your Company for that period;
- taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policy of your Company that delineates the roles, responsibilities and authorities of the key functionaries involved in governance, coupled with the Code of Conduct that commits management to your Company's financial and accounting policies, systems and processes together with the Risk Management framework, provide the foundation for your Company's Internal Financial Controls with reference to the Financial Statements.

The Financial Statements of your Company are prepared on the basis of the Material Accounting Policies that are selected by the management and approved by the Board. The tenets of these Policies are implemented through the Accounting Manual, Standard Operating Procedures and pre-determined authority levels for executing transactions. These, along with the transactional controls built into the IT systems, ensure appropriate segregation of duties and approval mechanisms commensurate with the level of responsibility. Management periodically reviews the aforesaid regime of controls and its operating effectiveness. Internal audits are conducted and the findings and recommendations arising from such audits are reviewed by the Board and tracked thoroughly for implementation.

Your Company has in place, adequate Internal Financial Controls with reference to the Financial Statements, commensurate with its size and nature of its operations. Taking into consideration the essential components of internal controls as applicable, such controls have been tested by the management during the year. Based on the results of such assessment carried out by the management, no reportable material weakness or significant deficiency in the design or operation of internal financial controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

RISK MANAGEMENT

The Risk Management Policy of your Company, as approved by the Board, is designed to assess, mitigate and monitor risks arising out of the overall strategy of your Company and its regulatory environment. The Internal Auditor of the Company is mandated to carry out risk focused audits that enable review of risk management processes by the Board.

While your Company has no control over market behaviour, the management and mitigation of market risk is rooted in your Company's strategy of continually reinforcing its competitive edge in the market place premised on its proprietary technology and the expertise of its employees and farmers on one hand, and its loyal customer base on the other. Your Company also recognises that its business is subject to climatic, agricultural and cyclical risks and accordingly seeks to diversify across growing zones and expand its customer base.

Your Company will continue to focus on strengthening its risk management framework to protect business value from uncertainties and risks, through measures that are embedded in its business strategies, policies and processes to the extent practical and effective in the long-term.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Your Company does not have any subsidiary, associate or joint venture.

PARTICULARS OF EMPLOYEES

The details of employee(s) who had drawn remuneration more than the limit specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with the details of top ten employees of your Company in terms of remuneration drawn, as required under the said Rule, are provided in **Annexure 1** to this Report.

Your Company seeks to provide equal opportunities for men and women and is committed to a gender-friendly workplace. To ensure a safe and progressive work environment, Internal Complaints Committees have been constituted by the Company as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year under review, no complaint for sexual harassment was received by the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Annual Report on the CSR Activities of your Company in terms of Sections 134 and 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and Rule 9 of the Companies (Accounts) Rules, 2014 is enclosed as **Annexure 2** to this Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, your Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

RELATED PARTY TRANSACTIONS

During the year ended 31st March, 2025, all the related party transactions entered into by the Company were in the ordinary course of business and on an arm's length basis. The details of material related party transactions in the prescribed Form AOC-2 are enclosed as Annexure 3 to this Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of your Company and its future operations.

COST RECORDS

Your Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

DEPOSITS

Your Company has not accepted any deposit from the public / members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN

In terms of Sections 92(3) and 134 of the Act, the annual return of the Company is available on the website of the Company and the same can be accessed at: <https://technituberindia.com/compliance>.

STATUTORY AUDITORS

Messrs. S R B C & CO LLP, Chartered Accountants ('SRBC'), were appointed as the Auditors of your Company at the 25th AGM held on 11th July, 2024 to hold such office till the conclusion of the 30th AGM (up to financial year

2028-29). Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, remuneration of SRBC for the financial year 2025-26. Appropriate resolution in respect of the same is appearing in the Notice convening the ensuing AGM of the Company.

There were no qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Report on the financial statements of the Company for the year ended 31st March, 2025.

SECRETARIAL AUDITORS

Your Board appointed Messrs. S.K. Sikka & Associates, Practising Company Secretaries, as the Secretarial Auditors of the Company for the financial year ended 31st March, 2025. The Report of the Secretarial Auditors pursuant to Section 204 of the Act, is enclosed under **Annexure 4** to this Report.

There were no qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditors in the Secretarial Audit Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

Your Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is enclosed under **Annexure 5** to this Report.

ACKNOWLEDGEMENT

Your Board acknowledges the assistance and support rendered to the Company by the Government, Banks, customers and business associates and the hard work of employees.

Your Directors look forward to the future with confidence.

On behalf of the Board

S. Sivakumar
Chairman

Dated : 1st May, 2025

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025

[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Name of employees	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of Commencement of Employment/ Deputation	Previous Employment/ Position held
1	2	3	4	5	6	7	8	9
S. Pal Singh *	63	Vice President – Supply Chain	1,72,16,752	92,75,745	M.Sc. (Agriculture)	39	01.04.2012	Russell Credit Limited – General Manager on deputation to Technico Agri Sciences Limited
N. K. Jha *	49	Chief Executive Officer	1,57,62,142	91,23,961	M.Sc. (Agriculture), M.S. (IT in Agriculture), M.B.A. (Marketing)	21	16.08.2007	Reliance Retail Limited – State Head - Planning & MIS
S. Madan	59	Chief Financial Officer	87,70,866	62,49,991	B.Com. (Hons.), F.C.A.	32	01.08.2005	Saboo Coatings Limited – Chief Finance Officer
A. Aggarwal	46	GM - Finance	50,49,420	35,56,418	B.Com., A.C.A.	23	03.03.2006	Satyam Computer Services Limited – Sr. Associate
T. Pant	58	GM- Agronomy	43,39,359	32,14,156	M.Sc. (Agriculture)	30	01.08.2001	Indomint Agriproducts Private Limited – Area Manager
D. K. Suman	49	DGM - Co-Farming	42,05,503	31,23,279	M.Sc. (Breeding & Genetic Resources)	25	23.08.2021	Mc Cain Foods India Private Limited – Sr. Manager Agriculture Operations
S. K. Das	49	Head -Channel Sales (till 27th December, 2024)	32,24,056	24,72,506	B.Sc. (Agriculture)	22	15.04.2022	Utkal Tubers India Private Limited – National Sales Manager
G. Gautam	49	Head - Corporate Farms	33,39,526	24,36,336	PhD - Vegetable Science	23	05.07.2023	Mahindra HZPC Pvt Ltd. - Deputy Manager - Seed Potato
D. Borah	54	Business Manager - Commercial Potatoes	32,35,854	23,99,164	M.Sc. (Agriculture)	23	10.06.2024	PepsiCo India Holdings Pvt. Ltd. -Associate Director - Supply Chain - Agro
S. Manjkholia	51	AGM – Facility	28,59,093	21,84,974	M.Sc. (Env. Science), Ph.D.	26	02.07.2007	Reliance Retail Limited – Dy. Manager

* On deputation from ITC Limited, holding company.

Notes:

- Gross remuneration includes salary, variable pay / performance bonus, long-term incentives, allowances & other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less income tax, education cess deducted at source and employee's own contribution to provident fund.
- Certain employees (including deputed employees) have been granted Stock Options by ITC under its Employee Stock Option Schemes at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]. Since these Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Options, and accordingly the said grant has not been considered as remuneration.
- All appointments (except deputed employees) are contractual in accordance with terms and conditions as per your Company's rules.
- The aforesaid employees are / were neither relative of any Director of your Company nor hold any equity share in your Company.

For and On behalf of the Board

S. Sivakumar
Chairman

Dated : 1st May, 2025

Annexure 2 to the Report of the Board of Directors**Annual Report on CSR Activities of the Company for the Financial Year ended 31st March, 2025**

[Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. A brief outline on CSR Policy of the Company:

Technico Agri Sciences Limited (TASL), a wholly owned subsidiary of ITC Limited (ITC), discharges its Corporate Social Responsibilities (CSR) by aligning itself with the CSR Policy of ITC.

TASL, accordingly, undertakes CSR activities:

- as listed in Schedule VII to the Companies Act, 2013 ('Act'), in line with the CSR initiatives of ITC and as approved by the CSR Committee of the Company;
- directly or through registered trust or registered society or company established under Section 8 of the Act; TASL may also contribute to the corpus of a registered trust or a registered society or a company under Section 8 of the Act, established by ITC or otherwise, provided (i) such trust / society / company is created exclusively for undertaking CSR activities or (ii) the corpus of such trust / society / company is created exclusively for a purpose directly relatable to a subject covered in Schedule VII to the Act. Such trust / society / company should also have an established track record of undertaking CSR activities for three years.

TASL may also collaborate with ITC or other companies for undertaking CSR activities.

2. Composition of the CSR Committee:

S. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. S. Sivakumar (Chairman of the Committee)	Chairman & Non-Executive Director	2	2
2.	Mr. D. Ashok	Member - Non- Executive Director		2
3.	Mr. David McDonald*	Member - Non- Executive Director		1
4.	Mr. Ganesh K. Sundararaman**	Member - Non- Executive Director		1

* Ceased to be a member w.e.f. 4th May, 2024

** Appointed member w.e.f. 4th May, 2024

- The web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company: <https://technituberindia.com/corporate-social-responsibility>
- Executive summary along with the web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable: **Not Applicable**
- Average net profit of the Company as per Sub-section (5) of Section 135: ₹ 5176.24 lakhs
 - Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹ 103.52 lakhs
 - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 - Amount required to be set off for the financial year, if any: Nil
 - Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ 103.52 lakhs
- Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 104.08 lakhs
 - Amount spent in Administrative Overheads: Nil
 - Amount spent on Impact Assessment, if applicable: **Not Applicable**
 - Total amount spent for the financial year [(a)+(b)+(c)]: ₹ 104.08 lakhs
 - CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount (₹)	Date of transfer	Name of the Fund	Amount (₹)	Date of transfer
₹ 104.08 lakhs	Not Applicable				

f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	103.52
(ii)	Total amount spent for the financial year	104.08
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.56
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.56

The total CSR expenditure during the financial year 2024-25 amounts to ₹ 104.08 lakhs against an obligation of ₹103.52 lakhs. The Company does not propose to carry forward and set-off such excess expenditure in the succeeding financial years.

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding financial year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any	Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer	
1	2021-22	Not Applicable					
2	2022-23						
3	2023-24						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:

☐ Yes

☒ No

If Yes. Enter the number of Capital assets created/ acquired: **Not applicable**

Furnish the details relating to such assets(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or assets(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number if applicable	Name	Registered Address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of Section 135: **Not Applicable**

Dated : 1st May, 2025

Dharmarajan Ashok
Member

S. Sivakumar
Chairman CSR Committee

**Annexure 3 to the Report of the Board of Directors for the Financial Year
ended 31st March, 2025**

FORM NO. AOC-2

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by your Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, the Holding Company (ITC)
b)	Nature of contracts / arrangements / transactions	Sale of early generation Seed potatoes, Chipstock potatoes and Table potatoes to ITC.
c)	Duration of the contracts / arrangements / transactions	1st April, 2024 to 31st March, 2025
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Company sold early generation Seed potatoes, Chipstock potatoes and Table potatoes having aggregate sale value of ₹ 6224.23 lakhs to ITC.
e)	Date(s) of approval by the Board, if any	16th March, 2024
f)	Amount paid as advances, if any	Nil

For and On behalf of the Board

Dated : 1st May, 2025

**S. Sivakumar
Chairman**

Annexure 4 to the Report of the Board of Directors for the Financial Year ended 31st March, 2025

SECRETARIAL AUDIT REPORT (Form No. MR-3)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

For the financial year ended 31st March 2025

To
The Members
Technico Agri Sciences Limited
(CIN U01111DL1999PLC098646)
25, Community Centre Basant Lok,
Vasant Vihar, South West Delhi, 110057

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TECHNICO AGRI SCIENCES LIMITED (hereinafter called as "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, registers, papers, minute books, forms and returns filed and other records maintained by the Company and available on MCA portal and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March 2025, complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, registers, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2025, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) The Depositories Act, 2018 and the Regulations and bye-laws framed thereunder;
- 3) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 4) Specific laws applicable as mentioned hereunder:
 - (a) The Seeds Act, 1966.

The Company is an unlisted public company and wholly owned subsidiary of a listed company.

I have also examined compliance with the applicable clauses of the Secretarial Standards pursuant to Section 118(10) of the Act, issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notices were given to all Directors to schedule the Board Meetings, including committees thereof, along with agenda and detailed notes on agenda generally at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- The minutes of the meetings of the Board of Directors are duly recorded and signed by the Chairman; the decisions of the Board were unanimous and therefore there were no dissenting views that were required to be recorded.
- During the year under report, the total amount required to be spent by the Company on CSR activities was Rs. 103.52 lakhs and the Company actually spent Rs. 104.08 lakhs for the CSR activities as per Schedule VII.

I further report that there are adequate systems and processes in the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines and that are commensurate with the size and operations of the Company.

I further report that during the audit period, there was no event/action having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards.

I further report that during the audit period, there were no instances of:

- i. Public / Rights / Preferential Issue of Shares /Sweat Equity.
- ii. Redemption / Buy-Back of Securities.
- iii. Merger / Amalgamation / Reconstruction etc.
- iv. Foreign Technical Collaborations.

This Report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

For S. K. SIKKA & ASSOCIATES
Company Secretaries

Place: Chandigarh
Date: 25.04.2025

(Sushil K. Sikka)
Prop.
FCS 4241, CP 3582
Peer Review Cert. No. 1057/2021
UDIN: F004241G000206036

Annexure –A to Secretarial Auditors' Report

To
The Members
Technico Agri Sciences Limited
(CIN U01111DL1999PLC098646)
25, Community Centre Basant Lok,
Vasant Vihar, South West Delhi, 110057

My Secretarial Audit Report for Financial Year ended on 31st March 2025 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S. K. SIKKA & ASSOCIATES
Company Secretaries

Place: Chandigarh
Date: 25.04.2025

(Sushil K. Sikka)
Prop.

FCS 4241, CP 3582
Peer Review Cert. No. 1057/2021
UDIN: F004241G000206036

**Annexure 5 to the Report of the Board of Directors for the Financial Year ended
31st March, 2025**

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

i. Conservation of Energy

Your Company continued to make efforts to improve its energy usage efficiencies. Various key performance indicators like energy consumed per unit of production, trends in total energy consumed over the years etc. are constantly tracked to monitor energy consumption. However, the total cost of energy in your Company's operations is quite small. Some of the measures adopted include:

1. Installation of energy efficient Chillers.
2. Replacement of conventional street lights with Solar street lights.
3. Installation of large glass windows at Facility and Company's office for utilising natural sunlight, thereby reducing the electricity consumption.

Given the overall operations and present as well as future energy requirements, your Company is evaluating proposals for using alternate energy sources.

ii. Research and Development

Your Company continues to be engaged in Research and Development activities in both TECHNITUBER® seed potato production as well as field generated seed potato production with the objectives of reducing consumption of water and fertilisers, experimenting with new climate/disease resilient varieties of seed potatoes, using new chemicals to minimise disease pressure, thereby, reducing agricultural risk to its farmers, enhancing farm yields etc.

iii. Technology Absorption

During the year under review, no specific knowhow or technology was imported by the Company. However, the Company continues to adopt and use the latest technologies to improve the efficiency and effectiveness of its business operations leading to product improvement, cost reduction, product development and import substitution.

iv. Foreign Exchange Earnings and Outgo (₹ in lakhs)

Foreign Exchange Earnings	: 114.08
Foreign Exchange Outgo	: 24.10

On behalf of the Board

Date : 1st May, 2025

S. Sivakumar
Chairman

INDEPENDENT AUDITORS' REPORT**TO THE MEMBERS OF TECHNICO AGRI SCIENCES LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Technico Agri Sciences Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other 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 financial statements in accordance with the Standards on Auditing (SAs), as 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director 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. 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.

Responsibility of Management 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (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 is 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32 to the financial statements;
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - a) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such 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 (a) and (b) contain any material misstatement.
 - v) The interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act.
 - vi) Based on our examination which included test checks, the Company has used 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.

For SRBC & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per Divya Mathur

Partner

Membership Number: 506846

UDIN: 25506846BMNTDX6640

Place of Signature: Gurugram

Date: May 01, 2025

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS OF OUR REPORT ON EVEN DATE"

Re: Technico Agri Sciences Limited ('the Company')

- (i) (a) (A) The Company has maintained proper records showing full particulars, including situation and quantitative details of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3.1 to the financial statements included in property, plant and equipment are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory and biological assets has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed. Inventories and biological assets lying with third parties have been confirmed by them as at March 31, 2025 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.
- (b) As disclosed in note 11 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. The monthly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) 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 requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.

- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the records of the Company, the dues of income-tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Period to which the amount relates	Amount involved (INR in lakhs)	Forum where dispute is pending
Income tax Act, 1961	Income tax demand	Assessment Year 2016-2017	1,066.85	Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax demand	Assessment Year 2017-2018	1,286.16	Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax demand	Assessment Year 2018-2019	982.03	Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax demand	Assessment Year 2020-2021	1,168.03	Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax demand	Assessment Year 2022-2023	1,953.23	Commissioner of Income tax (Appeals)

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on 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, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or 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, the whistle blower policy is not applicable to the company.
- (xii)(a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.
- (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

- (xiii) Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order in so far as it relates to section 177 of the Act is not applicable to the Company.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is not more than one CIC as part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 44 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 31 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 31 to the financial statements.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Divya Mathur
Partner
Membership Number: 506846
UDIN: 25506846BMNTDX6640
Place of Signature: Gurugram
Date: May 01, 2025

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF TECHNICO AGRI SCIENCES LIMITED

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 Technico Agri Sciences 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.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 these 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 these 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 these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Divya Mathur
Partner
Membership Number: 506846
UDIN: 25506846BMNTDX6640
Place of Signature: Gurugram
Date: May 01, 2025

STANDALONE BALANCE SHEET AS AT 31 MARCH, 2025

(Amount in ₹ lakhs)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3.1	9098.71	4109.57
(b) Capital work-in-progress	3.1	978.24	95.63
(c) Intangible assets	3.2	171.89	185.50
(d) Intangible assets under development	3.3	–	14.38
(e) Right-of-use assets	3.4,33	113.50	151.88
(f) Financial assets			
(i) Other financial assets	6	15.65	12.67
(g) Other non-current assets	8	179.98	125.52
Total non-current assets		10557.97	4695.15
Current assets			
(a) Inventories	9	7086.86	7106.85
(b) Biological assets other than bearer plants	4	19717.67	14748.73
(c) Financial assets			
(i) Investments	5	5202.89	7089.43
(ii) Trade receivables	10	348.94	223.83
(iii) Cash and cash equivalents	11	32.87	465.94
(iv) Other bank balances	12	5000.00	1050.00
(v) Other financial assets	6	216.31	34.77
(d) Other current assets	8	288.72	191.65
Total current assets		37894.26	30911.20
Total assets		48452.23	35606.35
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	3796.28	3796.28
(b) Other equity	14	17248.02	11913.65
Total equity		21044.30	15709.93
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	33	108.48	154.24
(ii) Other financial liabilities	17	–	7.54
(b) Provisions	15	36.06	27.14
(c) Deferred tax liabilities (net)	7	1.76	0.64
Total non-current liabilities		146.30	189.56
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	33	45.76	39.78
(ii) Trade payables			
- total outstanding dues of micro and small enterprises	16	12.82	0.20
- total outstanding dues of creditors other than micro and small enterprises	16	8752.77	8020.24
(iii) Other financial liabilities	17	1153.89	514.24
(b) Contract liabilities	18	10616.67	6356.03
(c) Other current liabilities	19	411.38	86.96
(d) Provisions	15	109.31	96.92
(e) Current tax liabilities (net)		6159.03	4592.49
Total current liabilities		27261.63	19706.86
Total liabilities		27407.93	19896.42
Total equity and liabilities		48452.23	35606.35

The accompanying notes 1 to 46 are an integral part of the standalone financial statements

This is the Balance Sheet referred to in our report of even date.

For SRBC & Co LLPFirm registration number: 324982E/E300003
Chartered Accountants**Divya Mathur**Partner
Membership no.: 506846**For and on behalf of the Board of Directors of Technico Agri Sciences Limited****S. Sivakumar**
Chairman
DIN : 00341392
Hyderabad**Sanjeev Madan**
Chief Financial Officer
Chandigarh**Dharmarajan Ashok**
Director
DIN : 02009735
Kolkata**Vanshika Kapur**
Company Secretary
Chandigarh**Nripendra Kumar Jha**
Chief Executive Officer
ChandigarhPlace: Gurugram
Date: 01 May, 2025

Date: 01 May, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2025

		(Amount in ₹ lakhs)	
Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
I Revenue from operations	20	38368.00	32395.38
II Other income	21	1250.88	800.13
III Total Income (I+II)		39618.88	33195.51
IV Expenses			
Cost of raw material and components consumed	22	1733.09	1466.36
Purchases of stock-in-trade and biological assets	23	8045.22	7896.80
Changes in inventories of finished goods, stock-in-trade and biological assets	24, 4	(4991.08)	(1634.52)
Employee benefits expense	25	2194.15	2119.71
Finance costs	26	13.34	16.22
Depreciation and amortisation expense	27	440.46	330.74
Other expenses	28	22062.83	17986.74
Total expenses		29498.01	28182.05
V Profit before tax (III-IV)		10120.87	5013.46
VI Tax expenses :			
(1) Current tax	29	1742.18	1223.99
(2) Deferred tax	7, 29	2.68	8.33
Total tax expenses		1744.86	1232.32
VII Profit for the year (V-VI)		8376.01	3781.14
VIII Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
- Remeasurements of net defined benefit liability	35	(6.18)	1.86
(ii) Tax relating to items that will not be reclassified to profit or loss		1.56	(0.73)
Total other comprehensive income/(loss) (i + ii)		(4.62)	1.13
IX Total comprehensive income for the year (VII+VIII)		8371.39	3782.27
Earnings per share (in ₹) [(Face value ₹ 10 each (31 March 2024 : ₹ 10)]	30		
(1) Basic		22.06	9.96
(2) Diluted		22.06	9.96

The accompanying notes 1 to 46 are an integral part of the financial statements

This is the Statement of Profit and Loss referred to in our report of even date.

For SRBC & Co LLP
Firm registration number: 324982E/E300003
Chartered Accountants

Divya Mathur
Partner
Membership no.: 506846

Place: Gurugram
Date: 01 May, 2025

For and on behalf of the Board of Directors of Technico Agri Sciences Limited

S. Sivakumar
Chairman
DIN : 00341392
Hyderabad

Sanjeev Madan
Chief Financial Officer
Chandigarh

Date: 01 May, 2025

Dharmarajan Ashok
Director
DIN : 02009735
Kolkata

Vanshika Kapur
Company Secretary
Chandigarh

Nripendra Kumar Jha
Chief Executive Officer
Chandigarh

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH, 2025

Particulars	(Amount in ₹ lakhs)	
	For the year ended 31 March 2025	For the year ended 31 March 2024
Cash flow from operating activities		
Profit before tax	10120.87	5013.46
Adjustments for :		
Depreciation and amortization expense	440.46	330.74
Write-down of Inventories	718.71	578.56
Gain on sale of property, plant and equipment	(2.28)	(1.65)
Gain on sale of current investments	(321.73)	(197.75)
Gain on fair value measurement of investments	(53.14)	(37.91)
Interest expense	13.34	16.22
Interest income	(739.03)	(437.48)
Operating profit before changes in working capital	10177.20	5264.19
Changes in operating assets and liabilities		
Trade receivables	(125.11)	(107.05)
Inventories	(698.72)	(1519.79)
Biological assets other than bearer plants	(4968.94)	(684.00)
Other financial assets	(2.98)	56.68
Other non-current assets	(19.98)	(1.36)
Other current assets	(97.07)	(75.77)
Trade payables	745.15	1239.19
Provisions	15.13	21.17
Other financial liabilities	19.65	(40.92)
Contract and Other liabilities	4585.06	4050.36
Cash generated/(used in) from operations	9629.39	8202.70
Taxes paid (Including TDS recoverable)	(175.64)	(86.67)
Net cash generated/(used in) from operating activities (A)	9453.75	8116.03
Cash flows from investing activities		
Purchase of property, plant and equipment & Intangibles	(5679.66)	(2419.92)
Purchase of current investments	(69271.59)	(62118.89)
Proceeds from sale/redemption of current investments	71533.00	55265.12
Investment in bank deposits	(22750.00)	(13655.00)
Redemption/maturity of bank deposits	18800.00	17130.00
Proceeds from sale of property, plant and equipment	14.08	11.46
Interest received	557.49	546.36
Net cash (used in)/from investing activities (B)	(6796.68)	(5240.87)
Cash flows from financing activities		
Interest paid (Refer Note 33)	(13.34)	(16.22)
Interim dividend paid	(3037.02)	(2467.58)
Principal payment of lease liabilities (Refer Note 33)	(39.78)	(34.38)
Net cash (used in) financing activities (C)	(3090.14)	(2518.18)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(433.07)	356.98
Cash and cash equivalents at the beginning of the financial year	465.94	108.96
Cash and cash equivalents at end of the year (Refer Note 11)	32.87	465.94
Cash and cash equivalents as per above comprise of the following		
(a) Balances with Banks		
- In current account	32.67	465.74
(b) Cash on hand	0.20	0.20
Total Cash and cash equivalents (Refer Note 11)	32.87	465.94

Notes :

- The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 "Statement of cash flows".
 - The Company does not have any significant cash and cash equivalents that are not available for use.
 - The accompanying notes 1 to 46 are an integral part of the standalone financial statements.
- This is the statement of cash flows referred to in our report of even date.

For SRBC & Co LLP

Firm registration number: 324982E/E300003
Chartered Accountants

Divya Mathur

Partner
Membership no.: 506846

For and on behalf of the Board of Directors of Technico Agri Sciences Limited

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Company Secretary
Chandigarh

Nripendra Kumar Jha
Chief Executive Officer
Chandigarh

Place: Gurugram
Date: 01 May, 2025

Date: 01 May, 2025

A. Equity Share Capital

(Amount in ₹ lakhs)

Particulars	Number of Shares	Amount
For the year ended 31 March 2025		
Equity shares of ₹ 10 each issued, subscribed and fully paid At 1 April 2024	37962800	3796.28
Changes in Equity Share Capital due to prior period errors	–	–
Restated balance at 1 April 2024	37962800	3796.28
Changes in Equity Share Capital during the year	–	–
At 31 March 2025	37962800	3796.28
For the year ended 31 March 2024		
Equity shares of ₹ 10 each issued, subscribed and fully paid At 1 April 2023	37962800	3796.28
Changes in Equity Share Capital due to prior period errors	–	–
Restated balance at 1 April 2023	37962800	3796.28
Changes in Equity Share Capital during the year	–	–
At 31 March 2024	37962800	3796.28

B. Other Equity

(Amount in ₹ lakhs)

For the year ended 31 March 2025

Particulars	Retained Earnings
As at 1 April 2024	11913.65
Profit for the period	8376.01
Other Comprehensive income (net of tax)	(4.62)
Total comprehensive income for the year	8371.39
Interim dividend paid	(3037.02)
At 31 March 2025	17248.02

For the year ended 31 March 2024

Particulars	Retained Earnings
As at 1 April 2023	10598.96
Profit for the period	3781.14
Other Comprehensive income (net of tax)	1.13
Total comprehensive income for the year	3782.27
Interim dividend paid	(2467.58)
At 31 March 2024	11913.65

The accompanying notes 1 to 46 are an integral part of the financial statements

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For SRBC & Co LLP

Firm registration number: 324982E/E300003
Chartered Accountants

Divya Mathur

Partner

Membership no.: 506846

For and on behalf of the Board of Directors of Technico Agri Sciences Limited

S. Sivakumar

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Date: 01 May, 2025

Dharmarajan Ashok

Director

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Vanshika Kapur

Company Secretary

Chandigarh

Nripendra Kumar Jha

Chief Executive Officer

Chandigarh

Place: Gurugram

Date: 01 May, 2025

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025

1. Nature of Operations

Technico Agri Sciences Limited (CIN No U01111DL1999PL09646) is a Company limited by shares, incorporated in India. Its registered office is situated at 25 Community Centre, Basant Lok, Vasant Vihar, Delhi and principal place of business is at SCO - 835, First and Second Floor, NAC, Sector 13 (Manimajra), Chandigarh. The Company is a wholly owned subsidiary of ITC Limited. The Company is primarily in the Agricultural Bio-Technology business of growing and selling TECHNITUBER® Seed Potatoes and Field Generated Seed Potatoes and also engaged in trading of Field Generated Seed Potatoes and potatoes for edible purpose and processing industry. (Refer note 4 for further details of operations of the Company).

2. Material Accounting Policies

a. Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

The Company adopted Ind AS from 1st April, 2016 with the date of transition being 1 April, 2015.

b. Basis of preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair values, as explained in the accounting policies. The financial statements are presented in Rupees Lakhs.

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. Fair value for measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102 – Share based Payment, leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

In case of biological assets, cost approximates fair value when little biological transformation has taken place since initial cost incurrence or the impact of the biological transformation on price is not expected to be material.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

c. Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Revenue

Revenue is recognized based on the transaction price that the Company receives or expects to receive as consideration, net of estimated returns, credit notes and discounts. Revenue excludes Goods & Services Tax, where applicable on the supply of goods and services.

The Company recognises revenue when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable and specific criteria have been met for each of the company's activities as described below:

(i) Sale of Goods and Services

Sales are recognised when the control over goods are transferred to the customer, which is mainly upon dispatch / delivery. Revenue from services is recognised in the periods in which the services are rendered.

(ii) Rental income

Rental income is recognised in the Statement of Profit and Loss as per lease terms.

e. Property, Plant and Equipment

Property, plant & equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

For this purpose, cost includes deemed cost which represents the carrying value of PP&E recognised as at 1 April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP).

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

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

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of other PP&E of the Company are as follows:

Buildings	30-60 Years
Leasehold Improvements	Shorter of lease/license period or estimated useful life.
Plant and Equipment	8 – 15 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Computers and Servers	3 – 6 Years
Office Equipment	5 Years

PP&E's residual values and useful lives of property, plant and equipment are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

f. Intangible Assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition / grant.
- for separately acquired assets, at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for

NOTES TO FINANCIAL STANDALONE STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The carrying value of intangible assets includes deemed cost which represents the carrying value of intangible assets recognised as at 1st April, 2015 measured as per the previous GAAP.

After initial recognition, an intangible asset is carried at cost less accumulated amortization and / or impairment losses.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized. However, it is annually tested for impairment.

Amortization expenses and impairment losses and reversal of impairment losses are included in the 'Depreciation and amortization expense' in the Statement of Profit and Loss.

The estimated useful lives of intangible assets of the Company with finite lives are as follows:

Trademarks / Know how, Business and Commercial Rights	10 years (unless shorter useful life is required based on contractual terms or legal terms)
Computer Software	5 years
Customer Relationships	8 years

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

g. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. The value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in the previous years.

h. Biological Assets and Agricultural Produce

The Company's operations include activities which are agricultural in nature and are subject to the recognition, measurements and disclosure requirements of Ind AS 41 - Agriculture. Biological Assets are recognised when the Company controls the assets as a result of past events and it is probable that the future economic benefits associated with the asset will flow to the Company and fair value can be measured reliably. On initial recognition and at the end of each reporting period, the biological assets are measured at fair value less cost to sell. Cost to sell includes the incremental cost to sell including commission to traders, brokers and dealers and estimated cost to transport to the market but excludes finance costs and income taxes. Harvested biological assets (i.e. agriculture produce) are transferred to inventory at fair value less costs to sell when harvested.

Cost approximates fair value when little biological transformation has taken place since the costs were originally incurred or the impact of biological transformation on price is not expected to be material. Gains and losses arising on initial recognition of both biological asset and agricultural produce and any subsequent changes in fair value are recognised in the statement of Profit and Loss in the period in which they arise.

Cost for this purpose includes all direct costs incurred up to the stage of production of the respective inventories.

i. Inventories

Inventories are valued as follows:

(i) Raw materials & components and Stores & Spares

At cost, arrived at on FIFO basis or net realizable value, whichever is lower. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition.

(ii) Traded goods

At cost arrived at on FIFO basis or net realizable value, whichever is lower. Costs are determined after deducting rebates and discounts.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and sale.

(iii) Agricultural Produce

Agricultural produce is recognized at fair value less costs to sell at the date of harvest. Once harvested, these goods are subsequently accounted for under Ind AS 2 in the same manner as other inventories purchased from third parties.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

j. Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Foreign currency monetary items are reported using the closing rate. 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 and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency, are reported using the exchange rates that existed when the values were determined.

Gains / losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

k. Financial Instruments, Financial Assets, Financial Liabilities and Equity Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which they

NOTES TO FINANCIAL STANDALONE STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

occur. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income and dividend income, if any, are recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as Investments, Trade Receivables, Advances and Security Deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Derecognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves are reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is

extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

I. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. In the event that the proceeds have been drawn down or is likely to be drawn down in its entirety, any difference between the proceeds (net of transaction costs, including fees paid on establishing the loan facility) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. To the extent that it is probable that some or all of the facility will not be drawn down, the fee is capitalised as prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains / (losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

m. Employee Benefits

- (i) Short Term Employee Benefits: Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognized for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.
- (ii) Provident Fund and Employee State Insurance Scheme: Contribution towards provident fund and employee state insurance scheme for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The contributions are charged to the statement of Profit and Loss of the year, when the contributions to the respective funds are due.
- (iii) Gratuity: Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or loss on account of remeasurement are recognised immediately through Other Comprehensive Income in the period in which

The Company has taken a Policy with Life Insurance Corporation of India (LIC) to cover the gratuity liability with respect to the employees and the premium paid to LIC is charged to Statement of Profit & Loss. The difference between the actuarial valuation of the gratuity with respect to employees at the year-end and the contribution paid to LIC is further adjusted in the books of accounts.

- (iv) Compensated Absences: Long term compensated absences are provided for based on actuarial valuation at the year end. The actuarial valuation is done as per projected unit credit method. Actuarial gains / losses are recognised in the Statement of Profit and Loss in the year in which they arise. The benefit is unfunded and is categorized as 'other long term benefit' in the financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

n. Employee Share Based Compensation

The cost of stock options and stock appreciation units granted by ITC Limited, the Holding Company, to certain employees of the company / holding company on deputation is recognized at fair value. These Schemes are in the nature of equity settled / cash settled share based compensation and are assessed, managed / administered by the Holding Company.

In case of stock options, the fair value of stock options at the grant date is amortised on a straight line basis over the vesting period and cost recognized as employee benefits expenses in the Statement of Profit and Loss with a corresponding credit in equity, net of reimbursements, if any.

In case of stock appreciation units, the fair value of stock appreciation units at the grant date is initially recognised and remeasured at each reporting date, until settled, and cost recognized as employee benefits expenses in the Statement of Profit and Loss with a corresponding increase in other financial liabilities.

o. Taxes on Income

Taxes on income comprise current taxes and deferred taxes.

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted or substantively enacted, if applicable during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, insofar as it relates to items disclosed under Other Comprehensive Income or Equity, are disclosed separately under Other Comprehensive Income or Equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realise the asset and settle the liability simultaneously.

p. Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Right of Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude ` 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease unless the receipts increase in line with expected general inflation to compensate for expected inflationary cost increases, in which case, the same is recognised in accordance with the terms of the lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on

lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities are also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease unless the receipts increase in line with expected general inflation to compensate for expected inflationary cost increases, in which case, the same is recognised in accordance with the terms of the lease.

q. Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is the best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

r. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

s. Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

t. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors. (Refer Note - 42)

Segments are organised based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Segment revenue arising from third party customers is reported on the same basis as revenue in the financial statements. Segment results represent profits before finance charges, unallocated corporate expenses and taxes.

"Unallocated Corporate Expenses" include revenue and expenses that relate to initiatives / costs attributable to the Company as a whole and are not attributable to segments.

u. Cash and cash equivalents

Cash and cash equivalents in the statement of cash flows include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

v. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

3.1. Property, plant and equipment

(Amount in ₹ lakhs)

Particulars	Land (Freehold)*	Buildings	Plant and equipment	Furniture and fixtures	Leasehold properties - Building improvements	Office equipment	Computers, servers & other IT equipments	Vehicles	Total
Gross carrying amount									
At 1 April 2023	149.13	724.62	2184.11	19.63	53.86	13.85	135.02	86.43	3366.65
Additions	1298.73	-	615.40	6.84	-	0.22	55.30	44.16	2020.65
Disposals	-	-	(22.75)	-	-	-	-	-	(22.75)
At 31 March 2024	1447.86	724.62	2776.76	26.47	53.86	14.07	190.32	130.59	5364.55
Additions	858.54	1138.04	3224.65	7.38	17.20	49.32	41.07	24.95	5361.15
Disposals	-	-	(16.97)	-	-	(0.80)	(5.91)	(17.12)	(40.80)
At 31 March 2025	2306.40	1862.66	5984.44	33.85	71.06	62.59	225.48	138.42	10684.90
Accumulated Depreciation									
At 1 April 2023	-	96.78	755.05	4.41	24.90	4.55	80.93	29.19	995.81
Charge for the year	-	20.04	198.51	1.55	4.97	2.59	35.54	11.19	274.39
Disposals	-	-	(15.22)	-	-	-	-	-	(15.22)
At 31 March 2024	-	116.82	938.34	5.96	29.87	7.14	116.47	40.38	1254.98
Charge for the year	-	21.76	263.98	2.60	8.05	9.44	39.46	14.92	360.21
Disposals	-	-	(6.48)	-	-	(0.75)	(5.50)	(16.27)	(29.00)
At 31 March 2025	-	138.58	1195.84	8.56	37.92	15.83	150.43	39.03	1586.19
Net carrying amount									
At 31 March 2024	1447.86	607.80	1838.42	20.51	23.99	6.93	73.85	90.21	4109.57
At 31 March 2025	2306.40	1724.08	4788.60	25.29	33.14	46.76	75.05	99.39	9098.71
Capital work-in-progress									
At 31 March 2024	-	-	-	-	-	-	-	-	95.63
At 31 March 2025	-	-	-	-	-	-	-	-	978.24

*Notes :

- In respect of land admeasuring (01-04) bighas amounting to ₹ 0.88 lakh, the Company has received favorable order dated 28th March, 2018 passed by the court of Civil Judge, Nalagarh, Distt. Solan, Himachal Pradesh. The statutory time limit for filing an appeal and other remedial measures as permitted under law has elapsed and the execution proceedings in favour of the Company are in process. Accordingly, it has been concluded that the land is held in the name of the Company.
- Land amounting ₹101.99 lakhs (Previous Year ₹101.99 lakhs) has been given to holding company on operating lease.

Capital work in progress (CWIP) Ageing Schedule

(Amount in ₹ lakhs)

As at 31 March 2025					
Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	978.24	-	-	-	978.24
Projects temporarily suspended	-	-	-	-	-
Total	978.24	-	-	-	978.24
As at 31 March 2024					
Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	95.63	-	-	-	95.63
Projects temporarily suspended	-	-	-	-	-
Total	95.63	-	-	-	95.63

* The Company does not have any Capital work-in progress where completion is overdue or has exceeded its cost compared to its original plan.

3.2 Intangible assets

(Amount in ₹ lakhs)

Particulars	Technical know how*	Computer software	Trademarks	Total
Gross carrying amount				
At 1 April 2023	-	21.51	0.50	22.01
Additions	-	199.19	-	199.19
At 31 March 2024	-	220.70	0.50	221.20
Additions	-	28.26	-	28.26
At 31 March 2025	-	248.96	0.50	249.46
Accumulated amortization				
At 1 April 2023	-	17.49	0.35	17.84
Charge for the year	-	17.82	0.04	17.86
At 31 March 2024	-	35.31	0.39	35.70
Charge for the year	-	41.83	0.04	41.87
At 31 March 2025	-	77.14	0.43	77.57
Net carrying amount				
At 31 March 2024	-	185.39	0.11	185.50
At 31 March 2025	-	171.82	0.07	171.89

* Gross block of ₹ 938.37 lakhs, accumulated depreciation ₹ 938.37 lakhs has been shown as ₹ Nil as the Company had elected to consider carrying value as deemed cost at the date of transition to Ind AS.

3.3 Intangible assets under development

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Computer software	-	14.38
	-	14.38

Intangible Assets under development Ageing Schedule

(Amount in ₹ lakhs)

As at 31 March 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

As at 31 March 2024

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	14.38	–	–	–	14.38
Projects temporarily suspended	–	–	–	–	–
Total	14.38	–	–	–	14.38

3.4 Right-of-use assets

(Amount in ₹ lakhs)

Particulars	Building	Total
Gross carrying amount		
At 1 April 2023	296.84	296.84
Additions	–	–
Disposals	–	–
At 31 March 2024	296.84	296.84
Additions	–	–
Disposals	–	–
At 31 March 2025	296.84	296.84
Accumulated amortization		
At 1 April 2023	106.47	106.47
Charge for the year	38.49	38.49
Disposals	–	–
At 31 March 2024	144.96	144.96
Charge for the year	38.38	38.38
Disposals	–	–
At 31 March 2025	183.34	183.34
Net carrying amount		
At 31 March 2024	151.88	151.88
At 31 March 2025	113.50	113.50

4. Biological assets other than bearer plants

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening value of biological assets	14748.73	14064.73
Biological assets acquired during the year	850.10	155.10
Cost Incurred during the year	20886.93	17466.89
Changes in fair value*	11213.70	6064.37
Biological assets sold during the year	(27108.16)	(21748.76)
Harvested potatoes transferred to inventories and sold during the year	(251.67)	(314.74)
Harvested potatoes transferred to inventories on 31st March (Refer Note 9)	(621.96)	(938.86)
Closing value of biological assets	19717.67	14748.73

* Represents aggregate gain/(loss) arising on account of change in fair value less costs to sell during the year.

As at 31 March 2025, the Company had 23814067 Nos. TECHNITUBER® Seed Potatoes (31 March 2024 - 16096110 Nos.).

As at 31 March 2025, the Company had 132187 MT of field generated seed potatoes (31 March 2024 - 102762 MT). During the year, output of agricultural produce (potatoes) is 13633 MT (31 March 2024 - 13390 MT).

In October 2024 - 23917 MT (October 2023 - 20827 MT) of seed potatoes were planted and in February/March 2025 - 148918 MT (February/March 2024 - 126806 MT) of seed potatoes were harvested as a result of quantitative biological transformation.

Estimated amount of contracts remaining to be executed for acquisition / development of biological assets as at 31 March 2025 ₹ 195.27 lakhs (31 March 2024- Nil)

Groups of Biological Assets : The Company's biological assets comprise– TECHNITUBER® Seed and Field Generated Seed Potatoes under Ind AS 41 – Agriculture.

TECHNITUBER® Seed: The TECHNITUBER® seed i.e. Generation – 0 (G-0) are produced by the Company in the Greenhouses / nurseries maintained by it. These seeds are produced through TECHNITUBER® Technology in greenhouses / nurseries under controlled environment which involves a complex series of integrated processes being applied to pathogen tested tissue culture plantlets.

Field Generated Seed Potatoes : TECHNITUBER® seed produced through TECHNITUBER® technology are multiplied for growing high yielding early generation seed potatoes in farms. TECHNITUBER® seed (G-0) are planted in Company leased farms for further growing to the next stage i.e. G-1. These G-1 Seeds are again multiplied next

year into G-2 and so on till it is ready for sale. The multiplication of G-0 to G-1 takes place in Company leased farms and the entire agricultural activity is conducted by the Company's agronomy team. The Company also grows early generation seed potatoes of G-2 onwards on leased land under a Seed Multiplication Agreement with select growers supervised by the Company's agronomy team as per strict agronomy protocols.

The Company manages the biological transformation of its seed potatoes and monitors multiplication of the cycle(s) / generation(s) of such seed potatoes, which falls within the ambit of agricultural activity in accordance with Ind AS 41-Agriculture. This agricultural activity leads to the harvest of biological assets for sale or for conversion into agricultural produce or into additional biological assets. As these biological assets are consumable in nature, the operating cycle of biological transformation is less than one year for each stage of multiplication and hence the biological assets have been classified as current. During the process of managing the biological change based on certain attributes, the Company groups its biological assets depending on whether significant biological transformation has taken place since initial incurrence of cost. The marketability as a biological asset is dependent on various attributes including the potential to take the product to subsequent cycle(s) of biological transformation. The financial year end of the Company coincides with the harvest and at harvest, only quantitative biological transformation takes place, which is considered insignificant. Seed potatoes when harvested in February/March need to undergo the process of physiological ageing which takes place inside the cold stores under prescribed conditions before they are sold/transferred for further planting. Hence, as on 31 March, 2025, due to insignificant biological transformation till balance sheet date, the biological assets of the Company are valued at cost, which approximates fair value.

Agricultural Produce : Agricultural produce is the harvested product of the entity's biological assets. Where the attributes of the biological asset attain the characteristics of agricultural produce, i.e., to be used for consumption, the same is fair valued on such date and is considered as inventory thereafter.

Risk Management Strategy : The Company is exposed to market risks arising from fluctuations in the demand and price environment in potato markets. While it has no control over market behaviour, the Company seeks to continually reinforce its market standing on the strength of its proprietary technology, package of agronomy practices and farmer relationships and by diversifying the geographies in which it operates. It also aligns its production to anticipated demand and recognises and disposes excess stocks to the extent practical. Early generations of the Company's field produced seed potatoes are also exposed to the inherent risk in agriculture of crop losses due to weather or disease that it seeks to address by widening the geographical spread of farms and farmers, multiple varieties of crop (with each one of them having some resistance to virus, other diseases and climatic conditions) and expertise in agronomy. Accordingly, the Company employs its wide-ranging processes, procedures and protocols developed on the basis of its long experience, including regular inspection of crops, monitoring of weather conditions during the growing phase and preventive pest and disease sprays, to mitigate such risks.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

5. Current investments (Amount in ₹ lakhs)			6. Other Financial assets (Amount in ₹ lakhs)		
Particulars	As at 31 March 2025	As at 31 March 2024	Particulars	As at 31 March 2025	As at 31 March 2024
Investment in mutual funds (measured at fair value through profit or loss)			Non-Current		
Unquoted			Security deposits	15.65	12.67
Axis Overnight Fund	1501.12	-	Total	15.65	12.67
111,100 (2024- Nil) Units of face value ₹1000.00 each			Current		
Nippon India Overnight Fund	1150.87	-	Interest accrued on fixed deposits	216.31	34.77
839,206 (2024- Nil) Units of face value ₹100.00 each			Total	216.31	34.77
SBI Magnum Ultra Short Duration Fund	2550.90	-			
42,760 (2024-Nil) Units of ₹1000.00 each					
Nippon India Liquid Fund	-	1567.62			
Nil (2024- 26,530) Units of face value ₹1000.00 each					
Axis Liquid Fund	-	2003.22			
Nil (2024- 74,643) Units of face value ₹1000.00 each					
HDFC Liquid Fund	-	2016.23			
Nil (2024- 42,504) Units of face value ₹1000.00 each					
ICICI Prudential Liquid Fund					
Nil (2024- 420,351) Units of face value ₹100.00 each	-	1502.36			
Total unquoted investments	5202.89	7089.43			
Total Current Investments	5202.89	7089.43			
Total current investments					
Aggregate amount of quoted investments and market value thereof	-	-			
Aggregate amount of unquoted investments	5202.89	7089.43			
Aggregate amount of impairment in the value of investments	-	-			

Movement in deferred tax assets/(liabilities) balances

FY 2024-25 (Amount in ₹ lakhs)				
Particulars	Opening Balance	Recognized in profit or loss	Recognized in OCI	Closing Balance
Deferred tax assets in relation to:				
Others temporary differences	12.31	(0.35)	-	11.96
Total Deferred tax assets (I)	12.31	(0.35)	-	11.96
Deferred tax liabilities in relation to :				
Gain on financial assets designated at FVTPL	11.04	2.33	-	13.37
Remeasurements of net defined benefit liability	1.91	-	(1.56)	0.35
Total Deferred tax liabilities (II)	12.95	2.33	(1.56)	13.72
Deferred tax assets/(liabilities) (net) (I - II)	(0.64)	(2.68)	1.56	(1.76)
FY 2023-24 (Amount in ₹ lakhs)				
Particulars	Opening Balance	Recognized in profit or loss	Recognized in OCI	Closing Balance
Deferred tax assets in relation to:				
Others	9.60	2.71	-	12.31
Total Deferred tax assets (I)	9.60	2.71	-	12.31
Deferred tax liabilities in relation to :				
Gain on financial assets designated at FVTPL	-	11.04	-	11.04
Remeasurements of net defined benefit liability	1.18	-	0.73	1.91
Total Deferred tax liabilities (II)	1.18	11.04	0.73	12.95
Deferred tax assets/(liabilities) (net) (I - II)	8.42	(8.33)	(0.73)	(0.64)

8. Other assets (Amount in ₹ lakhs)			9. Inventories (Amount in ₹ lakhs)		
Particulars	As at 31 March 2025	As at 31 March 2024	Particulars	As at 31 March 2025	As at 31 March 2024
Non-current			Inventories (valued at lower of cost and net realisable value)		
Capital Advances	144.39	109.91	Raw materials and components (Refer Note 22)	216.90	256.45
Advances other than capital advances			Finished goods (Agricultural Produce)*	621.96	938.86
Unsecured considered good			Traded goods	6231.49	5892.45
- Prepaid expenses	2.19	0.60	Stores & Spares	16.51	19.09
- Security deposits	33.40	15.01	Total	7086.86	7106.85
Total	179.98	125.52	Note : Agricultural produce has been valued at fair value less cost to sell at the time of harvest.		
Current			* Agricultural produce has been written down by ₹718.71 lakhs (31 March 2024 ₹578.56 lakhs) to arrive at fair value less cost to sell.		
Advances other than capital advances			10. Trade receivables (Amount in ₹ lakhs)		
Unsecured considered good			Particulars	As at 31 March 2025	As at 31 March 2024
- Advances to suppliers	190.11	115.52	Current		
- Advances to employees	3.95	0.78	Unsecured, considered good (Refer Note 39,41)	348.94	223.83
- Prepaid expenses	78.20	64.46	Trade Receivables which have significant increase in credit risk	-	-
- Balance with government authorities	16.46	10.89	Trade Receivables - credit impaired	-	1.40
Total	288.72	191.65	Less : Allowance for Credit Impairment	-	(1.40)
			Total	348.94	223.83

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

Trade receivables Ageing Schedule

(Amount in ₹ lakhs)

As at 31 March 2025						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	348.94	-	-	-	-	348.94
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-
Total (A)	348.94	-	-	-	-	348.94
Less : Allowance for credit impairment	-	-	-	-	-	-
Total (B)	-	-	-	-	-	-
Net (A-B)	348.94	-	-	-	-	348.94

(Amount in ₹ lakhs)

As at 31 March 2024						
Particulars	Outstanding for following periods from due date of payment					
	Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	223.83	-	-	-	-	223.83
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	1.40	1.40
Total (A)	223.83	-	-	-	1.40	225.23
Less : Allowance for credit impairment	-	-	-	-	1.40	1.40
Total (B)	-	-	-	-	1.40	1.40
Net (A-B)	223.83	-	-	-	-	223.83

11. Cash and cash equivalents

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
(a) Balances with Banks		
- In current account	32.67	465.74
(b) Cash on hand	0.20	0.20
Total	32.87	465.94

Other information :

The Company has been sanctioned Working Capital facilities of ₹ 4700 lakhs. These are secured by way of exclusive charge on current assets. The monthly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

12. Other bank balances

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
In deposit accounts*	5000.00	1050.00
Total	5000.00	1050.00

*Represents deposits with original maturity of more than 3 months and less than 12 months.

13. Equity share capital

Authorised Equity Share capital

(Amount in ₹ lakhs)

Particulars	Number of Shares	Amount
As at 1 April 2023	40000000	4000.00
Increase during the year	-	-
As at 31 March 2024	40000000	4000.00
Increase during the year	-	-
As at 31 March 2025	40000000	4000.00
Issued, subscribed and fully paid-up		
As at 1 April 2023	37962800	3796.28
Increase during the year	-	-
As at 31 March 2024	37962800	3796.28
Increase during the year	-	-
As at 31 March 2025	37962800	3796.28

13.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

(Amount in ₹ lakhs)

Particulars	Number of Shares	Share Capital Amount
Balance at 1 April 2023	37962800	3796.28
Shares issued/(bought back) during the year	-	-
Balance at 31 March 2024	37962800	3796.28
Shares issued/(bought back) during the year	-	-
Balance at 31 March 2025	37962800	3796.28

13.2 Right, preferences and restrictions attached to share

The equity shares of the company, having par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

13.3 Details of shares held by the Holding Company

Out of equity shares issued by the Company, shares held by its Holding Company are as below :

(Amount in ₹ lakhs)

Particulars	Numbers	Amount
As at 31 March 2025		
Equity shares of ₹ 10 each fully paid		
ITC Limited, Holding Company	37962794	3796.28
ITC Limited, Holding Company, jointly with other shareholders	6	*
As at 31 March 2024		
Equity shares of ₹ 10 each fully paid		
ITC Limited, Holding Company	37962794	3796.28
ITC Limited, Holding Company, jointly with other shareholders	6	*

* Amount is below the rounding off norm adopted by the company.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

13.4 Details of shares held by each shareholder holding more than 5% shares

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Equity Shares of ₹ 10 each fully paid				
ITC Limited, holding company	37962794	99.99%	37962794	99.99%

13.5 Details of shares held by promoters

As at 31 March 2025						
Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares held at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	ITC Limited, Holding Company	37962794	—	37962794	99.99%	—
	ITC Limited, Holding Company, jointly with other shareholders	6	—	6	0.00%	—
Total		37962800	0	37962800	100%	—
As at 31 March 2024						
Particulars	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares held at the end of the year	% of Total Shares	% change during the year
Equity shares of ₹ 10 each fully paid	ITC Limited, Holding Company	37962794	—	37962794	99.99%	—
	ITC Limited, Holding Company, jointly with other shareholders	6	—	6	0.00%	—
Total		37962800	—	37962800	100%	—

14. Other equity

Retained Earnings

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Balance at beginning of year	11913.65	10598.96
Add : Profit for the year	8376.01	3781.14
Add : Other comprehensive income/(loss) arising from remeasurement of net defined benefit obligation (net of income tax)	(4.62)	1.13
Less : Payment of interim dividend (₹ 8.0 per share, 2024 : ₹ 6.5 per share,)	(3037.02)	(2467.58)
Balance at end of year	17248.02	11913.65

15. Provisions

(Amount in ₹ lakhs)

Particulars	Non-Current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Provision for employee benefits				
Provision for gratuity (Refer Note 35)	36.06	27.14	-	-
Provision for leave benefits	-	-	109.31	96.92
Total	36.06	27.14	109.31	96.92

16. Trade payables

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
- Dues to micro and small enterprises	12.82	0.20
- Dues to creditors other than micro and small enterprises	8752.77	8020.24
Total	8765.59	8020.44

Notes :

The Trade payables generally become due in 15 to 30 days and settled accordingly.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

Trade payables Ageing Schedule

(Amount in ₹ lakhs)

As at 31 March 2025							
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled Payables	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	12.82	—	—	—	—	—	12.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	4799.92	3855.59	97.26	—	—	—	8752.77
Disputed dues of micro enterprises and small enterprises	—	—	—	—	—	—	—
Disputed dues of creditors other than micro enterprises and small enterprises	—	—	—	—	—	—	—
Total	4812.74	3855.59	97.26	—	—	—	8765.59

(Amount in ₹ lakhs)

As at 31 March 2024							
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Unbilled Payables	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	0.20	—	—	—	—	—	0.20
Total outstanding dues of creditors other than micro enterprises and small enterprises	1280.63	2771.85	3967.76	—	—	—	8020.24
Disputed dues of micro enterprises and small enterprises	—	—	—	—	—	—	—
Disputed dues of creditors other than micro enterprises and small enterprises	—	—	—	—	—	—	—
Total	1280.83	2771.85	3967.76	—	—	—	8020.44

17. Other financial liabilities

(Amount in ₹ lakhs)

Particulars	Non-Current		Current	
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
Employee related payables	—	—	447.03	432.94
Deposit from dealers	—	—	1.70	1.70
Payable for fixed assets	—	—	659.36	46.90
Payable to holding company (Refer Note 41)	—	7.54	45.80	32.70
Total	—	7.54	1153.89	514.24

18. Contract liabilities

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Contract liabilities	10616.67	6356.03
Total	10616.67	6356.03

Note : Out of balance as on 31 March 2024, ₹ 5780.97 lakhs (previous year ₹ 2226.24 lakhs) was recognised as revenue during the year.

19. Other current liabilities

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory dues including provident fund and tax deducted at source	411.38	86.96
Total	411.38	86.96

20. Revenue from operations

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of products		
Biological assets	27108.16	21748.76
Agricultural Produce	1618.16	924.45
Traded Goods	9499.50	9559.17
	38225.82	32232.38
Other operating revenues		
Sale of old empty bags	104.97	124.30
Others*	37.21	38.70
	142.18	163.00
Total	38368.00	32395.38

* Comprise incentives from suppliers etc.

Notes :

- a) Generally the goods are dispatched against advance payment. However, in certain cases credit is allowed based on market requirements which is generally less than one year. Accordingly, there is no significant financing component.
- b) The Company primarily deals in biological assets and agricultural produce, where performance depends on germination / edible quality of product. The customer claims, if any, are generally settled within the same financial year.

21. Other income

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest income on Bank Deposits and Others	739.03	437.48
Other non-operating income :		
Lease rental income [Refer Note 33(ii)]	135.67	124.79
Gain on disposal of property, plant and equipment	2.28	1.65
Exchange differences (net)	(0.97)	0.55
Gain on sale of current investments	321.73	197.75
Gain on fair value measurement of investments	53.14	37.91
Total	1250.88	800.13

22. Cost of raw material and components consumed

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Inventory at the beginning of the year	256.45	260.41
Add: purchases	1693.54	1462.40
	1949.99	1722.81
Less: inventory at the end of the year	216.90	256.45
Cost of raw material and components consumed	1733.09	1466.36

Details of raw material and components consumed

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Plantlets	39.54	—
Chemicals and fertilizers etc.	380.30	275.19
Packing stores	1313.25	1191.17
Total	1733.09	1466.36

Details of inventory

(Amount in ₹ lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Raw materials and components		
Chemicals and fertilizers etc.	64.74	29.15
Packing stores	152.16	227.30
Total	216.90	256.45

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

23. Purchases of stock-in-trade and biological assets

(Amount in ₹ lakhs)		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Biological assets		
- Seed potatoes	850.10	155.10
Stock-in-trade		
- Potatoes	7195.12	7741.70
Total	<u>8045.22</u>	<u>7896.80</u>

24. Changes in inventories of finished goods, stock-in-trade and biological assets

(Amount in ₹ lakhs)		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Opening Inventories (A)		
Finished goods		
- Traded goods	5892.45	5441.46
- Agricultural Produce	938.86	439.33
Biological assets	14748.73	14064.73
Closing Inventories (B)		
Finished goods		
- Traded goods	6231.49	5892.45
- Agricultural Produce	621.96	938.86
Biological assets	19717.67	14748.73
Changes in inventories of finished goods, stock-in-trade and biological assets (A)-(B)	<u>(4991.08)</u>	<u>(1634.52)</u>

25. Employee benefits expense

(Amount in ₹ lakhs)		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and wages	2011.51	1928.17
Contribution to provident and other funds (Refer Note 35)	80.99	73.16
Share-based payments to employees (Refer Note 36)	31.17	52.00
Staff welfare expenses	70.48	66.38
Total	<u>2194.15</u>	<u>2119.71</u>

26. Finance costs

(Amount in ₹ lakhs)		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest expense :		
- Interest on lease liabilities (Refer Note 33(i))	13.34	16.22
Total	<u>13.34</u>	<u>16.22</u>

27. Depreciation and amortisation expense

(Amount in ₹ lakhs)		
Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of property, plant and equipment (Refer Note 3.1)	360.21	274.39
Amortisation of intangible assets (Refer Note 3.2)	41.87	17.86
Depreciation of Right-of-use assets (Refer Note 3.4, 33(i))	38.38	38.49
Total	<u>440.46</u>	<u>330.74</u>

28. Other expenses

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Consumption of stores and spares	130.64	25.44
Farming Charges	10443.76	7357.77
Power and fuel	338.09	245.60
Freight and forwarding charges	2810.36	2725.22
Lease rent [Refer Note 33(i)]		
- Agricultural land	2095.16	1781.11
- Office and Others	64.47	45.35
Storage and handling cost	4429.50	4118.98
Rates and taxes	9.19	9.30
Insurance	67.72	69.60
Repairs and maintenance		
- Plant and machinery	112.83	78.20
- Buildings	6.53	9.65
- Others	77.65	34.52
Advertising and sales promotion	31.19	3.55
Sales commission	-	4.83
Travelling and conveyance	330.39	332.20
Telephone, postage and telegram expenses	23.91	21.66
Printing and stationery	14.46	11.27
Legal and professional fees	48.25	31.32
Information technology services	176.78	63.56
Payment to auditors including taxes (Refer Note 28.1 below)	12.92	13.49
Expenditure towards corporate social responsibility (CSR) (Refer Note 31)	104.08	134.19
Contribution under section 181 of the Companies Act, 2013	-	150.00
Miscellaneous expenses*	734.95	719.93
Total	<u>22062.83</u>	<u>17986.74</u>

* Miscellaneous expenses include the following contribution made to political parties during the year : Bharatiya Janata Party ₹ 300 lakhs (2024 : ₹ 360 lakhs) and Indian National Congress ₹ 50 lakhs (2024 : ₹ 40 lakhs).

28.1. Payment to auditors including taxes

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Audit fee	10.62	10.62
Tax audit fee	1.77	1.77
Re-imbursement of expenses	0.53	1.10
Total	<u>12.92</u>	<u>13.49</u>

29. Income taxes

29.1 Tax expenses recognised in Statement of Profit and Loss (Refer Note 32)

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current tax		
In respect of the current year	1742.18	724.88
In respect of the prior year	-	499.11
Total (a)	<u>1742.18</u>	<u>1223.99</u>
Deferred tax		
In respect of the current year	2.68	8.33
Total (b)	<u>2.68</u>	<u>8.33</u>
Grand Total (a+b)	<u>1744.86</u>	<u>1232.32</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

29.2 Reconciliation of effective tax rate

The reconciliation between the income tax expenses and amount computed by applying the standard rate of income tax to profit before taxes is as follows:

Particulars	For the year ended 31 March 2025	(Amount in ₹ lakhs) For the year ended 31 March 2024
Profit before tax	10120.87	5013.46
Income Tax expense calculated at the applicable tax rate	2547.22	1459.92
Effects of :		
- Agricultural income - exempt from Income tax in determining taxable profit	(921.63)	(822.11)
- Adjustments for current tax of prior periods	-	499.11
- Others	119.27	95.40
Income Tax expenses recognised in	1744.86	1232.32

Statement of Profit and Loss

The tax rates used for the current period is 25.168% (22% + surcharge @ 10% and education cess @ 4%) [2024 : 29.12% (25% + surcharge @ 12% and education cess @ 4%)], for calculation of tax under the Income Tax Act, 1961.

Note : On exercising the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019.

30. Earnings per share (EPS)

(Amount in ₹ lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit after tax	8376.01	3781.14
Net profit for calculation of basic EPS	8376.01	3781.14
Net profit as above	8376.01	3781.14
Net profit for calculation of diluted EPS	8376.01	3781.14

	Numbers	Numbers
Weighted average number of equity shares in calculating basic EPS	37962800	37962800
Weighted average number of equity shares in calculating diluted EPS	37962800	37962800

Earnings per share

Basic [Nominal value of shares ₹10 (Previous Year : ₹10)]	22.06	9.96
Diluted [Nominal value of shares ₹10 (Previous Year : ₹10)]	22.06	9.96

31. CSR Expenditure

(₹ in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a) Gross amount required to be spent by the Company during the year	103.52	128.58
(b) Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	104.08	134.19
Yet to be paid in cash	-	-
(c) Details related to spent:		
(i) Safe drinking water (Schedule VII – i)	24.36	50.35
(ii) Promoting health care (Schedule VII – i)	40.29	62.34
(iii) Conservation of natural resources and maintaining quality of soil (Schedule VII – iv)	28.90	21.50
(iv) Rural development projects (Schedule VII – x)	10.53	-

32. During the year, the Company has reviewed its outstanding legal disputes and considering recent Courts / Tribunals decisions, have made appropriate provisions for the same.

33. Leases

i. As lessee

The Company has entered into cancellable operating lease arrangements primarily for office premises, guest house, godowns etc. Some of the significant terms and conditions for the arrangements are:

- agreements range for periods from 1 to 9 years, and can be terminated by either party by serving one to three months notice or by paying the notice period rent in lieu thereof;
- the leases are generally renewable on the expiry of lease period subject to mutual agreement;

(₹ in lakhs)

Particulars	31st March, 2025	31st March, 2024
Depreciation charge for right-of-use assets		
- Building	38.38	38.49
Interest expense on lease liabilities	13.34	16.22
Expense relating to short-term leases		
- Agriculture Land	278.41	244.89
- Office and others*	64.47	45.35
Expense relating to variable lease payments		
- Agriculture Land	1816.75	1536.22
Carrying amount of right-of-use assets		
- Building	113.50	151.88
Lease liabilities	154.24	194.02

* Includes principal payment of lease liabilities amounting to ₹ 39.78 Lakhs (2024 : ₹ 34.38 Lakhs).

ii. As lessor - The Company has entered into cancellable operating lease agreement with its holding Company for its land at the Manpura facility. The lease can be terminated by lessee by serving three months notice or by paying the notice period rent in lieu thereof.

34. Estimated amount of contracts remaining to be executed on capital account and not provided for:

(₹ in lakhs)

Particulars	As at 31 March 2025	As at 31 March 2024
Capital Commitment	2934.05	1727.35

35. Employee benefit plans:

Defined Benefit Plan

Gratuity: The Company has a gratuity plan for its employees as per the Payment of Gratuity Act, 1972. Employees who have completed five years or more of service are eligible for gratuity on departure at 15 days last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

Leave Encashment: The employees are entitled for leave for each year of service and part thereof and subject to the limits specified. The unavailed portion of such leaves can be accumulated or encashed during/at the end, of the service period. The plan is unfunded and the Company presents the entire liability towards compensated absences as a current liability in the Balance Sheet, since it does not have an unconditional right to defer its settlement for 12 months after reporting date.

Defined Contribution Plan

The Company has defined contribution plans and contributions are made to provident fund and employee's state insurance scheme for employees as per regulations. The provident fund is being deposited with the Regional Provident Fund Commissioner, Chandigarh and Himachal Pradesh. The employee state insurance is being deposited with the Employee State Insurance Corporation, Chandigarh and Himachal Pradesh. The obligation of the Company is limited to the amount contributed.

Risk Management

The gratuity plan expose the Company to actuarial deficit arising out of investment risk, interest rate risk, salary cost inflation risk. The plan is not exposed to any unusual, entity specific or scheme specific risks but there are general risks. Investment risks may arise from volatility in asset values and losses arising due to impairment of assets. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. However, this may be partially offset by an increase in capital value of the scheme assets that have similar characteristics. Increase in salary due to adverse inflationary pressures may lead to higher liabilities. The gratuity scheme is funded with an insurance company in the form of qualifying insurance policy. The plan liability is calculated using the

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

(₹ in Lakhs)

discount rate with reference to bond yield, if plan asset underperform, this will create the deficit.

The following tables sets out the Defined Benefits Plan as per Actuarial Valuation as on 31 March 2025 and 31 March 2024 and recognised in the financial statements in respect of the Gratuity Scheme.

(₹ in Lakhs)

	Particulars	For the year ended	
		31 March 2025	31 March 2024
I	Components of Employer Expense		
	(A) Recognised in Statement of Profit and Loss		
	1 Current Service Cost	18.32	17.69
	2 Past Service Cost	-	-
	3 Net Interest Cost	1.31	1.23
	4 Total expense recognised in the Statement of Profit and Loss	19.63	18.92
	(B) Re-measurements recognised in Other Comprehensive Income		
	5 (Return) on plan assets (excluding amounts included in Net interest cost)	(0.21)	1.05
	6 Effect of changes in demographic assumptions	(6.72)	(4.04)
	7 Effect of changes in financial assumptions	2.86	5.14
	8 Changes in asset ceiling (excluding interest income)	-	-
	9 Effect of experience adjustments	10.25	(4.00)
	10 Total re-measurements included in OCI	6.18	(1.86)
	11 Total defined benefit cost recognised in Statement of Profit and Loss and Other Comprehensive Income (4+10)	25.81	17.06

The current service cost and net interest expense for the year pertaining to Gratuity expenses have been recognized in 'Contribution to provident and other fund' under Note 25. The remeasurement of the net defined benefit liability are included in Other Comprehensive Income.

(₹ in Lakhs)

	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
II	Actual Returns	9.65	7.88
III	Net (Asset)/Liability recognised in Balance Sheet		
	1 Present Value of Defined Benefit Obligation	186.67	155.76
	2 Fair Value of Plan Assets	150.60	128.62
	3 Status [(Surplus)/Deficit]	36.07	27.14

		As at 31 March 2025		As at 31 March 2024	
		Current	Non-Current	Current	Non-Current
4	Net (Asset)/Liability recognised in Balance Sheet	-	36.06	-	27.14

(₹ in Lakhs)

	Particulars	For the year ended	
		31 March 2025	31 March 2024
IV	Change in Defined Benefit Obligation (DBO)		
	1 Present Value of DBO at the beginning of the year.	155.76	140.26
	2 Current Service Cost	18.32	17.69
	3 Past Service Cost	-	-
	4 Interest Cost	10.74	10.15
	5 Re-measurement gains/(losses):		
	Effect of changes in demographic assumptions.	(6.72)	(4.04)
	Effect of changes in financial assumptions.	2.86	5.14
	Effect of experience adjustments.	10.25	(4.00)
	6 Benefits Paid	(4.54)	(9.44)
	7 Present Value of DBO at the end of the year.	186.67	155.76

		Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
V		Change in Fair Value of Assets		
	1	Plan Assets at the beginning of the year	128.62	117.29
	2	Return on Plan Assets	9.43	8.93
	3	Re-measurement of Gains/(Losses) on plan assets	0.21	(1.05)
	4	Actual Company Contributions	16.88	12.89
	5	Benefits paid	(4.54)	(9.44)
	6	Plan Assets at the end of the year	150.60	128.62

		Particulars	As at 31 March 2025	As at 31 March 2024
VI		Actuarial Assumptions		
	1	Discount Rate (%)	6.75	7.00
	2	Expected Return on plan Assets (%)	7.00	7.50
	3	Attrition Rate (%)	11.12	9.31
	4	Long term rate of compensation increase (%)	12.00	12.00

The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	Particulars	31 March 2025	31 March 2024
VII	Investments with insurer *	100%	100%

* In the absence of availability of information regarding plan assets which is funded with Insurance Company, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

VIII Basis Used to determine the Expected Rate of return on Plan Assets.

The expected rate of return on plan assets is based on the current portfolio of assets, investment strategy and market scenario. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

(₹ in Lakhs)

		Particulars	For the year ended	
			31 March 2025	31 March 2024
IX		Net Asset/Liability recognised in Balance sheet (Including Experience adjustment impact)		
	1	Present Value of Defined Benefits Obligations	186.67	155.76
	2	Fair Value of Plan Assets	150.60	128.62
	3	Status [(Surplus)/Deficit]	36.07	27.14
	4	Experience Adjustment of Plan Assets [Gain/ (loss)]	0.21	(1.05)
	5	Experience Adjustment of Obligation [Gain/ (loss)]	(10.25)	4.00

X Details of expected cash flows for following years is given below:

(₹ in Lakhs)

		Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
1		Expected employer contributions next year	45.69	36.79
2		Expected benefits payment		
	Year 1		56.25	29.52
	Year 2		13.46	26.39
	Year 3		16.22	10.69
	Year 4		11.72	13.37
	Year 5		12.02	9.37
	Next 5 years		68.83	55.96

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

XI Sensitivity Analysis

The sensitivity analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above.

(₹ in Lakhs)

	Particulars	DBO as at 31 March 2025	DBO as at 31 March 2024
1	Discount Rate + 100 basis points	175.58	146.08
2	Discount Rate - 100 basis points	196.02	165.30
3	Attrition Rate +1%	183.46	153.03
4	Attrition Rate -1%	190.22	158.79
5	Long term rate of Compensation Increase Rate +1%	196.42	165.03
6	Long term rate of Compensation Increase Rate -1%	177.79	147.38

Amount towards defined contribution plans have been recognised under 'Contribution to provident and other fund' in Note 25 - ₹ 61.37 lakhs (2024: ₹ 47.46 lakhs).

XII. Weighted Average Duration of Defined Benefit Obligations

The weighted average duration of defined benefit obligation is 8 years (2024: 8 years).

36. Share Based Payment

The eligible employees of the Company, including employees deputed from ITC Limited (ITC), are covered under the ITC Employee Stock Option Schemes (ITC ESOS) and the ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR Plan) in accordance with the terms and conditions of such schemes, details of which are as under:

ITC ESOS: Each Option entitles the holder thereof to apply for and be allotted ten ordinary shares of ₹ 1.00 each of ITC upon payment of the exercise price during the exercise period. These options vest over a period of three years from the date of grant and are exercisable within a period of five years from the date of vesting.

The options have been granted at the 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

ITC ESAR: Under the ITC ESAR Plan, eligible employees would receive cash linked to appreciation in the value of the shares of ITC in accordance with the terms and conditions of this Plan. The stock appreciation units (SARs) vest over a period of five years from the date of grant and entitles each ESAR grantee, the appreciation for the total number of ESAR Units vested.

The cost of stock options granted under ITC ESOS / SARs granted under ITC ESAR have been recognized as equity settled / cash settled share based payments respectively in accordance with Ind AS 102 – Share Based Payment. In terms of said deputation arrangement, the Company has accounted for the cost of the fair value of options / stock appreciation units granted to the deputed employees on-charge by ITC. The fair value of the options / SARs granted is determined, using the Black Scholes Option Pricing model, by ITC for all the grantees covered under ITC ESOS / ITC ESAR as a whole.

In accordance with Ind AS 102, an amount of ₹25.39 lakhs (2024 - ₹ 39.01 lakhs) towards ITC ESOS and ₹ 5.78 lakhs (2024 - ₹ 12.99 lakhs) towards ITC ESAR has been recognized as employee benefits expense (Refer Note 25). Such charge has been recognised as employee benefits expense with corresponding credit to current / non – current financial liabilities, as applicable. Out of the above ₹ 17.84 lakhs (2024- ₹ 28.01 lakhs) is attributable to key management personnel [Mr. Soundararadjane S. NIL (2024- ₹ 24.40 lakhs), Mr. Nripendra Kumar Jha ₹ 14.89 lakhs (2024- ₹ 3.61 lakhs), Mr. Sanjeev Madan ₹ 2.95 lakhs (2024- NIL)].

The summary of movement of such options granted by ITC and status of the outstanding options is as under:

Particulars *	As at 31 March 2025	As at 31 March 2024
	No. of Options	No. of Options
Outstanding at the beginning of the year	19,992	38,719
Add: Granted during the year @	2,600	6,650
Less: Lapsed/Expired during the year	-	-
Less: Movement due to transfer of employees within the group	-	(11,660)
Less: Exercised during the year	10,396	13,717
Outstanding at the end of the year	12,196	19,992
Options exercisable at the end of the year	7,051	15,242

* The Weighted average exercise price of the options granted under the ITC ESOS to all Optionees covered under the Scheme is computed by ITC as a whole.

@ Includes 1,400 (2024 - 4,500) number of options granted to Key Management Personnel of the Company.

37. Capital Management

a. Risk Management

The Company manages its capital to ensure that the Company will be able to continue as going concern while maximising the return of the stakeholders through optimum fund utilization. The capital structure of the Company comprises of equity as detailed in the Statement of Changes in Equity as well as borrowings. The Company does not have any long-term debt obligation and funds its operations mainly through internal accruals and short term borrowings. The Company's objective while managing capital is to maintain an optimal structure so as to maximize shareholder value. Further, the Company is not exposed to any externally imposed capital requirements.

b. Dividend

(₹ in lakhs)

Particulars	31 March 2025	31 March 2024
Equity shares	3037.02	2467.58
Interim dividend for the year ended 31 March 2025 of ₹ 8.0 for fully paid share (31 March 2024 of ₹ 6.5 for fully paid share)		

38. Categories of Financial Instrument

(₹ in lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial Assets				
a) Measured at fair value through profit and loss (FVTPL)				
Investments in Mutual Funds	5202.89	5202.89	7089.43	7089.43
b) Measured at amortised cost				
Cash and Other Bank Balances	5032.87	5032.87	1515.94	1515.94
Trade Receivables	348.94	348.94	223.83	223.83
Other Financial Assets	231.96	231.96	47.44	47.44
B. Financial Liabilities				
Measured at amortised cost				
Trade Payables	8765.59	8765.59	8020.44	8020.44
Other Financial Liabilities	1153.89	1153.89	521.78	521.78
Lease Liabilities	154.24	154.24	194.02	194.02

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

39. Financial Risk Management Objectives

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management Framework rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

(a) Market risk

The Company's business operations expose it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such market risk may arise out of volatility in currency rates, interest rates and prices. The Company has in place appropriate risk management policies to limit the impact of these risks on its financial performance.

The Company ensures optimisation of cash through fund planning, robust cash management practices and manages interest rate risk and foreign exchange risk.

i) Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arise from transactions made in foreign exchange and reinstatement risks arising from recognised assets and liabilities which are not in the Company's functional currency (INR). Further, in view of low proportion of export/ imports, as compared to the overall operations, the exposure of the Company to foreign exchange risk is also not considered to be material. There are no unhedged foreign currency exposures as at the year end.

As the Company's foreign Currency exposure is Nil, no sensitivity analysis has been provided.

ii) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from short-term borrowings where the rate of interest is fixed. The Company's borrowings are carried at amortised cost, where applicable.

iii) Price risk

The Company invests its surplus funds primarily for short tenor in debt mutual funds measured at fair value through profit or loss. Aggregate value of such investments as at 31 March 2025 is ₹ 5202.89 (31 March 2024 - ₹ 7089.43). Being short term in nature, these do not pose any significant price risk, hence, no sensitivity analysis is given.

The deployment in fixed deposits are made with highly rated banks and stood at ₹ 5000.00 lakhs (2024 - ₹ 1050.00 lakhs), which does not expose the Company to price risk arising out of interest rate movement.

(b) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company's investment decisions relating to deployment of surplus liquidity are guided by the tenets of safety, liquidity and return. The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. Considering the dynamic nature of business, the Company also maintains committed credit lines with its bankers.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(₹ in lakhs)

As at 31 March 2025						
Contractual cash flows *						
Particulars	Carrying Value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year	Total
Trade Payables	8765.59	7390.23	1094.02	281.34	-	8765.59
Other Financial Liabilities	1153.89	322.78	249.31	581.80	-	1153.89
Lease Liability	154.24	13.91	13.91	27.97	116.58	172.37
Total	10073.72	7726.92	1357.24	891.11	116.58	10091.85

(₹ in lakhs)

As at 31 March 2024						
Contractual cash flows *						
Particulars	Carrying Value	Less than 3 months	More than 3 months up to 6 months	More than 6 months up to 1 year	More than 1 year	Total
Trade Payables	8020.44	6646.08	575.00	799.36	-	8020.44
Other Financial Liabilities	521.78	93.97	127.08	293.19	7.54	521.78
Lease Liability	194.02	13.25	13.25	26.63	172.36	225.49
Total	8736.24	6753.30	715.33	1119.18	179.90	8767.71

* The table has been drawn up based on the earliest date on which the Company can be required to pay.

(c) Credit risk

Credit risk is the risk that Counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. Apart from its operating activities, wherein the Company deals with large number of customers, the Company is also exposed to credit risk from its investing activities.

The Company believes that credit risk is low at the reporting date as the customer base is diverse and the terms of trade with customers are generally in advance / cash payment. In certain circumstances credit is extended to customers, taking into account market conditions, general economic scenario etc. The Company's historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

Individual customer credit limits are imposed based on relevant factors such as market feedback, banker's introduction, business potential etc. All Customer balances which are overdue for more than 180 days are evaluated for provisioning and considered for impairment on an individual basis. The customer balances are written-off as bad debts, when legal remedies available to the Company are exhausted and / or it becomes certain that said balances will not be recovered. The Company has used practical expedient in computing allowance for doubtful receivables based on the ageing of the customer's balances, specific credit circumstances and Company's historical and forward looking information. Accordingly, no provision has been made during the year as there is no significant increase in credit risk / default.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

Movement in the provisions for impairment of trade receivables is as follows:

(₹ in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Balance at the beginning of the year	1.40	1.40
Provided during the year	–	–
Adjusted during the year	1.40	–
Balance at the end of the year	–	1.40

Investment in mutual funds are made only with approved mutual funds and credit risk in such funds are limited because the underlying investments are diversified and the Company's investment framework considers the credit quality of the underlying investments made by the fund house.

40. Fair Value Measurement

Fair value hierarchy:

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market or Net Asset Value (NAV) for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which

maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). 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 with listed instruments where market is not liquid and for unlisted instruments.

There are no assets or liabilities, the fair value of which has been benchmarked / derived with quoted benchmarks and accordingly, there are no assets / liabilities classified at Level 2.

The following table provides the fair value measurement hierarchy for financial assets measured at fair value:

(₹ in lakhs)

Financial Asset	Fair Value Hierarchy	Valuation Techniques	Fair Value as at	
			31 March 2025	31 March 2024
Investments in Mutual Funds	Level 1	Net Asset Value as declared by the Fund / quoted prices in active markets	5202.89	7089.43

The fair value of trade receivables and payables, other bank balance, other financial assets and other financial liabilities is considered to be equal to the carrying amounts of these items due to their short – term nature.

41. Related party disclosures

(a) Names of related parties and nature of relationship

Holding Company : ITC Limited

(b) Other related parties with whom transactions have taken place during the year

Enterprises under common control : Technico Pty Limited, Australia (TPL)

: ITC Infotech India Limited

Associate of the Holding Company : International Travel House Limited (up to 31st December 2024)

(c) Key Management Personnel (KMP)

Mr. Surampudi Sivakumar : Director

Mr. Dharmarajan Ashok : Director

Mr. Ganesh Kumar Sundararaman : Director

Mr. David Charles McDonald : Director (up to 4th May 2024)

Mr. Rajnikant Rai : Director (up to 24th August 2024)

Ms. Kavita Chaturvedi : Director (w.e.f 10th June 2024)

Mr. Soundararadjane S. : Chief Executive Officer (up to 20th March 2024)

Mr. Nripendra Kumar Jha : Chief Executive Officer (w.e.f 21st March 2024)

Mr. Sanjeev Madan : Chief Financial Officer

Ms. Vanshika Kapur : Company Secretary

(d) Details of transactions carried out during the financial year ended 31 March 2025 with related parties in the ordinary course of business:

(₹ in lakhs)

Particulars	Holding Company (ITC Limited)		Entities under Common Control		KMP		Associate of the Holding Company	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024	31 March 2025	31 March 2024
Sale of products								
- ITC Limited	6224.23	6733.26	–	–	–	–	–	–
- Technico Pty Limited	–	–	51.83	7.32	–	–	–	–
Lease rental income	135.67	124.79	–	–	–	–	–	–
Remuneration of managers on deputation reimbursed	349.01	524.15	–	–	–	–	–	–
Value of Share based payment								
- Reimbursement	28.23	52.00	–	–	–	–	–	–
Interim Dividend	3037.02	2467.58	–	–	–	–	–	–
Purchase of services								
- ITC Limited	266.59	95.09	–	–	–	–	–	–
- ITC Infotech India Limited	–	–	45.32	160.48	–	–	–	–
- International Travel House Limited	–	–	–	–	–	–	22.79	34.14
Expenses reimbursed								
- ITC Limited	29.39	33.33	–	–	–	–	–	–
- Technico Pty Limited	–	–	6.83	–	–	–	–	–
Expenses recovered								
- Technico Pty Limited	–	–	4.50	1.34	–	–	–	–
Remuneration paid to key managerial personnel								
- Mr. Soundararadjane S.**	–	–	–	–	–	225.55	–	–
- Mr. Nripendra Kumar Jha **	–	–	–	–	157.62	2.47	–	–
- Other KMP	–	–	–	–	97.86	105.21	–	–

** Paid by Holding Company and included in the figures of remuneration of managers on deputation reimbursed.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

(₹ in lakhs)

The remuneration of directors and other members of key managerial personnel #	For the year ended 31 March 2025	For the year ended 31 March 2024
Short term benefits	255.48	333.23

Post-employment benefits and other long term employee benefits are actuarially determined on overall basis and hence not separately provided. Also refer note 36 on share based payments. Since such Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by such grant of Options, and accordingly the said grant has not been considered as remuneration.

(e) Details of balances with the related parties :

(₹ in lakhs)

Particulars	Holding Company (ITC Limited)	
	31 March 2025	31 March 2024
Trade receivables	125.41	164.99
Other payables	45.80	40.24

Significant terms & conditions :

All the transactions with related parties are in ordinary course of business and on arm's length basis. The amount outstanding are unsecured and will be settled in cash.

42. Segment reporting

The operating segments are presented in a manner consistent with the internal reporting provided to the Board of Directors, which is the CODM.

Business segments comprises:

- I. **Seed Business:** TECHNITUBER® Seed and Field Produced seed potatoes.
- II. **Commercial Potato Business:** Trading in table potatoes, Potatoes for processing industry etc.

A. Segment Results :

(₹ in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Segment Revenue:		
- Seed (Biological assets and Agricultural Produce)	28726.32	22673.21
- Commercial Potato Business (Traded goods)	9499.50	9559.17
Gross Revenue from sale of products	38225.82	32232.38
Segment Results:		
- Seed	9143.43	5279.67
- Commercial Potato Business	91.21	(497.92)
Segment Total	9234.64	4781.75
Unallocated Income	135.67	124.79
Unallocated Expenses	(350.00)	(550.00)
Profit before Interest etc. and taxation	9020.31	4356.54
Finance Costs	(13.34)	(16.22)
Gain on sale of current investments, interest earned on bank deposits, gain on fair value measurement of investments etc.	1113.90	673.14
Profit before tax	10120.87	5013.46
Tax expenses	(1744.86)	(1232.32)
Profit for the year	8376.01	3781.14

B. Segment Assets and Liabilities:

(₹ in lakhs)

Particulars	As at 31 March 2025		As at 31 March 2024	
	Assets	Liabilities	Assets	Liabilities
Seed	31608.74	17195.22	20825.35	12484.06
Commercial Potato Business	6391.42	3640.54	6140.86	2732.27
Segment Total	38000.16	20835.76	26966.21	15216.33
Unallocated Assets and Liabilities	10452.07	6572.17	8640.14	4680.09
Total	48452.23	27407.93	35606.35	19896.42

Segment Assets and Liabilities are measured in the same way, as in the financial statements. These assets are allocated based on the operations of the respective segment.

C. Geographical segment wise revenue:

(₹ in lakhs)

S. No.	Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
(a)	Revenue from domestic market	38140.49	32165.06
(b)	Revenue from overseas market	85.33	67.32
	Total	38225.82	32232.38

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH, 2025 (Contd.)

D. Depreciation and Amortization :

(₹ in lakhs)

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Seed	436.55	328.39
Commercial Potato Business	3.91	2.36
Total	440.46	330.74

Includes depreciation of Right of use assets (refer note 3.4, 33)

43. Use of Estimates and Judgements

The key estimates and assumptions used in the preparation of financial statements are set out below:

- The Company has ongoing litigations with income tax authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty.
- The determination of Company's liability towards defined benefit

obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the Statement of Profit and Loss and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

- On initial recognition and at the end of each reporting period, the biological assets are measured at fair value less cost to sell. Gains and losses arising on initial recognition of both biological asset and agricultural produce and any subsequent changes in fair value are recognised in the statement of Profit and Loss in the period in which they arise.

44. Ratio Analysis:

Ratio	Numerator	Denominator	Type	31 March 2025	31 March 2024	% change	Reason
Current ratio	Current Assets	Current Liabilities	Times	1.39	1.57	(11)	
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	%	45.55	25.13	20.43	
Inventory Turnover ratio	Sales	Average Inventory	Times	1.57	1.53	3	
Trade Receivable Turnover Ratio	Sales	Average Trade Receivable	Times	133.48	189.26	(29)	a
Trade Payable Turnover Ratio	COGS + Other Expenses – Non Cash Expenditure	Average Trade Payables	Times	3.20	3.47	(8)	
Net Capital Turnover Ratio	Sales	Working capital	Times	3.60	2.88	25	
Net Profit ratio	Net Profit	Sales	%	21.90	11.73	10.17	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed	%	48.16	32.02	(0.72)	
Return on Investment	Income from Investment	Average Investment*	%	7.21	6.10	1.11	
*Average Investment (All time weighted basis)							
Reason of variance for more than 25%							
a)) Mainly due to higher trade receivables in comparison with the previous year.							

45. Figures for the previous year have been re-arranged, wherever necessary, to conform to the figures of the current year. The same does not have any material impact on the financial statements.

46. The financial statements were approved for issue by the Board of Directors on 1 May, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of the Companies Act, 2013.

For SRBC & Co LLP
Firm Reg. No.: 324982E/E300003
Chartered Accountants
Divya Mathur
Partner
Membership No.: 506846

Place: Gurugram
Date: 01 May, 2025

For and on behalf of the Board of Directors of Technico Agri Sciences Limited

S. Sivakumar
Chairman
DIN : 00341392
Hyderabad

Sanjeev Madan
Chief Financial Officer
Chandigarh

Date: 01 May, 2025

Dharmarajan Ashok
Director
DIN : 02009735
Kolkata

Vanshika Kapur
Company Secretary
Chandigarh

Nripendra Kumar Jha
Chief Executive Officer
Chandigarh

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Your Directors submit their Fifth Report for the financial year ended 31st March, 2025.

2. PERFORMANCE OF THE COMPANY

As the Members are aware, the Company has been incorporated as a wholly owned subsidiary of ITC Limited ('ITC') primarily for manufacture, sale and export of nicotine & nicotine derivative products, which are meant to be used in the ANDS (Alternative Nicotine Delivery Systems) businesses. In the recent years, this segment has witnessed significant growth globally and is expected to continue to grow at a robust pace.

During the year, the Company's manufacturing facility at Nanjangud, Mysuru, Karnataka, has scaled up manufacturing of purest nicotine & nicotine salt conforming to the US and EU pharmacopoeia standards. The Company has also commenced commercial sale of its products post completion of customer trials and approval of samples.

During the year, the Company recorded a Total Income of ₹1,050.73 lakhs (previous year ₹118.56 lakhs) and the net loss of your Company for the year ended 31st March, 2025 stood at ₹ 5,556.29 lakhs (previous year ₹ 3,112.27 lakhs).

The financial results of your Company, summarised, are as under:

	For the financial year ended 31st March, 2025 (₹ in lakhs)	For the financial year ended 31st March, 2024 (₹ in lakhs)
a. Total Income	1,050.73	118.56
b. Total Expenses	7,350.43	3,322.95
c. Profit / (Loss) Before Tax	(6,299.70)	(3,204.39)
d. Less: Tax Expense	743.41	92.12
e. Profit / (Loss) After Tax	(5,556.29)	(3,112.27)

3. DIRECTORS AND KEY MANAGERIAL PERSONNEL
(a) Changes in Directors during the year

During the year under review, the Members at the last Annual General Meeting ('AGM') held on 29th June, 2024 had re-appointed Mr. Sreedharan Sunil Nair (DIN: 09765785) as the Wholtime Director of the Company for a period of three years with effect from 1st November, 2023.

The appointment of Mr. Nair is governed by the resolutions passed by the Board of Directors ('the Board') and the Members of the Company. The statutory provisions apply with respect to notice period and severance fee.

There were no other changes in the Board during the year.

(b) Changes in Key Managerial Personnel during the year

There were no changes in the Key Managerial Personnel of the Company during the year.

(c) Directors - Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with the Articles of Association of the Company, Mr. Kurakula Nageswara Rao (DIN: 09667379) and Mr. Ashit Kumar (DIN: 08786753) will retire by rotation at the ensuing AGM of the Company and, being eligible, offer themselves for re-election. Your Board has recommended their re-election.

(d) Board Evaluation

The Board carried out annual performance evaluation of its own performance and that of the individual Directors, as required under Section 134 of the Act, based on the criteria approved by the Board. The evaluation was carried out, as in the previous year, through a structured evaluation process basis the parameters derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as fulfill expectations of other stakeholders through strategic supervision. Performance evaluation of individual Directors was carried out in the context of the role played by each Director, as a member of the Board in assisting the Board in realising its role of strategic supervision of the functioning of the Company.

4. BOARD MEETINGS

Four Meetings of the Board were held during the financial year ended 31st March, 2025.

5. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the loss of the Company for the year ended on that date;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

6. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

7. PARTICULARS OF EMPLOYEES

The relations between your Company and its employees continued to remain cordial during the year under review. The details of top ten employees of the Company in terms of remuneration drawn, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure 1** to this Report.

The Company seeks to provide equal opportunities for men & women and is committed to a gender-friendly workplace. To ensure a safe and progressive work environment, your Company has constituted an Internal Complaints Committee in compliance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year ended 31st March, 2025, no complaint of sexual harassment was received.

8. RISK MANAGEMENT

The Company has a Risk Management Policy which is designed to bring robustness to the risk management processes, and addresses risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company. The risk management framework of the Company is commensurate with its size and nature of business. Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board.

The Internal Auditors of the Company, appointed by the Board, carry out risk focused audits with the objective of identifying areas where risk management processes could be further strengthened. The Board annually reviews the effectiveness of the Company's risk management systems and policies.

A combination of policies and processes as outlined above adequately addresses the various risks associated with the Company's operations.

9. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with respect to the Financial Statements, commensurate with its size and scale of operations. The Corporate Governance Policy of the Company (including Standard Operating Procedures and Policies) approved by the Board, delineates the roles, responsibilities and authorities of the key functionaries involved in governance, and provides foundation for the Company's internal financial controls with respect to the Financial Statements.

The Financial Statements of the Company are prepared on the basis of Material Accounting Policies that are carefully selected by the management and approved by the Board. This, along with the transactional controls built into the systems, ensure appropriate segregation of duties and approval mechanisms commensurate with the level of responsibility.

During the year under reference, the internal financial controls in the Company with respect to the Financial Statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any

internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

10. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

11. RELATED PARTY TRANSACTIONS

All contracts or arrangements entered into by the Company with its related parties during the financial year were in the ordinary course of business and on arm's length basis. The details of material transactions entered into by your Company with its related parties are provided in **Annexure 2** (Form No. AOC-2) to this Report.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

13. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

14. AUDITORS

(a) Statutory Auditors

Messrs. S. R. Batliboi & Associates LLP ('SRBA'), Chartered Accountants, were appointed as the Auditors of your Company at the 1st AGM held on 13th July, 2021 to hold such office till the conclusion of the 6th AGM (up to financial year 2025-26). Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, remuneration of SRBA for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

(b) Secretarial Auditors

Your Board appointed Messrs. Mamta Binani & Associates, Company Secretaries, to conduct secretarial audit of the Company for the financial year ended 31st March, 2025. The Secretarial Auditors have confirmed that your Company has complied with the applicable laws and that there are adequate systems and processes in your Company commensurate with its

size and scale of operations to monitor and ensure compliance with the applicable laws.

The Report of Messrs. Mamta Binani & Associates, in terms of Section 204 of the Act, is enclosed as **Annexure 3** to this Report.

15. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The design of the Company's manufacturing facility incorporates maximisation of natural lighting, insulation for minimal wastage of heat energy and use of energy efficient lighting fixtures. The Plant has 100% condensate recovery system and is designed to maximise the reuse / reduce the usage of chemical / solvents and water. The equipment & process flow design and technology selection are aimed at achieving high efficiencies with optimal energy utilisation. Efforts are also being undertaken to harvest wind energy and maximise use of steam generated through agro-waste.

During the year under review, no specific know-how or technology was imported by the Company. However, the Company endeavours to adopt and use latest technologies to improve efficiency and effectiveness of its operations leading to product improvement, cost reduction or import substitution.

The foreign exchange earnings of your Company during the year aggregated ₹ 167 lakhs (previous year: Nil) while the outgoings aggregated ₹ 106 lakhs (previous year: ₹ 193.05 lakhs).

17. ACKNOWLEDGEMENT

The Directors acknowledge the assistance and support rendered to the Company by its members, customers, business associates, banks and various authorities under the Central and State Governments and the hard work of the employees.

Your Directors look forward to the future with confidence.

On behalf of the Board

(S. Sivakumar)

Chairman

DIN: 00341392

(A. Kumar)

Director

DIN: 08786753

Dated: April 22, 2025

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025*[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

Names of employees	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of deputation / Date of joining	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
Sreedharan Sunil Nair	54	Wholetime Director	99,60,399/-	56,33,930/-	B.E. (Mechanical) and M.B.A. (Finance)	29	01.11.2020	Factory Manager - Anaparti Green Leaf Threshing Plant, ITC Limited
Chandrakant Minz	41	Senior Manager – Operations	84,11,176/-	54,96,504/-	B.Tech. and M.Tech. (Mechanical)	15	01.05.2022	Manager Operations - ESPB, ITC Limited
Vagicharla Maruthi Lokanath	31	Chief Financial Officer	37,03,720/-	25,63,612/-	A.C.A., B. Com.	9	01.07.2023	Manager - Finance, ITC Limited
K V Vandana	42	Manager – HR	33,84,617/-	24,22,877/-	Diploma in Civil Engg., B.B.M. and M.H.R.M.	18	01.05.2021	Assistant Manager - HR, ITC Limited
G Rama Krishna	54	Manager - Finance	32,12,935/-	23,38,771/-	B. Com.	22	01.11.2021	Manager Finance – ITC Limited
G Venkata Ramana Rao	57	Deputy General Manager – Production	30,43,572/-	23,38,771/-	B.E. (Chemical Engineering)	31	26.12.2022	Assistant General Manager - Production, Hikal Limited
B Thirupathi Rao	41	Associate Scientist	29,57,883/-	21,51,978/-	M.Sc. (Organic Chemistry)	19	01.11.2020	Assistant Manager - QC, ITC Limited
Debanjan Sarkar	36	Company Secretary	28,48,933/-	20,84,993/-	A.C.S. and B.Com. (H)	13	01.01.2022	Assistant Manager - Secretarial, ITC Limited
Nikhil Brijlal Kadam	37	Manager - Quality Assurance	24,98,800/-	18,57,882/-	M.Sc. (Life Science)	13	01.11.2020	Associate Manager - Projects, ITC Limited
G Govarthan	44	Manager – Production	20,09,167/-	16,81,578/-	M.Sc. (Life Science)	14	03.07.2023	Manager – Production, Global Calcium

All the above employees are / were on deputation from ITC Limited, the Holding Company ('ITC'), except M/s. G. Venkata Ramana Rao and G. Govarthan.

Notes:

- Gross remuneration includes salary, variable pay / performance bonus, long-term incentives, allowances & other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less income tax, education cess deducted at source and employee's own contribution to provident fund.
- The Wholetime Director has been granted Stock Options by ITC and its group companies at 'market price' [within the meaning of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021]. Since these Stock Options are not tradeable, no perquisite or benefit is immediately conferred upon the employee by grant of such Options, and accordingly the said grant has not been considered as remuneration.
- The aforesaid employees are / were neither relative of any Director of the Company nor hold any equity share in the Company.

On behalf of the Board

(S. Sivakumar)
Chairman
DIN: 00341392

(A. Kumar)
Director
DIN: 08786753

Dated: April 22, 2025

Annexure 2 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2***[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]*

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, the Holding Company	
b)	Nature of contracts / arrangements / transactions	Purchase of Utilities	Deputation Charges
c)	Duration of the contracts / arrangements / transactions	1st April, 2024 to 31st March, 2025	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transaction during the year - ₹ 503.01 Lakhs	Value of transaction during the year - ₹ 432.85 Lakhs
e)	Date(s) of approval by the Board, if any	19th March, 2024	
f)	Amount paid as advances, if any	Nil	

On behalf of the Board

(S. Sivakumar)
Chairman
DIN: 00341392

(A. Kumar)
Director
DIN: 08786753

Dated: April 22, 2025

Annexure 3 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025***[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To
 The Members
ITC IndiVision Limited
 Virginia House
 37, Jawaharlal Nehru Road
 Kolkata 700071

We have conducted secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ITC INDIVISION LIMITED (hereinafter called as "the Company"), bearing CIN: U16007WB2020PLC237915. The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, statutory registers, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025, to the extent applicable, according to, inter alia, the provisions of:

- (i) Companies Act, 2013 ('the Act') and the Rules made thereunder; and
- (ii) Specific laws applicable – Drugs and Cosmetics Act, 1940 and the Rules made thereunder;

We have also examined the compliance with applicable clauses of the Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India under Section 118 of the Act.

During the period under review, the Company has complied with the provisions of the Act, Rules, Standards, etc. mentioned herein above.

We further report that:

- (a) The Board of Directors of the Company is duly constituted in compliance with the applicable provisions of law.
- (b) Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (c) The minutes of the meetings of the Board of Directors are duly recorded and signed by the Chairman; the decisions of the Board were unanimous and therefore there were no dissenting views that were required to be recorded.

We further report that there are adequate systems and processes in the Company commensurate with its size and scale of operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines in this respect.

We further report that during the period of audit, the Company has not undertaken any specific events/actions that can have a bearing on the Company's compliance responsibility in pursuance of the above-referred laws, rules, standards, etc.

For Mamta Binani & Associates
Practicing Company Secretaries
 ICSI Unique Code: P2016WB060900

CS Ankita Dutta
 Partner
 CP No.: 22416
 Membership No: F 13329
 Peer Review Certificate No.: 6475/2025
 UDIN: F013329G000169342

Date: 22.04.2025
 Place: Kolkata

INDEPENDENT AUDITOR'S REPORT

To the Members of ITC IndiVision Limited

Report on the Audit of the Financial Statements**Opinion**

We have audited the financial statements of ITC IndiVision Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other 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 financial statements in accordance with the Standards on Auditing (SAs), as 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual 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. 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.

Responsibility of Management 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends

to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 is 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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.a) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used 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 (refer Note 33 to the financial statements). 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 has been preserved by the Company as per the statutory requirements for record retention.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Atin Bhargava**

Partner

Membership Number: 504777

UDIN: 25504777BMOCMF9613

Place of Signature: Hyderabad

Date: April 22, 2025

Annexure '1' referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: ITC IndiVision Limited ("the Company")

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) (a)(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of

inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate.

- (b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted

- to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii) (e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) 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 requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions of sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.
- (b) There are no dues of goods and services tax, duty of custom, provident fund, employees' state insurance, income tax, cess and other statutory dues which have not been deposited on account of any dispute. The provisions of sales-tax, service tax, duty of excise and value added tax are not applicable to the Company.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, 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, the requirement to report on 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, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x) (a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or 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 as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (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. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has incurred cash losses in the current year amounting to Rs. 4,342.59 Lakhs. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 2,441.16 Lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 32 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, extended credit facilities offered by the lenders, other information accompanying the financial statements, 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 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) The provisions of section 135 (1) of the Companies Act, 2013 are not applicable to the Company. Accordingly, the requirement to report on clause (xx) of the Order is not applicable to the Company.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava

Partner

Membership Number: 504777

UDIN: 25504777BMOCMF9613

Place of Signature: Hyderabad

Date: April 22, 2025

Annexure '2' to the Independent Auditor's Report of even date on the financial statements of ITC IndiVision Limited

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 ITC IndiVision 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.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 these 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 these 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 these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Atin Bhargava
Partner

Membership Number: 504777
UDIN: 25504777BMOCMF9613

Place of Signature: Hyderabad
Date: April 22, 2025

ITC IndiVision Limited

Balance Sheet as at March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3A	29,360.76	31,015.25
Other Intangible Assets	3D	403.15	473.03
Capital work-in-progress	3B	–	3.56
Right-of-use assets	3C	664.58	690.70
Intangible assets under development	3B	40.00	40.00
Deferred tax assets (net)	9	847.85	105.43
Non-Current tax assets	9A	–	58.65
Other non-current assets	4	60.48	114.78
		<u>31,376.82</u>	<u>32,501.40</u>
Current assets			
Inventory	8	3,706.07	3,474.57
Financial assets			
Investments	5	–	1,227.53
Trade Receivables	5A	839.32	32.49
Cash and cash equivalents	6	200.56	151.64
Others	7	42.24	2.87
Other current assets	4	4,036.37	3,600.76
		<u>8,824.76</u>	<u>8,489.86</u>
Total assets		<u>40,201.58</u>	<u>40,991.26</u>
Equity and liabilities			
Equity			
Equity share capital	10	12,000.00	12,000.00
Other equity	11	(9,087.14)	(3,535.60)
		<u>2,912.86</u>	<u>8,464.40</u>
Liabilities			
Non-current liabilities			
Financial liabilities			
Long term borrowings	13	22,000.00	22,000.00
Lease Liability	3C	861.98	838.78
Other financial liabilities	14	–	1.77
Provisions	16	16.80	14.24
		<u>22,878.78</u>	<u>22,854.79</u>
Current liabilities			
Financial liabilities			
Trade payables	12		
– Total outstanding dues to micro enterprises and small enterprises		86.17	–
– Total outstanding dues to creditors other than micro enterprises and small enterprises		266.88	273.04
Borrowings	13	8,950.00	4,550.00
Lease Liability	3C	22.52	22.86
Other financial liabilities	14	5,007.53	4,780.20
Provisions	16	0.19	–
Other current liabilities	15	76.65	45.97
		<u>14,409.94</u>	<u>9,672.07</u>
Total equity and liabilities		<u>40,201.58</u>	<u>40,991.26</u>
Summary of material accounting policies	2	–	
The accompanying notes are an integral part of the financial statements.			

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

Atin Bhargava

Partner

Membership No.: 504777

Place : Hyderabad

Date : April 22, 2025

For and on behalf of the Board of Directors of

ITC IndiVision Limited

CIN: U16007WB2020PLC237915

S. Sivakumar

Chairman

DIN No.: 00341392

Place: Hyderabad

Date : April 22, 2025

S. Sunil Nair

Whole time Director

DIN No.: 09765785

Place: Mysuru

Date : April 22, 2025

Maruthi Lokanath Vagicharla

Chief Financial Officer

Place: Mysuru

Date : April 22, 2025

Debanjan Sarkar

Company Secretary

Membership No. A31527

Place : Kolkata

Date : April 22, 2025

ITC IndiVision Limited

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	17	988.51	76.09
Other income	17A	62.22	42.47
Total income		1,050.73	118.56
Expenses			
Cost of Material Consumed		608.13	666.93
Changes in inventories of finished goods, work in progress, stock-in-Trade and intermediates	18	(538.99)	(1,045.56)
Employee benefit expenses	19	1,095.77	933.33
Finance Costs	20	2,551.23	929.73
Depreciation and amortisation expenses	21	1,957.10	763.23
Other expenses	22	1,677.19	1,075.29
Total expenses		7,350.43	3,322.95
Loss before tax		(6,299.70)	(3,204.39)
Tax expenses			
Current tax		—	—
Deferred tax	23	(743.41)	(92.12)
Total tax expenses		(743.41)	(92.12)
Loss for the year		(5,556.29)	(3,112.27)
Other comprehensive income (OCI)			
Items that will not be reclassified to profit and loss			
Re-measurement gains/(losses) on defined benefit plans		5.73	—
Income tax effect		(0.98)	—
Total comprehensive Loss for the year		(5,551.54)	(3,122.27)
Earnings per equity share (Face value of share ₹ 10)	24		
Basic and Diluted		(4.63)	(2.59)
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

Atin Bhargava

Partner

Membership No.: 504777

Place : Hyderabad

Date : April 22, 2025

For and on behalf of the Board of Directors of

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DIN No.: 09765785

Place: Mysuru

Date : April 22, 2025

Debanjan Sarkar

Company Secretary

Membership No. A31527

Place : Kolkata

Date : April 22, 2025

ITC IndiVision Limited

Statement of Cash Flows for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Particulars		For the year ended March 31, 2025		For the year ended March 31, 2024
A. Cash flow (used in) / from operating activities				
Loss before tax		(6,299.70)		(3,204.39)
Adjustment for				
Depreciation and amortisation		1,957.10		763.23
Interest on borrowings		2,551.23		929.73
Net gain arising on financial assets mandatorily measured at FVTPL		(24.55)		(42.31)
Unrealised Exchange Gain		–		(0.16)
Net Gain on foreign currency transactions and translation		(35.32)		–
Interest Income		(2.35)		–
Operating loss before working capital changes		(1,853.59)		(1,553.90)
Adjustment for working capital changes				
(Increase) / Decrease in other financial assets		1.24		3.22
Increase in other non-current and current assets		(1,193.61)		(715.69)
Increase in inventory		(231.50)		(1,442.89)
Increase in provisions		2.75		10.73
Increase / (Decrease) in non-current and current other financial liabilities		(1,775.17)		(543.15)
Increase in trade payables		80.00		72.53
Increase / (Decrease) in other current liabilities		30.68		(35.09)
Net cash flow (used in) / from operation		(4,939.20)		(4,204.24)
Taxes (paid) / refund received		64.38		(58.65)
Net cash flow (used in) / from operating activities	(A)	(4,874.82)		(4,262.89)
B. Cash flow used in investing activities				
Purchase of property, plant and equipment, including capital work in progress, intangible under development and capital advances		(203.05)		(4,679.37)
(Investments in) / redemption from units of mutual funds (net)		1,252.08		(108.87)
Net cash used in investing activities	(B)	1,049.03		(4,788.24)
C. Cash flow from financing activities				
Proceeds from issue of preference shares		–		6,000.00
Proceeds from borrowings		4,400.00		3,300.00
Payment of interest on borrowings		(471.88)		(214.58)
Payment of lease liability		(55.76)		(52.80)
Interest received		2.35		–
Net cash flow from financing activities	(C)	3,874.71		9,032.62
Net increase / (decrease) in cash and cash equivalents	(A+B+C)	48.92		(18.50)
Cash and cash equivalents at the beginning of the year		151.64		170.14
Cash and cash equivalents at the end of the year		200.56		151.64
Components of cash and cash equivalents				
Balances with banks				
On current accounts		200.56		151.64
Total cash and cash equivalents (refer note 6)		200.56		151.64
Reconciliation of liabilities from financing activities for the year ended 31 March 2025				
	As at March 31, 2024	Cash flows (net)	Interest charge	As at March 31, 2025
Borrowings - non-current	22,000.00	–	–	22,000.00
Non- current lease liabilities (Refer note 3C)	861.64	(55.76)	78.62	884.50
Borrowings - current	4,550.00	3,907.39	492.61	8,950.00
	27,411.64	3,851.63	571.23	31,834.50
Reconciliation of liabilities from financing activities for the year ended 31 March 2024				
	As at March 31, 2023	Cash flows (net)	Interest charge	As at March 31, 2024
Borrowings - non-current	16,000.00	6,000.00	–	22,000.00
Non- current lease liabilities (Refer note 3C)	837.98	(52.80)	76.46	861.64
Borrowings - current	1,250.00	3,085.42	214.58	4,550.00
	18,087.98	9,032.62	291.04	27,411.64
Summary of material accounting policies		2		

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

Atin Bhargava

Partner

Membership No.: 504777

Place : Hyderabad

Date : April 22, 2025

For and on behalf of the Board of Directors of

ITC IndiVision Limited

CIN: U16007WB2020PLC237915

S. Sivakumar

Chairman

DIN No.: 00341392

Place: Hyderabad

Date : April 22, 2025

Maruthi Lokanath Vagicharla

Chief Financial Officer

Place: Mysuru

Date : April 22, 2025

S. Sunil Nair

Whole time Director

DIN No.: 09765785

Place: Mysuru

Date : April 22, 2025

Debanjan Sarkar

Company Secretary

Membership No. A31527

Place : Kolkata

Date : April 22, 2025

ITC IndiVision Limited
Statement of Changes in Equity for the year ended March 31, 2025
(All amounts in Indian Rupees in Lakhs except as otherwise stated)

a) Equity share capital

Equity shares of Rs. 10 each, issued, subscribed and fully paid up	No. of shares	Amount
As at April 01, 2023	12,00,00,000	12,000.00
Issued during the year	—	—
As at March 31, 2024	12,00,00,000	12,000.00
As at April 01, 2024	12,00,00,000	12,000.00
Issued during the year	—	—
As at March 31, 2025	12,00,00,000	12,000.00

b) Other equity

	Retained earnings	Amount
As at April 01, 2023	(423.32)	(423.32)
Loss for the year	(3,112.28)	(3,112.28)
Total Other comprehensive income for the year	—	—
As at March 31, 2024	(3,535.60)	(3,535.60)
As at April 01, 2024	(3,535.60)	(3,535.60)
Loss for the year	(5,556.29)	(5,556.29)
Total Other comprehensive income for the year	4.75	—
As at March 31, 2025	(9,087.14)	(9,091.89)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

Atin Bhargava

Partner

Membership No.: 504777

Place : Hyderabad

Date : April 22, 2025

For and on behalf of the Board of Directors of

ITC IndiVision Limited

CIN: U16007WB2020PLC237915

S. Sivakumar

Chairman

DIN No.: 00341392

Place: Hyderabad

Date : April 22, 2025

S. Sunil Nair

Whole time Director

DIN No.: 09765785

Place: Mysuru

Date : April 22, 2025

Maruthi Lokanath Vagicharla

Chief Financial Officer

Place: Mysuru

Date : April 22, 2025

Debanjan Sarkar

Company Secretary

Membership No. A31527

Place : Kolkata

Date : April 22, 2025

ITC IndiVision Limited
Notes to the Financial Statements for the year ended March 31, 2025
(All amounts in Indian Rupees in Lakhs except as otherwise stated)

1. Corporate Information:

ITC Indivision limited ("IIVL" or "the Company") [CIN: U16007WB2020PLC237915] is a public limited company incorporated in India on July 09, 2020 under the provisions of Companies Act 2013 ("Act") with its registered office at Virginia house, 37 Jawaharlal Nehru road, Kolkata, West Bengal-700 071, India.

The Company is the wholly owned subsidiary of ITC Limited. The Company is carrying out business activities relating to manufacturing and dealing in nicotine in liquid or other forms, including nicotine salts such as nicotine bitartrate (NiBt).

2. Material accounting policies

2.1 Basis of preparation

The Financial Statements for the period ended March 31, 2025 comprising of Balance Sheet as at March 31, 2025, Statement of Profit and Loss for the period ended March 31, 2025, including the Statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity for the period then ended, and a summary of explanatory notes (together hereinafter referred to as "Financial Statements") have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III of Companies act, 2013. The financial statements are prepared in accordance with the historical cost basis, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies.

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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102.Share-based Payment, leasing transactions that are within the scope of Ind AS116 - Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in

Ind AS 2 - Inventories or value in use in Ind AS 36 - Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

2.2 Summary of Material accounting policies

a. Operating Cycle

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 - Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation / enhancements are charged off as revenue expenditure unless they bring similar Material additional benefits.

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 asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30-60 Years
Leasehold Improvements	Shorter of lease period or estimated useful lives
Plant and Equipment	8 – 20 Years
Furniture and Fixtures	10 Years
Vehicles	8 – 10 Years
Office Equipment	5 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease. Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

c. Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- for assets acquired in a business combination at fair value on the date of acquisition.
- for separately acquired assets, at cost comprising the purchase price (including import duties and non refundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licences, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. The estimated useful life of intangible assets of the Company with finite lives are as follows:

Trademarks / Know How, Business and Commercial Rights	10 Years (unless shorter useful life is required based on contractual or legal terms)
Computer Software	5 Years

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

d. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

e. Inventories

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location

and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

f. Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gain/Losses arising out of fluctuations in the exchange rates are recognized in the Profit & Loss in the period in which they arise except in respect of Fixed Assets where exchange variance is adjusted in the carrying amount of the respective Fixed Assets.

To account for Profit/loss arising on cancellation or renewal of forward exchange contracts as income/ expense for the period, except in case of forward exchange contracts relating to liabilities incurred for acquiring Fixed Assets, in which case such profit / loss are adjusted in the carrying amount of the respective Fixed Assets.

To account for gain/losses on foreign exchange rate fluctuations relating to current assets and liabilities at the year end. / (Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss).

g. Financial instrument, Financial assets, Financial liabilities and Equity Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

- Financial assets are classified as those measured at:
 - amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and / or interest.
 - fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
 - fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, interest income and dividend income, if any, are recognised under 'other income' in the Statement of Profit and Loss in the period in which they arise.
- Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments: Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

i. Revenue

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods excludes Goods and Services Tax.

Revenue from the sale of goods and services is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of goods is when the control over the same is transferred to the customer, which is mainly upon delivery and in case of services, in the periods in which such services are rendered.

j. Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- related to or used for assets are deducted from the carrying amount of the asset.
- related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

k. Dividend Distribution

Dividends paid (including income tax thereon, if any) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders

l. Employee Benefits

Provident Fund and Employee State Insurance Scheme: Contribution towards provident fund and employee state insurance scheme for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis. The contributions are charged to the statement of Profit and Loss of the year, when the contributions to the respective funds are due.

Gratuity: Gratuity liability is a defined benefit obligation and is provided for on the basis of an independent actuarial valuation on projected unit credit method made at the end of each financial year. Service costs and net interest expense or

income is reflected in the Statement of Profit and Loss. Gain or loss on account of re measurement are recognised immediately through Other Comprehensive Income in the period in which they occur

Compensated Leave: The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

Short Term Employee Benefits: Liability is recognised during the period when the employee renders the services.

m. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (i.e., those leases that have lease term of 12 months or less from the commencement date and do not contain a purchase option) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude Rs. 5 Lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognized using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

n. Taxes on Income

Taxes on income comprises current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously

o. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

p. Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

q. Financial and Management Information Systems

The Company's Accounting System is designed to unify the Financial and Cost Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

ITC IndiVision Limited
Notes to the Financial Statements for the year ended March 31, 2025
(All amounts in Indian Rupees in Lakhs except as otherwise stated)

3A. Property, plant and equipment

Particulars	Buildings	Plant and Equipment	Furniture and Fixtures	Office Equipment	Total
Gross carrying amount					
As at March 31, 2023	–	106.75	20.50	89.80	217.05
Additions during the year	10,015.08	21,138.29	218.49	205.81	31,577.67
Disposals during the year	–	–	–	–	–
As at March 31, 2024	10,015.08	21,245.04	238.99	295.61	31,794.72
Additions during the year	–	190.64	5.48	10.48	206.61
Disposals during the year	–	–	–	–	–
As at March 31, 2025	10,015.08	21,435.69	244.47	306.09	32,001.33
Depreciation and amortisation					
As at March 31, 2023	–	14.49	3.68	36.77	54.94
Charge for the year	175.02	498.21	11.15	40.15	724.53
Disposals	–	–	–	–	–
As at March 31, 2024	175.02	512.70	14.83	76.92	779.47
Charge for the year	429.21	1,344.37	22.94	64.58	1,861.10
Disposals	–	–	–	–	–
As at March 31, 2025	604.23	1,857.07	37.77	141.50	2,640.57
Net block					
As at March 31, 2025	9,410.85	19,578.62	206.70	164.59	29,360.76
As at March 31, 2024	9,840.06	20,732.34	224.16	218.69	31,015.25

3B. Capital Work-in-Progress and Intangible Assets under development

Particulars	Capital Work-in-Progress		Intangible Assets under development	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Opening Balance	3.56	25,833.98	40.00	344.99
Additions	203.05	5,747.25	–	193.67
Capitalised during the year	(206.61)	(31,577.67)	–	(498.66)
Total	–	3.56	40.00	40.00

Borrowing Cost Capitalised during the FY 2023-24 ₹1,097.77 Lakhs

Ageing schedule

Particulars	Capital Work-in-Progress		Intangible Assets under development	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Less than 1 Year	–	3.56	–	40.00
1 - 2 Years	–	–	40.00	–
2 - 3 Years	–	–	–	–
More than 3 years	–	–	–	–
Total	–	3.56	40.00	40.00

During the previous year, project was under progress and there are no projects which were temporarily suspended.

3C. Right-of-use assets

The Company has lease contract for land for which Right of use assets has been created

Particulars	As at March 31, 2025	As at March 31, 2024
Gross carrying amount		
Opening Balance	783.73	783.73
Additions	–	–
Disposals	–	–
Total	783.73	783.73
Accumulated amortization		
Opening Balance	93.03	66.90
Charge for the year*	26.12	26.13
Disposals	–	–
Total	119.15	93.03
Net block		
Total	664.58	690.70

*₹ 13.06 Lakhs Transferred to Capital Work-in-Progress in FY 2023-24.

Set out below are carrying amounts of lease liabilities and movements during the year

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	861.64	837.98
Additions	–	–
Accretion of interest	78.62	76.46
Payments	(55.76)	(52.80)
Closing Balance	884.50	861.64
Current	22.52	22.86
Non - Current	861.98	838.78

The effective interest rate for lease liabilities is 9.01% with maturity of Financial year 2050-51.

ITC IndiVision Limited
Notes to the Financial Statements for the year ended March 31, 2025
(All amounts in Indian Rupees in Lakhs except as otherwise stated)

The maturity analysis of lease liabilities is disclosed below:

Maturity analysis of contractual undiscounted cash flow	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
As at 31 March 2025					
Lease liabilities	14.52	43.56	262.97	2,494.91	2,815.96
Total undiscounted lease liabilities	14.52	43.56	262.97	2,494.91	2,815.96
As at 31 March 2024					
Lease liabilities	13.20	42.56	250.78	2,565.19	2,871.73
Total undiscounted lease liabilities	13.20	42.56	250.78	2,565.19	2,871.73

3D. Other Intangible Assets

Particulars	Computer Software	Know How, Business and Commercial Rights	Total
Gross carrying amount			
As at March 31, 2023	—	—	—
Additions during the year	193.15	305.51	498.66
Disposals during the year	—	—	—
As at March 31, 2024	193.15	305.51	498.66
Additions during the year	—	—	—
Disposals during the year	—	—	—
As at March 31, 2025	193.15	305.51	498.66
Depreciation and amortisation			
As at March 31, 2023	—	—	—
Charge for the year	10.88	14.75	25.63
Disposals	—	—	—
As at March 31, 2024	10.88	14.75	25.63
Charge for the year	39.25	30.63	69.88
Disposals	—	—	—
As at March 31, 2025	50.13	45.38	95.51
Net block			
As at March 31, 2025	143.02	260.13	403.15
As at March 31, 2024	182.27	290.76	473.03

4. Other assets

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Capital Advances	—	45.01
Prepaid expenses	60.48	69.77
	<u>60.48</u>	<u>114.78</u>
Current		
Balance with government authorities	3,998.86	3,564.35
Advance to Vendors	—	0.34
Prepaid Expenses	37.51	36.07
	<u>4,036.37</u>	<u>3,600.76</u>

5. Current investments

Particulars	As at March 31, 2025	As at March 31, 2024
In units of mutual funds		
Nil (March 31, 2024: 6,854.962) Units of UTI Liquid Fund-Direct Growth	—	271.32
Nil (March 31, 2024: 12,718.212) Units of Axis Liquid Fund-Direct Growth	—	341.32
Nil (March 31, 2024: 1,72,042.363) Units of ICICI Prudential Liquid Fund-Direct Growth	—	614.89
	<u>—</u>	<u>1,227.53</u>
Aggregate amount of unquoted investments	—	1,227.53

5A. Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good	673.54	32.49
Unsecured Considered Good - Related Party (Refer note no. 27)	165.98	—
	<u>839.52</u>	<u>32.49</u>

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Trade receivables ageing schedule

Particulars	Not Due	Less Than 6 Months	6 Months to 1 year	1-2 Year	2-3 Year	More Than 3 Years	Total
As at March 2025							
Undisputed Trade Receivables – considered good	839.52	-	-	-	-	-	839.52
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	839.52	-	-	-	-	-	839.42
Less: Allowance for Credit impairment	-	-	-	-	-	-	-
Total	839.52	-	-	-	-	-	839.42

Particulars	Not Due	Less Than 6 Months	6 Months to 1 year	1-2 Year	2-3 Year	More Than 3 Years	Total
As at March 2024							
Undisputed Trade Receivables – considered good	-	32.49	-	-	-	-	32.49
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	-	32.49	-	-	-	-	32.49
Less: Allowance for Credit impairment	-	-	-	-	-	-	-
Total	-	32.49	-	-	-	-	32.49

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.
- There are no unbilled receivables.

6. Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
On current accounts	200.56	151.64
	<u>200.56</u>	<u>151.64</u>

7. Financial assets - Others

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Security deposits	2.87	2.87
Derivative assets	39.37	-
	<u>42.24</u>	<u>2.87</u>
Breakup of Financial assets		
Particulars	As at March 31, 2025	As at March 31, 2024
Carried at Fair value		
Investments in units of mutual fund	-	1,227.53
Derivative assets	39.37	-
Carried at amortised cost		
Balances with banks	200.56	151.64
Security deposits	2.87	2.87
Trade Receivables	839.52	32.49
	<u>1,082.32</u>	<u>1,414.53</u>

8. Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
(At lower of cost and net realisable value)		
Raw material	1,949.77	2,412.75
Finished goods	1,283.89	1,045.56
Finished goods in transit	300.66	-
Stores and Spares	171.75	16.26
	<u>3,706.07</u>	<u>3,474.57</u>

9. Deferred tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax asset arising on account of timing differences relating to:		
On unabsorbed depreciation	1,210.00	574.60
On unabsorbed losses	697.32	301.28
On Lease Liability	151.78	147.86
On preliminary expenses	-	0.31
Deferred tax liability arising on account of timing differences relating to:		
On written down value difference of property, plant and equipment between Tax and Financial Books	(1,097.21)	(793.17)
On ROU Asset	(114.04)	(118.52)
On gain on mutual fund	-	(6.93)
	<u>847.85</u>	<u>105.43</u>

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Break up of deferred tax asset (net)

Particulars	Opening Balance	Recognised in the statement of profit and loss	Recognised in OCI	Closing balance
For the year ended 31 March 2025:				
Unabsorbed depreciation	574.60	635.40	-	1,210.00
Unabsorbed losses	301.28	396.05	-	697.33
Preliminary expenses	0.31	(0.31)	-	-
On Lease Liability	147.86	3.92	-	151.78
Written down value difference of property, plant and equipment between tax and financial books	(793.17)	(303.07)	-	(1,096.24)
Remeasurement of defined benefit	-	-	(0.98)	(0.98)
On ROU Asset	(118.52)	4.48	-	(114.04)
Gain on mutual fund	(6.93)	(6.93)	-	-
	105.43	729.54	(0.98)	847.85
For the year ended 31 March 2024:				
Unabsorbed depreciation	11.82	(562.78)	-	574.60
Unabsorbed losses	9.15	(292.13)	-	301.28
Preliminary expenses	0.61	0.30	-	0.31
On Lease Liability	-	(147.86)	-	147.86
Written down value difference of property, plant and equipment between tax and financial books	(3.89)	789.28	-	(793.17)
On ROU Asset	-	118.52	-	(118.52)
Gain on mutual fund	(4.38)	2.55	-	(6.93)
	13.31	(92.12)	-	105.43

9A Non-current tax assets

Particulars

As at
March 31, 2025As at
March 31, 2024

Advance Tax

—
—
—58.65
—
58.65

10. Equity share capital

Particulars	March 31, 2025		March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised share capital				
Equity Shares of ₹ 10 each	12,00,00,000	12,000.00	12,00,00,000	12,000.00
Preference Shares of ₹ 100 each	2,20,00,000	22,000.00	2,20,00,000	22,000.00
		34,000.00		34,000.00
Issued, subscribed and fully paid up shares				
	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of ₹ 10 each	12,00,00,000	12,000.00	12,00,00,000	12,000.00
9% Cumulative, Non Convertible, Redeemable Preference Shares of ₹ 100 each ("Preference Shares")	2,20,00,000	22,000.00	2,20,00,000	22,000.00
Less: Disclosed under Long term borrowing (refer note no. 13)	—	(22,000.00)	—	(22,000.00)
		12,000.00		12,000.00

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
At the beginning of the year	12,00,00,000	12,000.00	12,00,00,000	12,000.00
Issued during the year	—	—	—	—
Outstanding at the end of the year	12,00,00,000	12,000.00	12,00,00,000	12,000.00
Preference Shares				
At the beginning of the year	2,20,00,000	22,000.00	1,60,00,000	16,000.00
Issued during the year	—	—	60,00,000	6,000.00
Outstanding at the end of the year	2,20,00,000	22,000.00	2,20,00,000	22,000.00

b) Rights, preferences and restrictions attached to shares

Equity shares

The equity shares of the Company, having par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

9% Cumulative, non convertible, redeemable Preference share

The Preference shares of the Company, are entitled to dividend at the rate of 9% p.a. payable cumulatively. The Preference shares are redeemable at par within 7 years from the date of subscription of shares. The Company can exercise the call option at any time. The Preference shares shall not be converted into equity shares. The Preference shares are non-participating in nature and the voting rights shall be in accordance with Section 47 of the Act. In the event of winding up, the Preference shares shall be entitled to rank, as regards repayment of capital, in priority to the Equity Shares.

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

c) Details of shares held by Holding Company

Out of shares issued by the Company, shares held by its Holding Company are as below:

Particulars	As at March 31, 2025 Amount	As at March 31, 2024 Amount
ITC Limited, Holding Company		
120,000,000 (March 31, 2024: 120,000,000) Equity Shares of ₹ 10/- each fully paid	12,000.00	12,000.00
22,000,000 (March 31, 2024: 22,000,000) Preference Shares of ₹ 100/- each fully paid	22,000.00	22,000.00

d) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2025		March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
ITC Limited, Holding Company				
Equity Shares of ₹ 10 each fully paid	12,00,00,000	100.00%	12,00,00,000	100.00%
9% Cumulative, Non Convertible, Redeemable Preference Shares of ₹ 100 each	2,20,00,000	100.00%	2,20,00,000	100.00%

As per the records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership.

e) Details of promoter shareholding in the company

Name of the shareholder	March 31, 2025		March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
ITC Limited, Holding Company				
Equity shares of ₹ 10 each fully paid	12,00,00,000	100.00%	12,00,00,000	100.00%
9% Cumulative, Non Convertible, Redeemable Preference Shares of ₹ 100 each	2,20,00,000	100.00%	2,20,00,000	100.00%

11. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Balance, at the beginning of the year	(3,535.60)	(423.33)
Add: Loss for the year	(5,556.29)	(3,112.27)
Total Other comprehensive income for the year	4.75	—
Balance at the end of the year	(9,087.14)	(3,535.60)

Retained earnings:

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013

12. Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
- Total outstanding dues to micro enterprises and small enterprises	86.17	—
- Total outstanding dues to creditors other than micro enterprises and small enterprises	266.88	273.04
	353.05	273.04
- Trade Payables	208.41	81.07
- Trade Payables to related parties (refer note 27)	144.64	191.97
	353.05	273.04

Ageing schedule as at March 31, 2025

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	86.17	—	—	—	—	86.17
(ii) Others	—	266.88	—	—	—	266.88
(iii) Disputed dues - MSME	—	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—	—
Total	86.17	266.88	—	—	—	353.05

Ageing schedule as at March 31, 2024

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	—	—	—	—	—	—
(ii) Others	—	273.04	—	—	—	273.04
(iii) Disputed dues - MSME	—	—	—	—	—	—
(iv) Disputed dues - Others	—	—	—	—	—	—
Total	—	273.04	—	—	—	273.04

Micro, Small and Medium enterprises ("MSME")

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	86.17	—
Interest due on above	86.17	—

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006

The amount of interest accrued and remaining unpaid at the end of each accounting year

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

13. Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Long term		
9% Cumulative, Non Convertible, Redeemable Preference Shares of Rs. 100 each (refer note no. 10)	22,000.00	22,000.00
	<u>22,000.00</u>	<u>22,000.00</u>
Short term		
Loan from Financial institutions and banks	8,950.00	4,550.00
	<u>8,950.00</u>	<u>4,550.00</u>

The '9% Cumulative, Non Convertible, Redeemable Preference Shares of ₹100 each' have been considered as borrowing in view of the presentation requirement under Ind AS 32 on Financial Instruments - Presentation

Summary of Borrowing Arrangements

Particulars	Term of Repayment	Security	Rate of Interest	Sanctioned limit	Outstanding as on	
					March 31, 2025	March 31, 2024
Russell Credit Limited	Within 2 Years of first disbursement	Unsecured	8%	4,500.00	–	3,750.00
Hongkong & Shanghai Banking Corporation Limited	Within 1 year of disbursement	Unsecured	7.8%*	5,000.00	4,950.00	800.00
HDFC Bank Limited	Within 1 year of disbursement	Unsecured	7.8%*	5,000.00	4,000.00	–

*Interest rates are floating in nature and are benchmarked with market rates.

14. Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Payable to holding company (Refer note 27)	–	1.77
	<u>–</u>	<u>1.77</u>
Current		
Employee related payables	176.97	332.44
Payable to capital creditors	57.51	1,675.44
Provision for preference dividend	4,752.32	2,772.32
Interest accrued on borrowings	20.73	–
	<u>5,007.53</u>	<u>4,780.20</u>
Breakup of Financial liabilities		
Particulars	As at March 31, 2025	As at March 31, 2024
at Amortised cost		
Employee related payables	176.97	332.44
9% Cumulative, Non Convertible, Redeemable Preference Shares of Rs. 100 each	22,000.00	22,000.00
Loan from Financial institutions / Banks	8,950.00	4,550.00
Payable to capital creditors	57.51	1,675.44
Trade Payables	353.05	273.04
Provision for preference dividend	4,752.32	2,772.32
Interest accrued on borrowings	20.73	–
Payable to holding company (Refer note 27)	–	1.77
Lease Liability	884.50	861.64
	<u>37,195.08</u>	<u>32,466.65</u>

15. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Liabilities	76.65	45.97
	<u>76.65</u>	<u>45.97</u>

16. Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Non Current		
Gratuity (Refer Note 25)	10.10	5.50
Leave Encashment	6.70	8.74
	<u>16.80</u>	<u>14.24</u>
Current		
Gratuity (Refer Note 25)	0.02	–
Leave Encashment	0.17	–
	<u>0.19</u>	<u>–</u>

17. Revenue From Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Products	918.83	32.72
Other Operating Revenue		
Sale of by-product	47.74	35.51
Sale of Scrap	1.95	7.86
Export Incentive	18.64	–
Insurance claims received	1.35	–
	<u>988.51</u>	<u>76.09</u>

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

17A. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Gain arising on financial assets mandatorily measured at Fair value through profit and loss	24.55	42.31
Net Gain on foreign currency transactions and translation	35.32	0.16
Interest income	2.35	—
	<u>62.22</u>	<u>42.47</u>

18. Changes in Inventories of finished goods, work in progress, Stock-in-Trade and intermediates

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Inventories (A)		
Finished Goods	1,045.56	—
Stock-In-Trade	—	—
Work-In-Progress	—	—
Intermediates	—	—
Total	<u>1,045.56</u>	<u>—</u>
Closing Inventories (B)		
Finished Goods	1,584.55	1,045.56
Stock-In-Trade	—	—
Work-In-Progress	—	—
Intermediates	—	—
Total	<u>1,584.55</u>	<u>1,045.56</u>
Changes in inventories of finished goods, work in progress, Stock-in-Trade and intermediates (A-B)	<u>(538.99)</u>	<u>(1,045.56)</u>

19. Employee benefit expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and wages (including salaries of deputation from Holding Company)	938.23	832.43
Contribution to provident fund and other funds	24.32	21.28
Share based payments to employees	11.01	2.71
Staff welfare expenses	122.21	76.91
	<u>1,095.77</u>	<u>933.33</u>

20. Finance Cost

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on short term borrowings	492.61	214.58
Dividend on 9% Cumulative, Non Convertible, Redeemable Preference Shares	1,980.00	676.65
Unwinding of interest on lease liabilities	78.62	38.50
	<u>2,551.23</u>	<u>929.73</u>

21. Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation expense on Property, plant and equipment (Refer note- 3A)	1,861.10	724.53
Depreciation expense on Right -of -use asset (Refer note-3C)	26.12	13.07
Amortisation expense (Refer note-3D)	69.88	25.63
	<u>1,957.10</u>	<u>763.23</u>

22. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Power and fuel	495.33	240.14
Rent	9.50	11.80
Rates and Taxes	10.52	11.53
Insurance	49.27	30.26
Repairs and Maintenance		
Buildings	12.95	7.41
Machinery	164.59	37.82
Others	13.50	13.71
Outward Freight and Handling Charges	39.39	5.79
Warehouse Charges	49.85	67.73
Quality Analysis Charges	107.14	24.28
Advertisement/Sales Promotion	1.16	16.14
Stipend to Trainees	60.45	62.36
EHS Expenses	54.40	28.63
Bank and Credit Card Charges	0.18	0.28
Information technology services	41.06	43.80
Travelling and conveyance	70.39	86.45
Training & Development	—	2.48
Legal & Professional fees	46.99	12.07
Manpower Outsourcing	395.87	300.59
Printing & Stationery	13.89	8.38
Auditors Fee		
- Statutory audit	6.65	6.00
- Tax audit	1.50	1.25
Miscellaneous expenses	32.61	56.39
	<u>1,677.19</u>	<u>1,075.29</u>

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

23. Tax expense

Particulars

For the year ended
March 31, 2025For the year ended
March 31, 2024

A. Current tax

B. Deferred tax

—

(743.41)

(743.41)

—

(92.12)

(92.12)

Reconciliation for effective tax rate

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars

For the year ended
March 31, 2025For the year ended
March 31, 2024

Loss before tax

(6,299.70)

(3,204.39)

Income Tax expense *

(1,081.03)

(549.87)

Effect of Expenses not allowed / Income considered

339.78

475.73

Others

(2.16)

(17.98)

Income tax recognised in profit or loss

(743.41)

(92.12)

Effective tax rate

11.80%

2.87%

* Company has opted for taxation under Section 115BAB. Tax rate is 17.16% (including surcharge and cess).

24. Earnings per share (EPS)

The following reflects the Loss and share data used in the basic EPS computations:

For the year ended
March 31, 2025For the year ended
March 31, 2024

Loss after tax

(5,556.29)

(3,112.27)

Weighted average number of equity shares of Rs. 10 each outstanding during the year

12,00,00,000

12,00,00,000

Earning per share - Basic and Diluted (Rs.)

(4.63)

(2.59)

25. Gratuity and other post-employment benefit plans

(a) Defined contribution plan

The following amount recognised as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

31 March 2025

31 March 2024

Contribution to provident fund and other funds recognised as expense in the Statement of Profit and Loss

24.32

21.28

(b) Defined benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of continuous service gets a gratuity on retirement at 15 days last drawn basic salary for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following table summarises the components of net benefit expense recognised in the Statement of profit and loss and the funded status and amounts recognised in the balance sheet for the gratuity plan:

31 March 2025

31 March 2024

Statement of profit and loss

Net employee benefit expense recognised in the employee cost

Current service cost

4.70

0.43

Past service cost

—

5.07

Interest cost on defined benefit obligation

0.33

—

Interest on plan assets

—

—

Net benefit expense

5.03

5.50

Re measurement during the period/year due to :

Actuarial loss / (gain) arising from change in financial assumptions

0.43

—

Actuarial loss / (gain) arising from change in demographic assumptions

—

—

Actuarial loss / (gain) arising on account of experience changes

(0.84)

—

Return on plan assets excluding interest income

—

—

Amount recognised in OCI outside profit and loss statement

(0.41)

—

Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligation

5.50

—

Current service cost

4.70

0.43

Past service cost

—

5.07

Interest cost

0.33

—

Re measurement during the period due to:

Actuarial loss/(gain) arising from change in financial assumptions

0.43

—

Actuarial loss/(gain) arising from change in demographic assumptions

—

—

Actuarial loss/(gain) arising on account of experience changes

(0.84)

—

Benefits paid

—

—

Closing defined benefit obligation

10.12

5.50

Change in fair value of plan assets during the year

Opening fair value of plan assets

—

—

Contributions paid by the employer

—

—

Return on plan assets (Excluding interest income)

—

—

Benefits paid

—

—

Interest income on plan assets

—

—

Others (Employee contribution, taxes, expenses)

—

—

Closing fair value of plan assets

—

—

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

	31 March 2025	31 March 2024
Balance Sheet		
Reconciliation of net liability / asset		
Closing present value of defined benefit obligation	10.12	5.50
Closing fair value of plan assets	—	—
Closing net defined benefit liability	10.12	5.50
Net liability is bifurcated as follows:		
Current	0.02	—
Non-current	10.10	5.50
Net liability (net of plan assets)	10.12	5.50
The principal assumptions used in determining gratuity benefit obligation for the Company's plans are shown below:		
	31 March 2025	31 March 2024
Discount rate (p.a.)	6.75%	7.00%
Salary escalation rate (p.a.)	6.00%	6.00%
Mortality rate (as % of IALM (2012-14) (Mod.) Ult. Mortality Table)	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal rate	2.00%	2.00%
Normal retirement age (in years)	60.00	60.00
A quantitative analysis for significant assumptions is as shown below:	31 March 2025	31 March 2024
Assumptions - Discount rate		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	(1.56)	(0.87)
Impact of Decrease in 100 bps on defined benefit obligation	1.96	1.09
Assumptions - Salary Escalation rate		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	1.96	1.09
Impact of Decrease in 100 bps on defined benefit obligation	(1.59)	(0.88)
Assumptions - Withdrawal rates		
Sensitivity Level (a hypothetical increase/(decrease) by)		
Impact of Increase in 100 bps on defined benefit obligation	(0.15)	(0.01)
Impact of Decrease in 100 bps on defined benefit obligation	0.13	0.08
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
The following payments are expected contributions to the defined benefit plan in future years:		
Maturity Profile for defined benefit obligation:	31 March 2025	31 March 2024
Expected cashflows for following years		
Within the next 12 months (next annual reporting period)	0.02	0.01
Between 2 and 5 years	1.67	0.96
Between 6 and 10 years	1.69	0.96
Total expected payments	3.38	1.93
The weighted average duration of the defined benefit plan obligation at the end of the reporting period (based on discounted cash flows) is 18.00 years.		
26. Capital commitments		
Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	45.00	64.64
	45.00	64.64
27. Related party disclosures		
Names of related parties and description of relationship:		
a. Holding Company	ITC Limited	
b. Enterprises under common control	Russell Credit Limited	
	International Travel House Limited (associate of holding Company till 31.12.2024)	
	ITC Infotech India Limited	
	ITC Hotels Limited (from 01st January 2025 associate of holding Company)	
c. Subsidiaries of Ultimate Parent Company of Tobacco Manufacturers (India) Limited (TMI) of which the Holding Company is an Associate.		
d. Key Management Personnel	Mr. Sivakumar Surampudi - Chairman & Non - Executive Director	
	Ms. Nidhi Bajaj - Non-Executive Director	
	Mr. Ashit Kumar - Non-Executive Director	
	Mr. Habbela Narasimhaiah Ramaprasad - Non-Executive Director	
	Mr. Kurakula Nageswara Rao-Non Executive Director	
	Mr. S. Sunil Nair - Wholetime Director	
	Mr. Debanjan Sarkar - Company Secretary	
	Mr. Vagicharla Maruthi Lokanath - Chief Financial Officer	

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

(d) Transactions during the year

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Holding Company		
ITC Limited		
Allotment of preference shares	—	6,000.00
Purchase of products	502.87	702.00
Lease rental paid	58.61	68.33
Remuneration of Managers on Deputation reimbursed *	263.97	484.68
Reimbursement for Share Based Payments	11.01	11.41
Purchase of Services	3.28	213.63
Subsidiaries of ultimate Parent Company of Tobacco Manufacturers (India) Limited (TMI) of which the holding Company is an Associate.		
Sales	166.61	—
Enterprises under common control		
Russell Credit Limited		
Loan Taken	—	2,500.00
Loan Repaid	3,750.00	—
Interest on Loan	250.68	214.03
International Travel House Limited		
Purchase of Services	7.45	6.28
ITC Infotech India Limited		
Purchase of Services	16.78	45.52
Key Management Personnel		
Salaries	157.61	146.61

e) Closing balances:

Particulars	As at March 31, 2025	As at March 31, 2024
Others payables		
ITC Limited	144.64	191.28
ITC Infotech India Limited	—	0.69
Trade Receivables		
Subsidiaries of ultimate Parent Company of Tobacco Manufacturers (India) Limited (TMI) of which the holding Company is an Associate.	165.98	—

Significant terms & conditions:

All the transactions with related parties are in ordinary course of business and on arm's length basis. The amount outstanding is unsecured and will be settled in cash.

* Reimbursement of Managers on Deputation reimbursed excludes Key Management Personnel Salaries

28. Financial instruments and related disclosures

a. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return of the stakeholders through optimum fund utilization. The capital structure of the Company comprises of equity and preference share capital as detailed out in note 10. The Company's objective when managing capital is to maintain an optimal structure so as to maximise shareholder value. The Company is not exposed to any externally imposed capital restriction. Refer to note number 32 for the Company's Debt Equity Ratio.

b. Categories of Financial Instrument

Particulars	As at March 31, 2025	As at March 31, 2024
A. Financial Assets		
a) Measured at fair value through profit and loss (FVTPL)		
Investments in Mutual Funds	—	1,227.53
Derivative asset	39.37	—
b) Measured at amortised cost		
Cash and cash equivalents	200.56	151.64
Other Financial Assets	42.24	2.87
Trade Receivables	839.52	32.49
B. Financial Liabilities		
Measured at amortised cost		
Other Financial Liabilities	5,007.53	4,781.97
Lease Liabilities	861.98	838.78
Long term borrowings	22,000.00	22,000.00
Short term borrowings	8,950.00	4,550.00
Interest accrued on borrowings	20.73	—
Payable to holding company (Refer note 27)	—	1.77
Trade payables	353.05	273.04

c. Financial Risk Management Objectives

i) Market risk

The Company is not an active investor in Equity market. The Company's investments are predominantly held in debt mutual funds. The Company invest in mutual fund schemes of leading fund houses. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested such price risk are not significant.

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2024

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

ii) Interest rate risk

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

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. As at 31 March 2025, the Company's entire short-term borrowings are at a floating rate of interest.

Interest rate sensitivity

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

	Increase/decrease in basis points	Effect on profit or loss and other equity
As at 31 March 2025	+50	44.75
	-50	(44.75)
As at 31 March 2024	+50	(4.00)
	-50	4.00

iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. In the normal course of business the Company enters into transactions denominated in Indian Rupees and few transactions in foreign currencies. As a result, the Company is subject to exposure from fluctuations in foreign currency exchange rates. The Company's exposure to unhedged foreign currency changes is not significant.

The carrying amounts of the Company's foreign currency exposure at the end of the reporting period are as follows:

	EUR lacs	US dollars lacs	INR lacs
As at 31 March 2025			
Trade receivables	1.52	8.18	839.52
As at 31 March 2024			
Trade receivables	—	0.39	32.32

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in exchange rates (USD & EURO), with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

	Effect on profit before tax and other equity		
	Change by	As at 31 March 2025	As at 31 March 2024
Change in Exchange rates	5%	42	2
	-5%	(42)	(2)

iv) Liquidity risk

The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

Particulars	Other Financial Liabilities	Lease Liability	Total
Carrying Value			
Less than 3 months	743.43	5.63	749.06
More than 3 months up to 6 months	992.71	5.63	998.34
More than 6 months up to 1 year	499.07	11.26	510.33
More than 1 year	2,772.32	861.98	3,634.30
Total	5,007.53	884.50	5,892.03

* The table has been drawn up based on the earliest date on which the Company can be required to pay.

v) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company.

Majority of Trade receivables are from foreign customers and the credit risk is covered through insurance from ECGC.

Investment in mutual funds are made only with mutual funds and credit risk in such funds are limited because the underlying investments are diversified and the Company's investment framework considers the credit quality of the underlying investments made by the fund house..

29. Fair Value Measurement

Fair value hierarchy:

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). 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 with listed instruments where market is not liquid and for unlisted instruments.

There are no assets or liabilities, the fair value of which has been benchmarked / derived with quoted benchmarks and accordingly, there are no assets / liabilities classified at Level 2.

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

The following table provides the fair value measurement hierarchy for financial assets measured at fair value:

Financial Asset	Fair Value Hierarchy	Valuation Techniques	Fair Value as at March 31, 2025	Fair Value as at March 31, 2024
Investments in Mutual Funds	Level 1	Net Asset Value as declared by the Fund / quoted prices in active markets	–	1,227.53

30. Share Based Payment

The eligible employees deputed from ITC Limited (ITC) are covered under the ITC Employee Stock Option Schemes (ITC ESOS) and the ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR Plan) in accordance with the terms and conditions of such schemes, details of which are as under:

ITC ESOS: Each Option entitles the holder thereof to apply for and be allotted ten ordinary shares of ₹ 1.00 each of ITC upon payment of the exercise price during the exercise period. These options vest over a period of three years from the date of grant and are exercisable within a period of five years from the date of vesting. The options have been granted at the 'market price' as defined under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

ITC ESAR: Under the ITC ESAR Plan, eligible employees would receive cash linked to appreciation in the value of the shares of ITC in accordance with the terms and conditions of this Plan. The stock appreciation units (SARs) vest over a period of five years from the date of grant and entitles each ESAR grantee to the appreciation for the total number of ESAR Units vested.

The cost of stock options granted under ITC ESOS / ESARs granted under ITC ESAR have been recognized as equity settled / cash settled share based payments respectively in accordance with Ind AS 102 – Share Based Payment. In terms of said deputation arrangement, the Company has accounted for the cost of the fair value of options / stock appreciation units granted to the deputed employees on-charge by ITC. The fair value of the options / SARs granted is determined, using the Black Scholes Option Pricing model, by ITC for all the grantees covered under ITC ESOS / ITC ESAR as a whole.

In accordance with Ind AS 102, an amount of ₹ 11.01 lakhs towards ITC ESOS / ESAR has been recognized as employee benefits expense.

Particulars	As at March 31, 2025 ITC Hotels No. of Options	As at March 31, 2025 ITC Limited No. of Options	As at March 31, 2024 ITC Limited No. of Options
Outstanding at the beginning of the year	–	4,905	8,372
Add: Granted during the year	429	950	950
Less: Lapsed during the year	–	–	–
Add / (Less): Movement due to transfer of employees within the group.	–	–	–
Options Exercised during the year	–	(2,302)	(4,417)
Outstanding at the end of the year	429	3,553	4,905
Options exercisable at the end of the year	235	1,618	3,155
Options Vested and Exercisable during the year	235	765	420

31. Use of Estimates and Judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

32. Ratio analysis and its element**Ratio**

Particulars	March 31, 2025	March 31, 2024	% Change	Reasons for variance of more than 25%
Current ratio	0.61	0.88	(30%)	Increase in Short term borrowings and preference dividend payable resulting in decrease in current ratio.
Debt- Equity Ratio	10.63	3.14	239%	Decrease in equity on account of accumulated losses and increase in short term borrowings resulting in increase of debt equity ratio.
Debt Service Coverage Ratio (in times)	(1.91)	(5.31)	(64%)	Decrease is on account of higher losses in current year.
Return on Equity Ratio (in %)	(98%)	(31%)	214%	Decrease in ratio is on account of accumulated losses
Inventory Turnover Ratio (in Times)	0.28	0.03	896%	Increase is on account of increase in revenue from operations.
Trade Receivables Turnover Ratio (in times)	2.27	4.68	(52%)	Decrease is on account of increase in trade receivables in the current period.
Trade Payables Turnover Ratio (in times)	0.22	(1.57)	(114%)	Increase is on account of increase in the cost of materials consumed during current year.
Net Capital Turnover Ratio (in times)	(0.29)	(3.79)	(92%)	Increase is on account of increase in revenue from operations.
Net Profit Ratio (in %)	(562%)	(4090%)	(86%)	Increase is on account of increase in revenue from operations.
Return on Capital Employed (in %)	(99%)	(24%)	304%	Decrease in ratio is on account of accumulated losses
Return on Investment	–	8%	–	Investments are sold during the year

ITC IndiVision Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Element of Ratio					
Ratio	Period	Numerator		Denominator	
Current Ratio	March 31, 2025	Current Assets	8,824.76	Current Liabilities	14,409.94
	March 31, 2024		8,489.86		9,672.07
Debt- Equity Ratio	March 31, 2025	Debt (borrowings)	30,950.00	Total Equity	2,912.86
	March 31, 2024		26,550.00		8,464.40
Debt Service	March 31, 2025	Earning for Debt Service = Net loss after taxes + Depreciation + Finance Cost	(1,047.96)	Debt service = Interest and lease payments + Principal repayments	548.37
	March 31, 2024		(1,419.31)		267.38
Return on Equity ratio	March 31, 2025	Loss for the year	(5,551.54)	Average total equity	5,688.63
	March 31, 2024		(3,112.27)		10,020.54
Inventory turnover ratio	March 31, 2025	Revenue from operations	988.51	Average inventory	3,590.32
	March 31, 2024		76.09		2,753.13
Trade Receivable Turnover Ratio	March 31, 2025	Revenue from operations	988.51	Average trade receivables	436.01
	March 31, 2024		76.09		16.25
Trade Payable Turnover Ratio	March 31, 2025	Cost of material consumed + purchased of traded goods + other manufacturing expenses	69.14	Average trade payables	313.04
	March 31, 2024		(378.63)		241.62
Net Capital turnover ratio	March 31, 2025	Revenue from operations	988.51	Average working capital (i.e. Total current assets less Total current liabilities)	(3,383.69)
	March 31, 2024		76.09		(20.07)
Net profit ratio	March 31, 2025	Loss for the year	(5,551.54)	Revenue from operations	988.51
	March 31, 2024		(3,112.27)		76.09
Return on capital employed	March 31, 2025	Profit before tax and finance costs	(3,743.72)	Capital employed = Shareholders' funds + Lease liabilities	3,797.36
	March 31, 2024		(2,274.66)		9,326.04
Return on Investment	March 31, 2025	Gain arising on financial assets mandatorily measured at FVTPL	24.55	Current Investment	—
	March 31, 2024		95.20		1,227.53

33. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

34. The financial statements were approved for issue by the Board of Directors on April 22, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

35. Other Statutory Information

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding 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 to or on behalf of the Ultimate Beneficiaries
- The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - 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,
- The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- The Company has not declared/paid any dividend during the year.

36. Standards issued but not effective

There are no standards that are notified and not yet effective as on date.

37. Significant Events after reporting period:

There are no significant events that occurred subsequent to the reporting period.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

Atin Bhargava

Partner

Membership No.: 504777

Place : Hyderabad

Date : April 22, 2025

For and on behalf of the Board of Directors of

ITC IndiVision Limited

CIN: U16007WB2020PLC237915

S. Sivakumar

Chairman

DIN No.: 00341392

Place: Hyderabad

Date : April 22, 2025

Maruthi Lokanath Vagicharla

Chief Financial Officer

Place: Mysuru

Date : April 22, 2025

S. Sunil Nair

Whole time Director

DIN No.: 09765785

Place: Mysuru

Date : April 22, 2025

Debanjan Sarkar

Company Secretary

Membership No. A31527

Place : Kolkata

Date : April 22, 2025

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Your Directors submit their Report for the financial year ended 31st March, 2025.

2. PERFORMANCE OF THE COMPANY

The Company has been incorporated as a wholly owned subsidiary of ITC Limited ('ITC') with its main object being manufacture of paper and paper products including products from moulded pulp or moulded fibre.

The Company is into manufacturing of premium Moulded Fibre Products which are made from renewable natural fibres such as wood, bamboo, bagasse and waste paper, and it offers sustainable packaging solutions across industries including food service & delivery, pharmaceutical, personal care and electronics.

During the year under review, the comprehensive handover of the entire factory, including the administrative building, interior works and additional amenities at the Company's state-of-the-art manufacturing facility at Badiyakhedi, Madhya Pradesh, were completed. The facility, equipped with 18 advanced thermoforming machines and inline high-speed trimming systems, is geared to pursue opportunities in rapidly evolving sustainable packaging solutions space. The Company has the unique capability to manufacture complex Moulded Fibre Products in India.

The Company is focusing on niche segments (such as cup lids, industrial packing solutions, etc.) to leverage its superior technology and has created a mother brand "Fyba" signifying commitment to sustainable fibres.

During the year, the Company has obtained multiple product certifications under US FDA, German BFR, European Union and Indian standards, certifying the products to be food contact safe and environment friendly. The Company is leveraging the certifications as a differentiator with both domestic and overseas customers offering superior and complex moulded fibre products to domestic and global customers.

The financial results of your Company, summarised, are as under:

		For the financial year 2024-25 (₹ in lakhs)	For the Period from March 03, 2023 to March 31, 2024 (₹ in lakhs)
a.	Total Income	460.61	125.70
b.	Total Expenses	3025.61	512.81
c.	Profit / (Loss) Before Tax	(2565.00)	(387.11)
d.	Less: Deferred Tax	424.09	31.11
e.	Profit / (Loss) After Tax	(2140.91)	(356.00)

3. SHARE CAPITAL

During the year under review, with the approval of the Members, the Authorised Share Capital of the Company was increased from ₹ 250 crores divided into 25,00,00,000 Equity Shares of ₹ 10/- each to ₹ 500 crores divided into 50,00,00,000 Equity Shares of ₹ 10/- each.

Further, the Company raised funds aggregating ₹ 90 crores by issuing 9,00,00,000 Equity Shares of ₹ 10/- each through rights issue. Consequently, the Issued, Subscribed and Paid-up Share Capital of the Company as on 31st March, 2025 stood at ₹ 290 crores divided into 29,00,00,000 Equity Shares of ₹ 10/- each.

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL
(a) Changes in Directors during the year

The Board of Directors of the Company ('the Board') at the meeting held on 27th June, 2024 appointed Ms. Ushasi Das (DIN: 10260027) as an Additional Non-Executive Director of the Company with effect from the said date. Further, the appointment of Ms. Das as Non-Executive Director was also approved by the Members at the Extraordinary General Meeting of the Company held on 22nd August, 2024.

The Board at the Meeting held on 24th September, 2024 appointed Mr. Rajesh Kumar Ponnuru (DIN: 10764624) and Mr. Kannan Aiyyer (DIN: 10775801) as Additional Non-Executive Directors of the Company with effect from the said date.

In accordance with Section 161 of the Companies Act, 2013 ('Act') and the Articles of Association of the Company, Mr. Ponnuru and Mr. Aiyyer will vacate their office at the ensuing Annual General Meeting ('AGM') and are eligible for appointment as Directors of the Company.

The Board at the meeting held on 22nd April, 2025 recommended for the approval of the Members, appointment of Mr. Ponnuru and Mr. Aiyyer as Non-Executive Directors of the Company, liable to retire by rotation. Requisite Notices under Section 160 of the Act have been received by the Company for the appointments of Mr. Ponnuru and Mr. Aiyyer. The Company has also received the consents to act as Director of the Company from Mr. Ponnuru and Mr. Aiyyer, if appointed.

Appropriate resolutions seeking your approval to the aforesaid appointments are appearing in the Notice convening the ensuing AGM of the Company.

Mr. Vadiraj Kulkarni (DIN: 10063753) and Mr. Peter Claude Rasquinha (DIN: 09237557) stepped down as the Non-Executive Directors of your Company with effect from close of work on 27th September, 2024 and 13th November, 2024, respectively.

Your Directors place on record their appreciation for the valuable contribution made by Mr. Kulkarni and Mr. Rasquinha during their association with the Company.

(b) Changes in Key Managerial Personnel during the year

During the year under review, Mr. Vardaan Bhatia ceased to be the Manager of the Company with effect from close of work on 18th June, 2024.

The Board, at the meeting held on 18th June, 2024, appointed Mr. A. V. Hari Krishna, as the Manager of the Company in terms of Sections 196, 197 and 203 of the Act and the Rules made thereunder, for a period of two years with effect from 19th June, 2024. The appointment of Mr. Hari Krishna as Manager was also approved by the Members of the Company at the Extraordinary General Meeting held on 22nd August, 2024.

Mr. Santhosh Bollabattini ceased to be the Company Secretary of the Company with effect from close of work on 9th July, 2024. The Board at the Meeting held on 14th December, 2024, in terms of Section 203 of the Act, re-appointed Mr. Bollabattini as the Company Secretary of the Company with effect from the said date.

Ms. Kolusu Sri Lakshmi Tirumala ceased to be the Chief Financial Officer of the Company with effect from close of work on 18th February, 2025.

There were no other changes in the composition of the Board and the Key Managerial Personnel of your Company during the year under review.

(c) Directors – Retirement by Rotation

In accordance with the provisions of Section 152 of the Act read with the Articles of Association of the Company, Mr. Sumant Bhargavan (DIN: 01732482) will retire by rotation at the ensuing AGM of the Company and, being eligible, offers himself for re-election. Your Board has recommended his re-election.

(d) Board Evaluation

For the year under review, the Board carried out an evaluation of its own performance and that of the individual Directors, as required under Section 134 of the Act. The evaluation was carried out through a structured evaluation process basis the parameters derived from the Board's core role of trusteeship to protect and enhance shareholder value as well as fulfill expectations of other stakeholders through strategic supervision. Performance evaluation of individual Directors was carried out in the context of the role played by each Director, as a member of the Board in assisting the Board in realizing its role of strategic supervision of the functioning of the Company.

5. BOARD MEETINGS

Twelve Meetings of the Board were held during the year ended 31st March, 2025.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2025 and of the loss of the Company for the year ended on that date;
- taken proper and sufficient care for the 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 fraud and other irregularities;
- prepared the Annual Accounts on a going concern basis; and
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

8. PARTICULARS OF EMPLOYEES

The details of top ten employees of the Company in terms of remuneration drawn, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in Annexure 1 to this Report.

The Company seeks to provide equal opportunities for men and women and is committed to a gender-friendly workplace. To ensure a safe and progressive work environment, your Company has constituted an Internal Complaints Committee in compliance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the year ended 31st March, 2025, no complaint of sexual harassment was received.

9. DEPOSITS

Your Company has not accepted any deposit from the public / members under section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

10. RISK MANAGEMENT

The Company has formulated a Risk Management Policy which is designed to bring robustness to the risk management processes, and addresses risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company. The risk management framework of the Company is commensurate with its size and nature of business.

In terms of the aforesaid Risk Management Policy approved by the Board, management of risks vests with the executive management responsible for the day-to-day conduct of the affairs of the Company within the overall framework approved by the Board.

The Internal Auditors of the Company, appointed by the Board, carry out risk focused audits with the objective of identifying areas where risk management processes could be strengthened. The Board annually reviews the effectiveness of the Company's risk management systems and policies.

A combination of policies and processes as outlined above adequately addresses the various risk associated with the Company's operations.

11. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with respect to the Financial Statements, commensurate with its structure, size and scale of operations.

The Financial Statements of the Company are prepared on the basis of Material Accounting Policies that are carefully selected by the management and approved by the Board. This, along with the transactional controls built into the systems, ensure appropriate segregation of duties and approval mechanisms commensurate with the level of responsibility.

During the year under review, the internal financial controls in the Company with respect to the Financial Statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

13. RELATED PARTY TRANSACTIONS

During the year ended 31st March, 2025, all contracts or arrangements entered into by the Company with its related parties were in the ordinary course of business and on an arm's length basis.

The details of material related party transactions of the Company are disclosed in the prescribed Form No. AOC-2 and are enclosed as **Annexure 2** to this Report.

14. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

15. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

16. ANNUAL RETURN

In terms of Sections 92(3) and 134 of the Act, the annual return of the Company is available on the website of the Company and the same can be accessed at: <https://itcfibre.in/Compliance>.

17. AUDITORS

(a) Statutory Auditors

Messrs. S. R. Batliboi & Associates LLP ('SRBA'), Chartered Accountants, were appointed as the Auditors of your Company at the 1st AGM held on 18th June, 2024 to hold such office till the conclusion of the 6th AGM of the Company. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, remuneration of SRBA to conduct the statutory audit of the Company for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

There is no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditor in their Report on the Financial Statements of the Company for the year ended 31st March, 2025.

(b) Secretarial Auditors

Your Board appointed Messrs. MKB & Associates, Practicing Company Secretaries, to conduct secretarial audit of the Company for the financial year ended 31st March, 2025. The Secretarial Auditors have confirmed that your Company has complied with the applicable laws and that there are adequate systems and processes in your Company commensurate with its size and scale of operations to monitor and ensure compliance with the applicable laws. The Report of Messrs. MKB & Associates in the prescribed Form No. MR 3, in terms of Section 204 of the Act, is enclosed as **Annexure 3** to this Report.

There is no qualification, reservation, adverse remark or disclaimer made by the Secretarial Auditors in the Secretarial Audit Report.

18. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The design of the Company's manufacturing facility incorporates maximum use of natural lighting, insulation for minimal heat transfer and use of energy efficient equipment. The equipment & process flow design and technology selection are aimed at achieving high efficiencies with optimal energy utilisation.

During the year under review, no specific knowhow or technology was imported by the Company. The Company has not carried out any activity which can be construed as a research and development activity. However, the Company endeavors to adopt and use the latest technologies to improve the efficiency and effectiveness of its operations leading to product improvement, cost reduction, product development or import substitution.

During the year under review, foreign exchange earnings aggregated ₹ 0.07 crores (previous year: Nil) and foreign exchange outflow aggregated ₹ 31 crores (previous year: ₹ 180 crores).

20. ACKNOWLEDGEMENT

Your Directors acknowledge the assistance and support rendered to the Company by all the stakeholders and look forward to the future with confidence.

On behalf of the Board

B. Sumant
Chairman
Kolkata

Dated: 22nd April, 2025

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025

[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Names of employees	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of deputation / employment	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
Vardaan Bhatia #	31	Head – Centre of Excellence [§]	63,01,452	40,32,678	B. Tech (Chemical)	8	16th March, 2023	ITC Limited - Manager- Sustainable Products & Packaging
Veerabhadra Rao Manda #	42	Head - Sales & Marketing	39,27,759	25,24,383	MBA	19	1st January, 2024	ITC Limited - Regional Manager Sales – Central Region
Pranav Shrikant Khobragade #	25	Deputy Manager – Projects	34,65,688	23,15,438	B. Tech (Chemical)	4	16th March, 2023	ITC Limited - Assistant Manager - Sustainable Products & Packaging
A.V. Hari Krishna #	45	Manager [@]	32,70,053	21,39,962	B Tech (Chemical)	19	19th June 2024	ITC Limited - Chief Manager (Process)
Amit Sharma	35	Manager, HR	20,04,000	15,95,304	MBA	12	10th August, 2023	Duroflex Private Limited Senior Manager - HR
Sumit Dwivedi	36	Deputy Manager, Production	16,19,400	13,84,464	B. Tech (Mechanical)	15	16th November, 2023	Satia Industries Limited - Senior Manager - Production
Arjun Shivaji Tayade	35	Deputy Manager, Design	12,39,000	11,14,176	PG Tool & Die Making	14	7th September, 2023	Pidilite Industries Limited - Assistant Manager - Design
Santhosh Bollabattini #	41	Company Secretary [^]	11,41,121	7,64,633	B.Com, ACS, LL.B.	16	14th December, 2024	ITC Limited - Deputy Manager (Finance)
Akash Yadav	25	Assistant Manager, Sales & Marketing	8,16,000	7,62,888	MBA	3	4th December, 2023	MRF Limited - Territory Sales Manager
Ankur Deshmukh	32	Officer, Stock Preparation	5,32,920	5,06,988	BE	5	11th December, 2023	Voyage Agri Solutions Private Limited - Warehouse Supervisor

On deputation from ITC Limited, holding company.

§ Ceased to be Manager w.e.f. close of work on 18th June, 2024 and appointed as Head - Centre of Excellence w.e.f. 19th June, 2024.

@ Appointed as Manager w.e.f. 19th June, 2024

^ Ceased to be Company Secretary w.e.f. close of work on 9th July, 2024 and re-appointed w.e.f. 14th December, 2024.

Notes:

- Gross remuneration includes salary, variable pay / performance bonus, contribution to provident fund, allowances & other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined, where applicable. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less:
 - income tax, surcharge (as applicable) & education cess deducted at source; and
 - employee's own contribution to provident fund.
- The aforesaid employees are neither relatives of any Director / Manager of the Company nor hold any equity share in the Company.
- All appointments (except deputed employees) are contractual in accordance with the terms and conditions as per your Company's rules.

On behalf of the Board

B. Sumant

Chairman

Kolkata

Dated: 22nd April, 2025

Annexure 2 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under fourth proviso thereto**1. Details of contracts or arrangements or transactions not at arm's length basis**

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited – Holding Company (ITC)		ITC Infotech India Limited – Fellow Subsidiary
b)	Nature of contracts / arrangements / transactions	Purchase of Goods & Services from ITC	Lease arrangement with ITC	Purchase of IT Services
c)	Duration of the contracts / arrangements / transactions	Ongoing	Ongoing	Ongoing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	i. Purchase of raw materials. Value of Transaction for the year ended 31st March, 2025: ₹ 2.53 Cr. ii. Project Management Consultancy services Value of Transaction for the year ended 31st March, 2025: ₹ 3.87 Cr. iii. Internal Audit services Value of Transaction for the year ended 31st March, 2025: ₹ 0.02 Cr	i. Office space taken on lease from ITC Value of Transaction for the year ended 31st March, 2025: ₹ 0.03 Cr. ii. Sub lease of factory land at Sehore, Madhya Pradesh Value of Transaction for the year ended 31st March, 2025: ₹ 0.35 Cr.	Purchase of IT Services. Value of the Transaction for the year ended 31st March, 2025 ₹ 0.27 Cr:
e)	Date(s) of approval by the Board, if any	i. 29th March, 2024 ii. 15th March, 2023, 29th March & 24th September, 2024 iii. 1st August, 2024	i. 4th March, 2023 & 14th December, 2024 ii. 4th March, 2023 & 29th March, 2024	29th March, 2024
f)	Amount paid as advances, if any	Nil		

On behalf of the Board

B. Sumant

Chairman

Kolkata

Dated: 22nd April, 2025

Annexure 3 to the Report of the Board of Directors for the year ended 31st March, 2025**Form No. MR-3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
ITC Fibre Innovations Limited
Virginia House
37 Jawaharlal Nehru Road, Russel Street
Kolkata 700071, West Bengal

We have conducted Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ITC Fibre Innovations Limited (hereinafter called "the Company"), bearing CIN U46496WB2023PLC260213 for the financial year ended 31st March, 2025. The Secretarial Audit was conducted in accordance with the Guidance Note issued by the Institute of Company Secretaries of India (a statutory body constituted under the Company Secretaries Act, 1980), read with the Company Secretaries Auditing Standards (CSAS), and in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025, to the extent applicable, according to the provisions of the Companies Act, 2013 ('the Act') and the Rules made thereunder.

Other than fiscal, labour and environmental laws which are generally applicable to all manufacturing companies, the following laws / acts are also, inter alia, applicable to the Company, as identified and compliance whereof as confirmed by the management, that is to say:

- The Factories Act, 1948;
- The Legal Metrology Act, 2009;
- The Bureau of Indian Standards Acts and Rules;
- The Foods Safety and Standards (Packaging) Regulations, 2018.

We have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) pursuant to Section 118 of the Act, issued by the Institute of Company Secretaries of India.

We report that during the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- a) The Board of Directors of the Company is duly constituted in compliance with the applicable provisions of the law. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all Directors to schedule Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, in compliance with the applicable provisions of the law, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and therefore, there were no dissenting views that were required to be recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period,

- a) The Company had increased its authorised capital from Rs. 250 crores divided into 25,00,00,000 Equity Shares of Rs. 10/- each to Rs. 500 crores divided into 50,00,00,000 Equity Shares of Rs. 10/- each vide Ordinary Resolution dated 22nd August, 2024.
- b) The Company had issued 9,00,00,000 fully paid-up Equity Shares of Rs. 10/- each through rights issue aggregating Rs. 90 crores.

This Report is to be read with our letter of even date which is annexed as **Annexure – 1** which forms an integral part of this Report.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Raj Kumar Banthia
Partner

Date: 22nd April, 2025
Place: Kolkata
UDIN: A017190G000173247

Membership no. 17190
COP no. 18428
Peer Review Certificate No. 1663/2022

ANNEXURE – 1

To
The Members
ITC Fibre Innovations Limited
Virginia House
37 Jawaharlal Nehru Road, Russel Street
Kolkata 700071, West Bengal

Our Secretarial Audit Report for the Financial Year ended on 31st March, 2025 of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on such secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management's Representation about the compliance of laws, rules, regulations, guidelines and directions etc.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For MKB & Associates
Company Secretaries
Firm Reg No: P2010WB042700

Raj Kumar Banthia
Partner

Date: 22nd April, 2025
Place: Kolkata
UDIN: A017190G000173247

Membership no. 17190
COP no. 18428
Peer Review Certificate No. 1663/2022

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF ITC FIBRE INNOVATIONS LIMITED****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of ITC Fibre Innovations Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, 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 financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other 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 financial statements in accordance with the Standards on Auditing (SAs), as 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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. 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.

Responsibility of Management 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, 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;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of 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 financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, 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 is 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 these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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. a) 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such 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 (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination which included test checks, the Company has used 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 (refer Note 34 to the financial statements). 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

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Shankar Srinivasan

Partner

Place of Signature: Hyderabad

Membership Number: 213271

Date: April 22, 2025

UDIN: 25213271BMISPP3945

ANNEXURE '1' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE

RE: ITC FIBRE INNOVATIONS LIMITED ("THE COMPANY")

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). (a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment were physically verified during the year by the management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) There is no immovable property other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee, held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2025.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii). a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate and no discrepancies were noticed.
- b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii). a) The Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) to (f) of the Order is not applicable to the Company.
- (iv). 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 requirement to report on clause 3(iv) of the Order is not applicable to the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi). The Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company.
- (vii). a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable, provisions relating to sales tax, service tax, value added tax and duty of excise are not applicable to the Company.
- b) There are no dues of goods and services tax, provident fund, employees' state insurance, income tax, customs duty, cess, and other statutory dues which have not been deposited on account of any dispute. Provisions relating to sales tax, service tax, value added tax and duty of excise are not applicable to the Company.
- (viii). The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company
- (ix). (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on 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 did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) The Company did not raise any short term funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) and 3(ix) (f) of the Order is not applicable to the Company.
- (x). (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi). (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 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). (a) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to 3(xii) (c) of the Order is not applicable to the Company.
- (xiii). Transactions with the related parties are in compliance with sections 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company
- (xiv). (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us
- (xv). The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi). (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (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. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii). The Company has incurred cash losses amounting to Rs.1,550.25 lakhs in the current year and amounting to Rs.431.95 lakhs in the immediate

preceding financial year.

- (xviii). There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix). On the basis of the financial ratios disclosed in note 33 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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). The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Shankar Srinivasan**

Partner

Place of Signature: Hyderabad

Date: April 22, 2025

Membership Number: 213271

UDIN: 25213271BMISPP3945

ANNEXURE "2" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ITC FIBRE INNOVATIONS LIMITED

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 ITC Fibre Innovations 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.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these 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 these 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 these 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 these financial statements.

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, 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 over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Shankar Srinivasan**

Partner

Place of Signature: Hyderabad

Date: April 22, 2025

Membership Number: 213271

UDIN: 25213271BMISPP3945

ITC FIBRE INNOVATIONS LIMITED

BALANCE SHEET AS AT MARCH 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, Plant and Equipment	3A	20,465.02	7,676.50
Capital work-in-progress	3B	135.05	6,898.22
Intangible assets	3D	40.61	41.51
Right-of-use assets	3C	173.01	238.81
Financial assets			
Other financial assets	8	283.64	282.24
Deferred tax assets (net)	10	455.54	31.11
Other non-current assets	4	286.13	1,778.94
		<u>21,839.00</u>	<u>16,947.33</u>
Current assets			
Inventories	9	1,717.70	389.70
Financial assets			
Investments	5	2,841.07	3,595.63
Trade receivables	6	41.52	1.74
Cash and cash equivalent	7	4.57	141.74
Other financial assets	8	2.58	4.48
Other current assets	4	2,566.81	1,838.39
		<u>7,174.25</u>	<u>5,971.68</u>
Total assets		<u>29,013.25</u>	<u>22,919.01</u>
Equity and liabilities			
Equity			
Equity Share Capital	11	29,000.00	20,000.00
Other Equity	12	(2,498.56)	(356.00)
		<u>26,501.44</u>	<u>19,644.00</u>
Non-current liabilities			
Financial liabilities			
Lease Liabilities	3C	126.59	185.10
Provisions	16	6.72	—
		<u>133.31</u>	<u>185.10</u>
Current liabilities			
Financial liabilities			
Trade payables	13		
- total outstanding dues to micro enterprises and small enterprises		62.50	—
- total outstanding dues to creditors other than micro enterprises and small enterprises		137.59	211.68
Lease liabilities	3C	25.90	19.27
Other financial liabilities	14	2,129.27	2,793.55
Other current liabilities	15	23.08	63.53
Provisions	16	0.16	1.88
		<u>2,378.50</u>	<u>3,089.91</u>
Total liabilities		<u>2,511.81</u>	<u>3,275.01</u>
Total equity and liabilities		<u>29,013.25</u>	<u>22,919.01</u>
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of

ITC Fibre Innovations Limited

CIN: U46496WB2023PLC260213

Per Shankar Srinivasan

Partner

Membership No.: 213271

Place: Hyderabad

Date: April 22, 2025

B Sumant

Chairman

DIN No.: 01732482

Place: Kolkata

Date: April 22, 2025

Kannan Aiyer

Director

DIN No.: 10775801

Place: Hyderabad

Date: April 22, 2025

Santhosh Bollabattini

Company Secretary

M. No.: A70785

Place: Hyderabad

Date: April 22, 2025

AV Harikrishna

Manager

Place: Sehere

Date: April 22, 2025

ITC FIBRE INNOVATIONS LIMITED

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Particulars	Notes	For the Year Ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Income			
Revenue from operations	17	177.00	1.41
Other income	18	283.61	124.29
Total income		<u>460.61</u>	<u>125.70</u>
Expenses			
Cost of raw material consumed		400.12	1.13
(Increase) in inventories of finished goods and work in progress	19	(442.97)	(0.59)
Employee benefits expense	20	486.78	116.51
Finance costs	21	15.47	2.78
Depreciation and amortisation expense	22	1,076.52	30.47
Other expenses	23	1,489.69	362.51
Total expense		<u>3,025.61</u>	<u>512.81</u>
Loss before tax		<u>(2,565.00)</u>	<u>(387.11)</u>
Tax expenses			
Current tax		—	—
Deferred tax	10	(424.09)	(31.11)
Total tax expenses		<u>(424.09)</u>	<u>(31.11)</u>
Loss for the year		<u>(2,140.91)</u>	<u>(356.00)</u>
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to the statement of profit and loss			
Re-measurement losses on defined benefit plans		1.99	—
Income tax expense relating to items that will not be reclassified to Statement of profit and loss	10	(0.34)	—
Total other comprehensive loss for the year (net of tax)		<u>1.65</u>	<u>—</u>
Total comprehensive Loss for the year		<u>(2,142.56)</u>	<u>(356.00)</u>
Earnings per equity share (Face value of share Rs. 10)	24		
Basic and Diluted		(0.82)	(0.83)
Summary of material accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of

ITC Fibre Innovations Limited

CIN: U46496WB2023PLC260213

Per Shankar Srinivasan

Partner

Membership No.: 213271

Place: Hyderabad

Date: April 22, 2025

B Sumant

Chairman

DIN No.: 01732482

Place: Kolkata

Date: April 22, 2025

Kannan Aiyer

Director

DIN No.: 10775801

Place: Hyderabad

Date: April 22, 2025

Santhosh Bollabattini

Company Secretary

M. No.: A70785

Place: Hyderabad

Date: April 22, 2025

AV Harikrishna

Manager

Place: Sehoré

Date: April 22, 2025

ITC FIBRE INNOVATIONS LIMITED

Statement of Cash Flows for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Particulars	For the Year Ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
A. Cash flow from operating activities		
Loss before tax	(2,565.00)	(387.11)
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	1,076.52	30.47
Interest expense	15.47	—
Re-measurement losses on defined benefit plans	(1.99)	—
Mark-to-market gain on investments	(64.48)	(37.44)
Profit on sale of investments	(203.15)	(90.74)
Operating loss before working capital adjustments	<u>(1,742.63)</u>	<u>(484.82)</u>
Adjustment for working capital changes		
(Increase) in other financial assets	(39.28)	(295.40)
Decrease/(increase) in other assets	1,123.98	(2,077.20)
(Increase) in inventories	(1,328.00)	(389.62)
Increase in provisions	5.00	1.88
(Decrease)/increase in other financial liabilities	(2,802.40)	260.02
(Decrease)/increase in trade payables	(11.59)	211.68
(Decrease)/increase in other current liabilities	(40.45)	63.53
Net cash flow (used in) operating activities	<u>(4,835.37)</u>	<u>(2,709.93)</u>
Taxes paid	<u>(7.66)</u>	<u>(0.08)</u>
Net cash flow (used in) operating activities (A)	<u>(4,843.03)</u>	<u>(2,710.01)</u>
B. Cash flow from investing activities		
Purchase of property, plant and equipment (including capital work in progress, capital advances and capital creditors)	(5,280.88)	(13,636.64)
Purchase of current investments	(7,763.61)	(14,308.04)
Redemption of current investments	8,785.80	10,840.59
Net cash (used in) investing activities (B)	<u>(4,258.69)</u>	<u>(17,104.09)</u>
C. Cash flow from financing activities		
Proceeds from issue of share capital	9,000.00	20,000.00
Lease payments	(35.45)	(44.16)
Net cash flow from financing activities (C)	<u>8,964.55</u>	<u>19,955.84</u>
Net (decrease)/increase in cash and cash equivalents (A+B+C)	<u>(137.17)</u>	<u>141.74</u>
Cash and cash equivalents at the beginning of the year	141.74	—
Cash and cash equivalents at the end of the year	<u>4.57</u>	<u>141.74</u>
Components of cash and cash equivalents		
Balances with banks		
On current accounts	4.57	141.74
Total cash and cash equivalents (note 7)	<u>4.57</u>	<u>141.74</u>

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Ind AS 7 Statement of Cash Flows.

The accompanying notes form an integral part of the Financial Statements.

Summary of material accounting policies (note 2)

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of

ITC Fibre Innovations Limited

CIN: U46496WB2023PLC260213

Per Shankar Srinivasan

Partner

Membership No.: 213271

Place: Hyderabad

Date: April 22, 2025

B Sumant

Chairman

DIN No.: 01732482

Place: Kolkata

Date: April 22, 2025

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Director

DIN No.: 10775801

Place: Hyderabad

Date: April 22, 2025

Santhosh Bollabattini

Company Secretary

M. No.: A70785

Place: Hyderabad

Date: April 22, 2025

AV Harikrishna

Manager

Place: Sehore

Date: April 22, 2025

ITC FIBRE INNOVATIONS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

a) Equity share capital		
Equity shares of Rs. 10 each, issued, subscribed and fully paid up	No. of shares	Amount
As at March 03, 2023	–	–
Issued during the period	20,00,00,000	20,000.00
As at March 31, 2024	20,00,00,000	20,000.00
Issued During the year	9,00,00,000	9,000.00
As at March 31, 2025	29,00,00,000	29,000.00
b) Other equity		
	Retained earnings	Total
As at March 03, 2023	–	–
Loss for the period	(356.00)	(356.00)
As at March 31, 2024	(356.00)	(356.00)
Loss for the year	(2,140.91)	(2,140.91)
Total other comprehensive loss for the year	(1.65)	(1.65)
As at March 31, 2025	(2,498.56)	(2,498.56)

The accompanying notes are an integral part of the financial statements.

Summary of material accounting policies (note 2)

As per our report of even date

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration No. 101049W/E300004

Per **Shankar Srinivasan**

Partner

Membership No.: 213271

Place: Hyderabad

Date: April 22, 2025

For and on behalf of the Board of Directors of

ITC Fibre Innovations Limited

CIN: U46496WB2023PLC260213

B Sumant

Chairman

DIN No.:01732482

Place: Kolkata

Date: April 22, 2025

Santhosh Bollabattini

Company Secretary

M. No.: A70785

Place: Hyderabad

Date: April 22, 2025

Kannan Aiyer

Director

DIN No.:10775801

Place: Hyderabad

Date: April 22, 2025

AV Harikrishna

Manager

Place: Sehore

Date: April 22, 2025

Notes to the financial statements for the year ended March 31, 2025

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

1. Company Information

ITC Fibre Innovations Limited (the 'Company') [CIN: U46496WB2023PLC260213] is a public limited company domiciled in India with its registered office located at Virginia House, 37, Jawaharlal Nehru Road, Kolkata 700 071. The Company is the wholly owned subsidiary of ITC Limited. The Company is carrying out business activities relating to manufacturing and dealing in sustainable moulded fibre packaging products.

2. Material Accounting Policies**a. Statement of Compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial Statements.

b. Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair value, as explained in the accounting policies. 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. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

c. Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets

for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d. Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation/ enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. 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 asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss. Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. The estimated useful lives of property, plant and equipment of the Company are as follows:

Particulars	Years
Buildings	30-60
Plant and Equipment	8-15
Furniture and Fixtures	10
Computers, servers and other IT equipment	3-6

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

e. Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured at cost comprising the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the asset for its intended use. Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets. After initial recognition, an intangible asset is carried at its cost less accumulated amortization and / or impairment losses.

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and/or impairment losses.

Amortization expenses and impairment losses and reversal of impairment losses are included in the 'Depreciation and amortization expense' in the Statement of Profit and Loss.

The estimated useful lives of intangible assets of the Company with finite lives are as follows:

Particulars	Years
Computer Software	5

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required. Based on such review, the useful life may change. The impact of such changes is accounted for as a change in accounting estimate.

f. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life. Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

g. Inventories

Inventories are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale. Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

h. Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

i. Derivatives

Derivatives are initially recognised at fair value and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gains / losses are recognised in Statement of Profit and Loss immediately.

j. Financial instruments, Financial assets, Financial liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification. Financial assets are classified as those measured at: (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest. (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income. (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value. Unrealised gains and losses arising from changes in the fair value, including interest income, if any, are being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents etc.

are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

Derecognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at: (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss; (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment, in which case the cumulative fair value adjustments previously taken to reserves are reclassified within equity.

Income Recognition: Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

k. Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

l. Revenue

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and estimates of variable consideration such as discounts to customers. Revenue from the sale of goods excludes taxes such as Goods and Services Tax which are payable in respect of sale of goods and services. Revenue from the sale of goods and services is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery and in case of services, in the period in which such services are rendered.

m. Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria. Government grants are recognised when there is reasonable assurance that the grant will be received upon the Company complying with the conditions attached to the grant. Accordingly, government grants:

- related to or used for assets, are deducted from the carrying amount of the asset.
- related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- by way of financial assistance on the basis of certain qualifying criteria are recognised in the Statement of Profit and Loss as they become receivable. In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

n. Dividend Distribution

Dividends paid (including income tax thereon) are recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

o. Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated. The Company makes contributions to defined benefit gratuity plan. For provident fund and employee state insurance scheme for employees, contributions are made to the Government and recognised as expense. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or loss on account of remeasurements are recognised immediately through other comprehensive income in the period in which they occur. The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

p. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a Lessee

Right-of-Use (ROU) assets are recognised at inception of a contract or arrangement for significant lease components at cost less lease incentives, if any. ROU assets are subsequently measured at cost less accumulated depreciation and impairment losses, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct cost incurred and lease payments made at or before the lease commencement date. ROU assets are generally depreciated over the shorter of the lease term and estimated useful lives of the underlying assets on a straight line basis. Lease term is determined based on consideration of facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Lease payments associated with short-term leases (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) and low value leases (i.e., where the value of the underlying asset, when new, in order of magnitude ₹ 5 lakhs or less) are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease. The Company recognises lease liabilities measured at the present value of lease payments to be made on the date of recognition of the lease. Such lease liabilities do not include variable lease payments (that do not depend on an index or a rate), which are recognised as expense in the periods in which they are incurred. Interest on lease liability is recognised using the effective interest method. Lease liabilities are subsequently increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount of lease liabilities is also remeasured upon modification of lease arrangement or upon change in the assessment of the lease term. The effect of such remeasurements is adjusted to the value of the ROU assets.

q. Taxes on Income

Taxes on income comprise current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Income tax, insofar as it relates to items disclosed under other comprehensive income or equity, is disclosed separately under other comprehensive income or equity, as applicable. Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

r. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

s. Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

t. Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

u. Financial and Management Information Systems

The Company's Accounting System is designed to unify the Financial and Cost Records and also to comply with the relevant provisions of the Companies Act, 2013, to provide financial and cost information appropriate to the businesses and facilitate Internal Control.

Note 3A: Property, plant and equipment

Particulars	Buildings	Plant and Equipment	Furniture and fixtures	Computers	Total
Gross carrying amount					
As at March 03, 2023	—	—	—	—	—
Additions during the period	3,502.64	4,106.13	51.97	38.89	7,699.63
Disposals during the period	—	—	—	—	—
As at March 31, 2024	3,502.64	4,106.13	51.97	38.89	7,699.63
Additions during the year	2,207.70	11,313.07	199.89	101.11	13,821.77
Disposals during the year	—	—	—	—	—
As at March 31, 2025	5,710.34	15,419.20	251.86	140.00	21,521.40
Depreciation					
As at March 03, 2023	—	—	—	—	—
Charge for the period	4.29	17.15	0.16	1.53	23.13
Disposals	—	—	—	—	—
As at March 31, 2024	4.29	17.15	0.16	1.53	23.13
Charge for the year	165.32	832.77	10.35	24.81	1,033.25
Disposals	—	—	—	—	—
As at March 31, 2025	169.61	849.92	10.51	26.34	1,056.38
Net block					
As at March 31, 2025	5,540.73	14,569.28	241.35	113.66	20,465.02
As at March 31, 2024	3,498.35	4,088.98	51.81	37.36	7,676.50

3B. Capital Work-in-Progress

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	6,898.22	—
Additions during the year	7,058.60	14,597.85
Capitalised during the year	(13,821.77)	(7,699.63)
Total	135.05	6,898.22

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

(All amounts in Indian Rupees in Lakhs except as otherwise stated)

Capital work in progress (CWIP) Ageing schedule

As at March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	135.05	–	–	–	135.05
TOTAL	135.05	–	–	–	135.05

As at March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	6,898.22	–	–	–	6,898.22
TOTAL	6,898.22	–	–	–	6,898.22

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan for the year ended March 31, 2025 and previous period ended March 31, 2024

3C. Leases

Particulars	Lease liabilities	Right-of-use assets
As at March 03, 2023	–	–
Additions	245.75	245.75
Amortisation expense	–	6.94
Interest expense	2.78	–
Payments	(44.16)	–
As at March 31, 2024	204.37	238.81
Additions/(Deletions)	(31.90)	(31.90)
Amortisation expense	–	33.90
Interest expense	15.47	–
Payments	(35.45)	–
As at March 31, 2025	152.49	173.01
Particulars	As at March 31, 2025	As at March 31, 2025
Current	25.90	19.27
Non - Current	126.59	185.10

The following are the amounts recognised in the statement of profit or loss.

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Amortisation expense	33.90	6.94
Interest expense (using the effective interest method)	15.47	2.78
Rent expense (short term and low value lease)	10.12	5.04
Total amount recognised in the statement of profit or loss	59.49	14.76

3D. Intangible Assets

Particulars	Computer Software	Total
Gross carrying amount		
As at March 03, 2023	–	–
Additions during the period	41.91	41.91
Disposals during the period	–	–
As at March 31, 2024	41.91	41.91
Additions during the period	8.47	8.47
Disposals during the period	–	–
As at March 31, 2025	50.38	50.38
Amortisation		
As at March 31, 2023	–	–
Charge for the period	0.40	0.40
Disposals	–	–
As at March 31, 2024	0.40	0.40
Charge for the period	9.37	9.37
Disposals	–	–
As at March 31, 2025	9.77	9.77
Net block		
As at March 31, 2025	40.61	40.61
As at March 03, 2024	41.51	41.51

4. Other assets

Particulars

Non-current

Capital Advances

Current

Balance with Government authorities

Other current assets

As at
March 31, 2025As at
March 31, 2024

286.13

1,778.94

286.131,778.94

2,521.10

1,809.32

45.71

29.07

2,566.811,838.39

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

5. Investments (at fair value through profit and loss, unless stated otherwise)

Particulars	As at March, 2025	As at March 31, 2024
Investment in units of Mutual fund (Quoted Debt/Equity securities)		
42,827 Units (March 31, 2024: 30,202 Units) of Axis liquid fund	1,234.97	810.55
24,252 Units (March 31, 2024 : Nil) of UTI liquid fund	1,031.01	–
10,926 Units (March 31, 2024: Nil) of Kotak liquid fund	575.09	–
Nil (March 31, 2024: 27,373 Units) of Nippon India liquid fund	–	1,617.45
Nil (March 31, 2024: 12,751 Units) of HDFC liquid fund	–	604.87
Nil (March 31, 2024: 1,57,456 Units) of ICICI prudential liquid fund	–	562.76
	2,841.07	3,595.63
Aggregate market value of quoted investments	<u>2,841.07</u>	<u>3,595.63</u>

6. Trade receivables (unsecured, considered good)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables	41.52	1.74
	<u>41.52</u>	<u>1.74</u>

Trade receivables Ageing schedule as at March 31,2025

Particulars	Outstanding for following period from due date of payment						
	Current but Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables-considered good	–	41.52	–	–	–	–	41.52
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivable – credit impaired	–	–	–	–	–	–	–
Disputed trade receivables - considered good	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Total	–	41.52	–	–	–	–	41.52

Trade receivables Ageing schedule as at March 31,2024

Particulars	Outstanding for following period from due date of payment						
	Current but Not Due	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables-considered good	1.74	–	–	–	–	–	1.74
Undisputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed trade receivable – credit impaired	–	–	–	–	–	–	–
Disputed trade receivables - considered good	–	–	–	–	–	–	–
Disputed trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed trade receivables – credit impaired	–	–	–	–	–	–	–
Total	1.74	–	–	–	–	–	1.74

- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- Trade receivables are interest bearing and are generally on terms of 15 days.
- There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

7. Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
On current accounts	4.57	141.74
	<u>4.57</u>	<u>141.74</u>

8. Other Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Non Current		
Security deposits	283.64	282.24
	<u>283.64</u>	<u>282.24</u>
Current		
Interest accrued but not due	0.36	0.46
Security deposits	2.18	4.02
Other receivables	0.04	–
	<u>2.58</u>	<u>4.48</u>
Breakup of Financial assets		
At fair value through profit or loss		
Investments in units of mutual fund (note 5)	2,841.07	3,595.63
At amortised cost		
Cash and Cash Equivalents (note 7)	4.57	141.74
Trade Receivables (note 6)	41.52	1.74
Other Financial Assets (note 8)	286.22	286.72
	<u>3,173.38</u>	<u>4,025.83</u>

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

9. Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
(At lower of cost and net realisable value)		
Raw material	173.42	46.86
Finished goods	424.51	0.38
Work in Progress	19.05	0.21
Stores and Spares	1,100.72	342.25
	<u>1,717.70</u>	<u>389.70</u>

10. Tax expense

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
A. Current tax	—	—
B. Deferred tax	(424.43)	(31.11)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024:

The income tax expense for the year can be reconciled to the accounting profit as follows:

Loss before tax	(2,565.00)	(387.11)
Income Tax expense calculated @ 17.16%	(440.15)	(66.43)
Effect of different tax rate on certain items	8.15	3.00
Others	7.57	32.32
	<u>(424.43)</u>	<u>(31.11)</u>

Income tax recognised in profit or loss and other comprehensive income**Deferred tax asset/(liabilities) in relation to:**

Particulars	As at March 31, 2025	As at March 31, 2024
on account of timing differences:		
Losses available for offsetting against future taxable income*	780.84	129.89
Property, plant and equipment	(306.31)	(81.84)
Leases	(3.52)	(5.91)
Mark-to-market gain on mutual funds	(25.62)	(9.40)
Provisions	1.62	(1.96)
Others	8.53	0.33
	<u>455.54</u>	<u>31.11</u>

*The Company has tax losses which arose in India of INR 3,818.58 lakhs (31 March 2024: INR 775.30 lacs) that are available for offsetting for future taxable profits.

11. Equity share capital

Particulars	Equity Shares	
	Number of shares	Amount
Authorised share capital		
As at March 03, 2023	—	—
Increase during the period	25,00,00,000	25,000
As at March 31, 2024	25,00,00,000	25,000
Increase during the year	25,00,00,000	25,000
As at March 31, 2025	50,00, 00,000	50,000

During the year ended March 31, 2025, the authorised share capital was increased by Rs. 25000 (2500 Lakhs equity shares of Rs. 10 each)

Issued, subscribed and fully paid up shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each	29,00,00,000	29,000	20,00,00,000	20,000
	<u>29,00,00,000</u>	<u>29,000</u>	<u>20,00,00,000</u>	<u>20,000</u>

a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	20,00,00,000	20,000	—	—
Issued during the year	9,00,00,000	9,000	20,00,00,000	20,000
Outstanding as at end of the year	<u>29,00,00,000</u>	<u>29,000</u>	<u>20,00,00,000</u>	<u>20,000</u>

Rights, preferences and restrictions attached to equity shares

- The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

b) Details of shares held by Holding Company

Particulars	As at March 31, 2025	As at March 31, 2024
Equity shares of Rs. 10/- each fully paid		
ITC Limited, Holding Company	29,000	20,000
Total Equity Shares	29,000	20,000

c) Details of shareholders holding more than 5% shares in the company

Name of the shareholders	As at March 31, 2025		As at March 31, 2024	
	Number of shares	% holding	Number of shares	% holding
ITC Limited, Holding Company				
Equity shares of Rs. 10 each fully paid	29,00,00,000	100%	20,00,00,000	100%

As per the records of the Company, including its register of shareholders/members, the above shareholding represents legal ownership.

d) Details of shares held by promoter

Name of the shareholder	No. of shares at beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
ITC Limited, Holding Company					
Equity shares of Rs. 10 each fully paid	20,00,00,000	9,00,00,000	29,00,00,000	100%	45%

12. Other equity

Particulars	As at March 31, 2025
Retained earnings	
As at March 03, 2023	—
Add: Loss for the period	(356.00)
As at March 31, 2024	(356.00)
Add: Loss for the year	(2,140.91)
Add: Re-measurement gains/ (losses) on defined benefit plans	(1.65)
As at March 31, 2025	(2,498.56)
Retained earnings are the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.	

13. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
- Total outstanding dues to micro enterprises and small enterprises	62.50	—
- Total outstanding dues to creditors other than micro enterprises and small enterprises	137.59	211.68
	<u>200.09</u>	<u>211.68</u>
Trade payables to others	173.44	79.51
Trade payables to related parties	26.65	132.17

Ageing schedule as at March 31, 2025

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	62.50	—	—	—	—	62.50
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	112.25	25.34	—	—	—	137.59
(iii) Disputed dues of micro enterprises and small enterprises	—	—	—	—	—	—
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	—	—	—	—	—	—
Total	174.75	25.34	—	—	—	200.09

Ageing schedule as at March 31, 2024

Particulars	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	—	—	—	—	—	—
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	203.99	7.69	—	—	—	211.68
(iii) Disputed dues of micro enterprises and small enterprises	—	—	—	—	—	—
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	—	—	—	—	—	—
Total	203.99	7.69	—	—	—	211.68

Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

There are no Micro, Small and Medium Enterprises to whom the Company owes dues, which are outstanding for more than 45 days during the year ended March 31, 2025 and March 31, 2024.

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

14. Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Capital Creditors	2,072.32	2,782.06
Employee dues	30.72	7.96
Foreign exchange forward contracts*	26.23	3.53
	<u>2,129.27</u>	<u>2,793.55</u>

*While the Company entered into Foreign Exchange forward contracts with the intention of reducing the foreign exchange risk of capital purchases, these contracts are not designated in hedge relationships and are measured at fair value through profit and loss.

Breakup of financial liabilities**At fair value through profit or loss**

- Foreign exchange forward contracts	26.23	3.53

At amortised cost

Capital creditors (note 14)	2,072.32	2,782.06
Trade payables (note 13)	200.09	211.68
Employee dues (note 14)	30.72	7.96
Lease Liabilities (note 3C)	152.49	204.37
	<u>2,481.85</u>	<u>3,209.60</u>

15. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	23.08	63.53
	<u>23.08</u>	<u>63.53</u>

16. Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Leave encashment	0.15	0.89
Gratuity	0.01	0.99
	<u>0.16</u>	<u>1.88</u>
Non Current		
Leave encashment	2.51	—
Gratuity	4.21	—
	<u>6.72</u>	<u>—</u>

17. Revenue from contracts with customers

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Sale of Products	177.00	1.41
	<u>177.00</u>	<u>1.41</u>

a. Disaggregated revenue information

The company disaggregates its revenue based on type of goods or services, the geographical locations and the timing of transfer of goods and services as follows:

Types of goods or services

Sale of Products - Moulded fibre	177.00	1.41
	<u>177.00</u>	<u>1.41</u>

*The Company is engaged in manufacturing and selling of sustainable moulded fibre packaging products.

Geographical location

India	169.00	1.41
Outside India	8.00	—
	<u>177.00</u>	<u>1.41</u>

Timing of revenue recognition

Goods delivered at point in time	177.00	1.41
	<u>177.00</u>	<u>1.41</u>

b. Contract balances

The below table provides information about contract balances of the Company

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables	41.52	1.74
	<u>41.52</u>	<u>1.74</u>

18. Other income

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Gain on redemption of investments	203.15	90.74
Net Gain / (Loss) on forex forward contracts	30.32	(16.35)
Mark to market gain on investments measured at FVTPL	64.48	37.44
Mark to market gain/(Loss) arising on forex forward measured at FVTPL	(22.70)	(3.53)
Interest income on security deposits	18.77	1.24
Others	(10.41)	14.75
	<u>283.61</u>	<u>124.29</u>

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

19. Changes in inventories of finished goods and work in progress

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Opening Inventories (A)		
Finished Goods	0.38	—
Work-In-Progress	0.21	—
Total	0.59	—
Closing Inventories (B)		
Finished Goods	424.51	0.38
Work-In-Progress	19.05	0.21
Total	443.56	0.59
(Increase)/Decrease in inventories (A-B)		
Finished goods	(424.13)	(0.38)
Work in progress	(18.84)	(0.21)
Change In inventories of finished goods and work in progress	(442.97)	(0.59)

20. Employee benefits expenses

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Salaries, wages and bonus	382.55	95.68
Contribution to provident fund and other funds (note 26)	22.42	4.92
Gratuity expense (note 26)	1.24	1.95
Staff welfare expenses	80.57	13.96
	486.78	116.51

21. Finance cost

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Interest on lease liabilities	15.47	2.78
	15.47	2.78

22. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Depreciation of property, plant and equipment (note 3A)	1,033.25	23.13
Amortisation of intangible assets (note 3D)	9.37	0.40
Depreciation of right-of-use assets (note 3C)	33.90	6.94
	1,076.52	30.47

23. Other expenses

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Power and fuel	674.31	9.07
Consumption of stores and spares	35.96	0.10
Rent	10.12	5.04
Rates and taxes	86.34	201.12
Insurance	33.92	1.11
Repairs	20.86	0.08
- Buildings	1.58	—
- Machinery	1.89	—
- Others	17.39	—
Maintenance and upkeep	91.07	10.80
Guest house	11.61	4.96
Manpower contract charges	195.61	3.00
Bank charges	7.72	17.57
Information technology services	37.15	—
Travelling and conveyance	134.97	14.40
Consultancy/professional fees	62.46	7.24
Payment to auditors (Refer Note A)	5.00	1.00
Miscellaneous expenses	82.59	87.02
	1,489.69	362.51

Note A:

Payment to Auditors (excl. of taxes)

As Auditor

Statutory audit fees	5.00	1.00
	5.00	1.00

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

24. Earnings per share (EPS)

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

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

The following reflects the loss and share data used in the basic EPS computations:

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
Loss attributable to equity share holders (A)	(2,140.91)	(356.00)
Weighted average number of equity shares of Rs. 10 each outstanding during the year (in Lakhs) (B)	2,613.70	426.77
Earning per share - Basic and Diluted (Rs.) (C=A/B)	(0.82)	(0.83)

The weighted average number of shares takes into account the weighted average effect of changes in share transactions during the year.

There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.

25. Capital commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for as at March 31, 2025 is Rs. 107.23 (March 31, 2024 - Rs. 7,049.00)

26. Employee Benefits:**Defined Contribution Plans:****A. Provident Fund:**

The amount recognised as an expense towards contribution to provident fund for the year aggregated to Rs. 6.67 (March 03, 2023 to March 31, 2024: Rs. 2.15) and is included in "Contribution to provident fund and other funds"

B. Employee State Insurance:

The amount recognised as an expense towards contribution to Employee state insurance for the year aggregated to Rs. 1.77 (March 03, 2023 to March 31, 2024: Rs. 2.15) and is included in "Contribution to provident fund and other funds."

Defined Benefit Plan:**C. Gratuity and Compensated Absences**

The Company operates post-employment defined benefit plan to provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive half month's salary for each year of completed service at the time of retirement/ exit. The following tables set out the status of the gratuity plan as required under Ind AS - 19 "Employee benefits" :

A) Net employee benefit expense (recognised in Employee benefits expense)

Particulars	For the year March 31, 2025
Current service cost	1.17
Interest cost	0.07
Net Employee benefit expense	1.24

B) Movements in the present value of the defined benefit obligations are as follows:

Particulars	For the year March 31, 2025
Opening defined benefit obligation	0.99
Current service cost	1.17
Interest cost	0.07
Amount recognised in other comprehensive income	1.99
Benefits paid	—
Closing defined benefit obligation	4.22

c) Remeasurement adjustments

Particulars	For the year March 31, 2025
Actuarial loss recognized for the year	1.99
Total actuarial loss recognized in other comprehensive income	1.99

The current service cost and net interest expense are included in the 'Employees Benefit expense' line item in statement of profit or loss.

The remeasurement of net defined liability is included in other comprehensive Income

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans as follows:

Particulars	For the year March 31, 2025
Present value of funded defined benefit obligation	4.22
Funded status	—
Net Liability arising from defined benefit liability	4.22

(i) Summary of actuarial assumptions:

The principal assumptions used in determining gratuity for the company's plans are as follows

	For the year March 31, 2025
Discount rate	6.75%
Salary escalation rate	6.00%

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

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:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(ii) Sensitivity Analysis

A quantitative sensitivity analysis for significant assumptions on defined benefit obligation is as shown below

Particulars	For the year March 31, 2025
(a) Effect of 1% change in assumed discount rate	
- 1% increase	0.61
- 1% decrease	0.76
(b) Effect of 1% change in assumed salary escalation rate	
- 1% increase	0.76
- 1% decrease	0.62
(iii) Disclosure related to indication of effect of the defined benefit plan on the entity's future cashflows:	
	For the year March 31, 2025
Expected benefit payments for the year ended:	
March, 2026	0.01
March, 2027	0.01
March, 2028	0.01
March, 2029	0.08
March, 2030	0.31
Beyond March 2030	1.60

27. Related party disclosures

(a) Names of the related parties and nature of relationship

Name of the related party	Relationship
ITC Limited	Holding Company
ITC Infotech India Limited	Entity controlled by Holding Company
International Travel House Limited	Associate of Holding Company (upto December 31, 2024)
B Sumant	Director
Vadiraj Kulkarni	Director (upto September 27, 2024)
Rajesh Kumar Ponnuru	Director (w.e.f. September 24, 2024)
Peter Claude Rasquinha	Director (upto November 13, 2024)
Kannan Aiyer	Director (w.e.f. September 24, 2024)
Rajesh Poddar	Director
Ushasi Das	Director (w.e.f. June 27, 2024)
Vardaan Bhatia	Manager (upto June 18, 2024)
Adari Venkata Hari Krishna	Manager (w.e.f. June 19, 2024)
K Tirumala	Chief Financial Officer (upto February 18, 2025)
Santhosh Bollabattini	Company Secretary (Resigned on July 9, 2024 and joined on December 14, 2024)

(b) Transactions with related parties

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
ITC Limited		
Issue of equity shares	9,000.00	20,000.00
Purchase of raw material	253.06	43.36
Rent	38.09	3.74
Project management consultancy services	386.73	574.78
Reimbursement of expenses	216.99	202.58
Other consultancy services	2.00	—
ITC Infotech India Limited		
IT Services	26.97	—
International Travel House Limited		
Purchase of services	23.54	—
Managerial remuneration to KMP's		
Vardaan Bhatia	63.01	51.91
Adari Venkata Hari Krishna	32.70	—
K. Tirumala	23.22	22.29
Santhosh Bollabattini	11.41	11.09
c. Outstanding balances as on March 31, 2025:		
Particulars	As at March 31, 2025	As at March 31, 2024
Other payables		
ITC Limited	26.65	130.77

Significant terms & conditions:

All the transactions with related parties are in ordinary course of business and on arm's length basis. The amount outstanding is unsecured and will be settled in cash.

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

28. Financial instruments and related disclosures

a. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return of the stakeholders through optimum fund utilization. The capital structure of the Company comprises of equity as detailed out in note 11. The Company's objective when managing capital is to maintain an optimal structure so as to maximise shareholder value. The Company is not exposed to any externally imposed capital restriction.

b. Categories of Financial Instrument

Particulars	For the year ended March 31, 2025	For the period March 03, 2023 to March 31, 2024
A. Financial Assets		
a) Measured at fair value through profit and loss (FVTPL) Investments in Mutual Funds	2,841.07	3,595.63
b) Measured at amortised cost		
Cash and cash equivalents	4.57	141.74
Trade receivables	41.52	1.74
Other Financial Assets	286.22	286.72
B. Financial Liabilities		
Measured at amortised cost		
Other Financial Liabilities	2,129.27	2,793.55
Lease Liabilities	152.49	204.37
Trade payables	200.09	211.68

c. Financial Risk Management Objectives

The Company's exposure to financial risks such as market risk, foreign currency risk, liquidity risk and credit risk is limited. The Company has designed its Risk Management System in line with the nature and scale of its operations to address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

i) Market risk

The Company's investments are predominantly held in debt mutual funds. The Company invest in mutual fund schemes of leading fund houses. Such investments are susceptible to market price risk that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the debt mutual fund schemes in which the Group has invested, such price risk is not significant.

ii) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the financial assets and liabilities of the Company are either short term or fixed interest-bearing instruments, the Company's net exposure to interest risk is negligible.

iii) Foreign currency risk

The Company undertakes transactions denominated in foreign currency capital expenditure (mainly US Dollar) which is subject to the risk of exchange rate fluctuations. Consequently, the Company uses derivative such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risks. Consequently, the Company uses derivative, such as foreign exchange forward contracts, to mitigate the risk of changes in foreign currency exchange rates.

The carrying amounts of foreign currency denominated financial assets and liabilities including derivative contracts (other than in functional currency), are as follows:

a. The following table analyses foreign currency risk from non derivative financial instruments as at March 31, 2025:

Particulars	US Dollar	Total
March 31, 2025		
Liabilities		
Capital creditors	1,016.38	1,016.38
March 31, 2024		
Liabilities		
Capital creditors	507.59	507.59

b. The Company is holding the following foreign exchange forward contracts as on March 31, 2025:

Particulars	Maturity		Total
	< 1 Month	1 - 3 months	
March 31, 2025			
Foreign exchange forward contracts (highly probable forecast purchases)	1,319.31	–	1,319.31
March 31, 2024			
Foreign exchange forward contracts (highly probable forecast purchases)	2,341.68	19,039.78	21,381.46

iv) Liquidity Risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due.

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate management system for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The Company had following working capital at the end of the reporting years :

Particulars	As at March 31, 2025	As at March 31, 2024
Current assets	7,174.25	5,971.68
Current liabilities	(2,378.50)	(3,089.91)
Working Capital	4,795.75	2,881.77

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities:

Particulars	Total	Upto 1 year	1 to 3 years	3 to 5 years	Above 5 years
Trade payables	200.09	200.09	—	—	—
Lease liabilities	200.80	36.94	55.51	43.34	65.00
Other financial liabilities	2,129.27	2,129.27	—	—	—
	2,530.16	2,366.30	55.51	43.34	65.00

(v) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities and its investing activities primarily investments in mutual funds schemes of leading fund houses. With respect to the Company's investing activities, debt mutual fund schemes and counter parties are shortlisted and exposure limits determined on the basis of their credit rating (by independent agencies), financial statements and other relevant information.

29. Fair Value Measurement**Fair value hierarchy:**

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). 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 with listed instruments where market is not liquid and for unlisted instruments.

The fair values of financial assets and financial liabilities, together with the carrying amounts in the statement of financial position are as follows:

	Carrying amount March 31, 2025	Fair value March 31, 2025	Carrying amount March 31, 2024	Fair value March 31, 2024
Financial assets				
Investments	2,841.07	2,841.07	3,595.63	3,595.63
Trade receivables	41.52	41.52	1.74	1.74
Cash and cash equivalents	4.57	4.57	141.74	141.74
Other financial assets	286.22	286.22	286.72	286.72
	3,173.38	3,173.38	4,025.83	4,025.83
Financial liabilities				
Trade payables	200.09	200.09	211.68	211.68
Foreign exchange forward contracts	26.23	26.23	3.53	3.53
Lease liabilities	152.49	152.49	204.37	204.37
Other financial liabilities	2,103.04	2,103.04	2,790.02	2,790.02
	2,481.85	2,481.85	3,209.60	3,209.60

The following table represents fair value of assets and liabilities measured at fair value

Particulars	Level 1	Level 2	Level 3	Total
March 31, 2025				
Financial assets				
Investment in mutual funds	2,841.07	—	—	2,841.07
Financial liabilities				
Foreign exchange forward contracts	—	26.23	—	26.23
	2,841.07	26.23	—	2,867.30
March 31, 2024				
Financial assets				
Investment in mutual funds	3,595.63	—	—	3,595.63
Financial liabilities	—	—	—	—
Foreign exchange forward contracts	—	3.53	—	3.53
	3,595.63	3.53	—	3,599.16

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

30. Use of Estimates and Judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could 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 the revision affects both current and future periods.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Useful lives of property, plant and equipment, and intangible assets:

As described in the material accounting policies, the Company reviews the estimated useful lives of property, plant and equipment, and intangible assets at the end of each reporting period and the impact of changes in the estimated useful life is considered in the period in which the estimate is revised.

(ii) Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

31. Segment Reporting

A). The Company has only one segment i.e., carrying on the business of manufacturing and selling of sustainable moulded fibre packaging products, as such no separate financial disclosure for the primary segment were provided.

B). Secondary segment information (By geographical area)

Particulars	India		Outside India		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Revenue						
Revenue from operations	169.00	1.41	8.00	–	177.00	1.41
Other segment information						
Non current assets	21,291.19	16,776.37	92.27	139.85	21,383.46	16,916.22

32. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses. The Company does not have any unhedged foreign currency exposure as at March 31, 2025.

33. Ratio Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Change	Reason for variance
Current ratio	Current assets	Current liabilities	3.02	1.93	56%	Variance is on account of increase in inventories and other current assets
Inventory turnover ratio	Cost of goods sold	Average inventory	(0.04)	0.00	-3035%	Note 1
Trade receivable turnover ratio	Net credit sales	Average trade receivable	8.18	0.81	910%	Note 1
Trade payable turnover ratio	Net credit purchases	Average trade payable	9.18	1.72	434%	Note 1
Net capital turnover ratio	Net sales	Working Capital = Current Assets - Current Liabilities	0.04	0.00	7443%	Note 1
Net profit ratio	Net profit	Net Sales = Total Sales - Sales Returns	(12.10)	(252.48)	-95%	Note 1
Return on capital Employed	Earnings before Interest and Taxes	Capital Employed = Tangible Networth	(0.10)	(0.02)	392%	Variance is on account of increase in equity share capital and decrease in earnings during the year
Return on Investment	Interest and Profit / Loss on sale of investments	Investments	0.09	0.04	164%	Variance is on account of increase in income from investments during the year

* Debt equity and Debt service coverage ratios are not applicable to the company for the year ended March 31, 2025 and March 31, 2024.

Note 1: The ratios are not comparable because operations commenced on March 18, 2024, which is at the end of the previous financial year.

Notes to the financial statements for the year ended March 31, 2025 (Contd.)

34. (a) The Company has used 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, there are no instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved as per the statutory requirements for record retention.
- (b) The Company is maintaining its books of account in electronic mode and these books of accounts are accessible in India at all times and the back up of books of account has been kept in servers physically located in India on daily basis.
35. Other Statutory Information
- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
 - ii. The Company do not have any transactions with companies struck off.
 - iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
 - iv. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
 - v. The Company have not advanced or loaned or invested funds to any other person or entity, 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.
 - vi. The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
 - vii. The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
 - viii. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - ix. The Company has not declared/paid any dividend during the year.
36. The financial statements were approved for issue by the board of directors on April 22, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No. 101049W/E300004

For and on behalf of the Board of Directors of
ITC Fibre Innovations Limited
CIN: U46496WB2023PLC260213

Per Shankar Srinivasan
Partner
Membership No.: 213271
Place: Hyderabad
Date: April 22, 2025

B Sumant
Chairman
DIN No.:01732482
Place: Kolkata
Date: April 22, 2025

Kannan Aiyer
Director
DIN No.:10775801
Place: Hyderabad
Date: April 22, 2025

Santhosh Bollabattini
Company Secretary
M. No.: A70785
Place: Hyderabad
Date: April 22, 2025

AV Harikrishna
Manager
Place: Sehere
Date: April 22, 2025

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Your Directors submit their Report for the financial year ended 31st March, 2025.

2. COMPANY PERFORMANCE

The Company's business activities comprise fabrication and assembly of machinery for tube filling, cartoning, wrapping, material handling including conveyor solutions, and engineering services for the FMCG and Pharmaceutical industries.

During the year, the Company, with your approval, sold certain assets relating to its business including machine blueprints, drawings and spares etc.

The Revenue from Operations of your Company for the year stood at ₹ 260.06 lakhs (previous year: ₹ 347.46 lakhs) with Net Profit of ₹ 145.42 lakhs (previous year Loss: ₹ 187.91 lakhs) and Total Comprehensive Income at ₹ 145.37 lakhs (previous year Loss: ₹ 193.27 lakhs).

Your Company continues to explore alternate business opportunities.

3. DIVIDEND

In view of the accumulated losses, your Directors are unable to recommend any dividend for the year under review.

4. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Changes in Directors and Key Managerial Personnel

During the year, Mr. Sharad Mundra and Mr. Surendra Kumar Sipani, who were on deputation from ITC Limited, the Holding Company ('ITC'), stepped down as the Chief Financial Officer ('CFO') and Company Secretary ('CS'), respectively, of the Company with effect from close of work on 30th June, 2024, consequent to their reversion to ITC.

The Board of Directors of your Company ('the Board') appointed Mr. Aditya Bothra as the CFO and Ms. Dipika Singhania as the CS of the Company with effect from 12th July, 2024, in terms of the provisions of Section 203 of the Companies Act, 2013 ('the Act'); Mr. Bothra and Ms. Singhania are on deputation from ITC with their remuneration being borne by ITC.

Mr. Samir Vijay Limaye (DIN: 01757813), also on deputation from ITC, will complete his present term as the Wholetime Director of your Company on 6th June, 2025. The Board at the meeting held on 29th April, 2025 appointed Mr. Limaye as an Additional Director and, subject to the approval of the Members, also as the Wholetime Director of the Company for the period from 7th June, 2025 till 11th August, 2026, in terms of the provisions of Sections 196, 197 and 203 of the Act. By virtue of the provisions of the Articles of Association of your Company and Section 161 of the Act, Mr. Limaye will vacate office at the ensuing Annual General Meeting ('AGM') of the Company. The Board at the aforesaid meeting recommended for the approval of the Members, appointment of Mr. Limaye as a Director, liable to retire by rotation, and also as the Wholetime Director of your Company for the period from 7th June, 2025 till 11th August, 2026, with no remuneration to be paid to him by the Company; Mr. Limaye's remuneration is borne by ITC. Notice under Section 160 of the Act has been received by the Company for the appointment of Mr. Limaye, who has filed his consent to act as a Director of your Company, if appointed.

Appropriate resolution seeking your approval to Mr. Limaye's appointment, as stated above, is appearing in the Notice convening the ensuing AGM of the Company. The appointment of Mr. Limaye is and will continue to be governed by the resolutions passed by the Board and the Members of the Company. The statutory provisions apply with respect to notice period and severance fee.

There were no other changes in the composition of the Board and Key Managerial Personnel of your Company during the year.

(b) Retirement by Rotation

In accordance with the provisions of Section 152 of the Act read with the Articles of Association of the Company, Mr. Dharmarajan Ashok (DIN: 02009735) and Ms. Nidhi Bajaj (DIN: 02171721), Directors, will retire by rotation at the ensuing AGM of the Company, and being eligible, offer themselves for re-election. Your Board has recommended their re-election.

5. BOARD MEETINGS

Five meetings of the Board were held during the year ended 31st March, 2025.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- followed in the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

- taken proper and sufficient care for the 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 fraud and other irregularities;

- prepared the Annual Accounts on a going concern basis; and

- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

8. PARTICULARS OF EMPLOYEES

The relations between your Company and its employees continued to remain cordial during the year under review. The details of employees of the Company, as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure 1** to this Report.

The Company seeks to enhance equal opportunities for men and women and is committed to a gender-friendly workplace. Your Company has constituted an Internal Complaints Committee in compliance with the applicable provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint for sexual harassment was received.

9. RISK MANAGEMENT

The Company's risk management framework addresses risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

Management of risks vests with the executive management which is responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board. The Internal Auditors of the Company, appointed by the Board, periodically carry out risk focused audits with the objective of identifying areas where risk management processes could be further strengthened. The Board annually reviews the effectiveness of the Company's risk management systems and policies.

A combination of policies and processes, as outlined above, adequately addresses the various risks associated with the Company's business.

10. INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with respect to the financial statements, commensurate with its size and scale of operations. The Internal Auditors of the Company periodically evaluate the adequacy and effectiveness of such internal financial controls. The Board which provides guidance on internal controls, also reviews internal audit findings and implementation of internal audit recommendations, if any.

During the year, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

12. RELATED PARTY TRANSACTIONS

During the year under review, all related party transactions entered into by the Company were in the ordinary course of business and at arm's length. The details of material related party transaction entered into by the Company during the year ended 31st March, 2025 in the prescribed Form No. AOC-2 are provided in **Annexure 2** to this Report.

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

14. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

15. STATUTORY AUDITORS

Messrs. M. Anandam & Co., Chartered Accountants, were appointed as the Auditors of your Company at the 101st AGM held on 3rd July, 2024 to hold such office for a period of five years till the conclusion of the 106th AGM. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, the remuneration of Messrs. M. Anandam & Co. for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

16. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's operations do not involve substantial consumption of power in comparison to the costs of production. However, the Company takes due care to efficiently utilise and manage energy resources resulting in cost savings.

During the year under review, no new technology was adopted by the Company. There has been no foreign exchange earnings or outflow during the year.

18. ACKNOWLEDGEMENT

The Board acknowledges the support of the Government, shareholders, banks, customers, suppliers and business associates, and the dedication and hard work of its employees.

On behalf of the Board

D. Ashok
Chairman
(DIN: 02009735)

S. V. Limaye
Wholtime Director
(DIN: 01757813)

Dated: 29th April, 2025

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025

[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Names of employees	Age (Years)	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of employment	Previous Employment
1	2	3	4	5	6	7	8	9
V. S. Jadhav	50	Manager	6,04,882/-	5,80,872/-	B.Com.	29	05.02.2006	Accounts Assistant - Fudkor India Private Limited
M. Agarwal	53	Assistant Manager	3,39,855/-	3,15,852/-	M. Com.	32	01.09.2007	Accounts Officer - Reed Medway Packaging Company of India Private Limited
A. S. Joshi	43	Assistant Manager	2,75,856/-	2,54,256/-	M.B.A. (Finance), Diploma in Financial Management, B.Com.	23	10.04.2006	Assistant Manager - Ravira Technologies Services Private Limited

Notes:

- Gross remuneration includes salary, variable pay / performance bonus, allowances & other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less tax deducted at source and employee's own contribution to provident fund.
- All appointments are contractual in accordance with terms and conditions as per the Company's rules.
- The aforesaid employees are neither relative of any Director of the Company nor hold any equity share in the Company.

On behalf of the Board

D. Ashok
Chairman
(DIN: 02009735)

S. V. Limaye
Wholtime Director
(DIN: 01757813)

Dated: 29th April, 2025

Annexure 2 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the resolution was passed in general meeting as required under first proviso to Section 188.	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, the Holding Company
b)	Nature of contracts / arrangements / transactions	Sale of spares / services related to machine maintenance, repairs, etc.
c)	Duration of the contracts / arrangements / transactions	Ongoing
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Value of transaction during the year - ₹ 54.27 lakhs
e)	Date(s) of approval by the Board, if any	3rd May, 2024
f)	Amount paid as advances, if any	Nil

On behalf of the Board

D. Ashok
Chairman
(DIN: 02009735)

S. V. Limaye
Wholtime Director
(DIN: 01757813)

Dated: 29th April, 2025

INDEPENDENT AUDITOR'S REPORT**To the Members of WIMCO Limited****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of **WIMCO 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 Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2025, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit 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 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 issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement 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 system with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed 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) 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 A".
- g) In our opinion and to the best of our information and according to the explanations given to us, no remuneration is paid by the company to its directors during the year as per provisions of section 197 and read with Schedule V of the Companies Act, 2013.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 25(v) of the financial statements);
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Based on our examination, including 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 the audit trail feature being tampered with and 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 of India 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.

For **M.Anandam & Co.,**
Chartered accountants
(Firm Registration No.0001255)

B.V. Suresh Kumar
Partner
(Membership No. 212187)
UDIN : 25212187BMKXXY3268

Place: Hyderabad
Date : 29.04.2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

Opinion

We have audited the internal financial controls with reference to the financial statements of WIMCO LIMITED ("the Company") as of 31 March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial

controls with reference to the 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") 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the 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 system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the 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 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.

For **M.Anandam & Co.,**
Chartered accountants
(Firm Registration No.0001255)

B.V. Suresh Kumar
Partner

Place: Hyderabad
Date : 29.04.2025

(Membership No. 212187)
UDIN : 25212187BMKXXY3268

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) (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets
 - (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has no intangible assets.
- (b) The Property, Plant and Equipment have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March, 2025 for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% in the aggregate for each class of inventory.
- (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) During the year, the Company has not made investments, not provided loans or advances in the nature of loans or not stood guarantee or not provided security in/to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of Section 185 or 186 of the Companies Act, 2013, and hence reporting under clause(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted deposits nor the amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the

Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

- (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Goods and Services Tax, Customs duty, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company examined by us, the particulars of income tax, sales tax/value added tax, goods and services tax, customs duty, or cess as at 31 March, 2025 which have not been deposited on account of any dispute pending are as under:

Name of the Statute	Nature of the Dues	Amount (Rs. In Lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending
Goods and Service Tax Act, 2017	GST	21.70	FY 2019-20	GST Appellate Authority

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(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, prima facie, not been used for long-term purposes by the Company.
- (e) The Company does not have any Subsidiaries, associates or Joint Ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) The company is not required by statute to implement vigil mechanism under Companies Act, hence reporting under clause (xi) (c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

- (xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. Section 177 of Companies Act, 2013 is not applicable to the company.
- (xiv) In our opinion the Company doesn't have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not engaged in any non-banking financial or housing finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a core investment company as defined in the Regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit; however, it had incurred cash losses amounting to Rs 183.84 lakhs in 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 realisation 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) Provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **M.Anandam & Co.**,
Chartered accountants
(Firm Registration No.0001255)

B.V. Suresh Kumar
Partner

(Membership No. 212187)
UDIN : 25212187BMKXXY3268

Place: Hyderabad
Date : 29.04.2025

CIN -U24291WB1923PLC264251

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2025

	Note	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)
ASSETS			
Non-current assets			
a) Property, Plant and Equipment	1A	59.18	58.37
b) Deferred Tax Assets (net)	2	–	–
c) Other non-current assets	3	55.99	25.45
Total Non-current assets		115.17	83.82
Current assets			
a) Inventories	4	–	26.46
b) Financial Assets			
i) Investments	5	402.59	50.07
ii) Trade receivables	6	1.32	18.43
iii) Cash and cash equivalents	7	35.71	44.41
iv) Other Bank Balance	8	12.84	12.84
c) Other current assets	3	3.60	5.31
Total Current assets		456.06	157.52
Total Assets		571.23	241.34
EQUITY AND LIABILITIES			
Equity			
a) Equity Share capital	9	1,850.81	1,850.81
b) Other Equity		(2,210.92)	(2,356.29)
Liabilities			
Non-current liabilities			
a) Financial Liabilities			
(i) Borrowings	10	500.00	–
b) Other non-current liabilities	13	68.50	–
c) Provisions	12	1.16	3.81
Total Non-current liabilities		569.66	3.81
Current liabilities			
a) Financial Liabilities			
(i) Borrowings	10	–	500.00
(ii) Trade payables			
Total outstanding dues of Micro Enterprises and Small Enterprises	25(vii)	1.13	
Total outstanding other than dues of Micro Enterprises and Small Enterprises		8.56	14.53
(iii) Other financial liabilities	11	253.37	216.84
b) Other current liabilities	13	98.56	11.42
c) Provisions	12	0.06	0.22
Total Current liabilities		361.68	743.01
Total Equity and Liabilities		571.23	241.34

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For M. Anandam & Co.

Firm Registration No. 0001255

Chartered Accountants

B. V. Suresh Kumar

Partner

(Membership No. 212187)

Place : Hyderabad

Date : 29.04.2025

D. ASHOK

Chairman

DIN : 02009735

Place : Kolkata

Date : 29.04.2025

D. SINGHANIA

Company Secretary

Place : Kolkata

Date : 29.04.2025

For and on behalf of the Board

S. V. LIMAYE

Wholtime Director

DIN : 01757813

Place : Ambarnath

Date : 29.04.2025

A. BOTHRA

Chief Financial Officer

Place : Chennai

Date : 29.04.2025

CIN -U24291WB1923PLC264251

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

	Note	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
I Revenue From Operations	14	260.06	347.46
II Other Income	15	110.40	10.44
III Total Income (I+II)		370.46	357.90
IV EXPENSES			
Cost of materials consumed		52.92	164.21
Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	16	–	109.69
Employee benefits expense	17	42.70	89.43
Finance costs	18	45.00	45.00
Depreciation and amortization expense	1A & 1B	0.72	1.32
Other expenses	19	83.70	136.16
Total expenses (IV)		225.04	545.81
V Profit before tax (III- IV)		145.42	(187.91)
VI Tax expense	20	–	–
VII Profit for the year (V-VI)		145.42	(187.91)
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss:			
– Remeasurements of defined benefit plans		(0.05)	(5.36)
(ii) Income tax relating to items that will not be reclassified to profit or loss		–	–
IX Other Comprehensive Income		(0.05)	(5.36)
X Total Comprehensive Income for the year (VII+IX)		145.37	(193.27)
XI Earnings per equity share (Face Value ₹ 1.00 each)	21		
Basic (in ₹)		0.08	(0.10)
Diluted (in ₹)		0.08	(0.10)

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For M. Anandam & Co.

Firm Registration No. 0001255

Chartered Accountants

B. V. Suresh Kumar

Partner

(Membership No. 212187)

Place : Hyderabad

Date : 29.04.2025

D. ASHOK

Chairman

DIN : 02009735

Place : Kolkata

Date : 29.04.2025

D. SINGHANIA

Company Secretary

Place : Kolkata

Date : 29.04.2025

For and on behalf of the Board

S. V. LIMAYE

Wholetime Director

DIN : 01757813

Place : Ambarnath

Date : 29.04.2025

A. BOTHRA

Chief Financial Officer

Place : Chennai

Date : 29.04.2025

CIN -U24291WB1923PLC264251

STATEMENT OF STANDALONE CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2025

	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
A. Cash flow from operating activities		
Profit / (Loss) before Tax	145.42	187.91
Adjustments for:		
Depreciation and amortisation Expense	0.72	1.32
Finance Cost	45.00	45.00
Interest Income	(0.01)	(1.93)
Doubtful and Bad debts	1.17	1.30
Doubtful and Bad advances	—	1.52
Remeasurement of Defined Benefit Plans	—	—
Short term-Gain on Sale of Investments	(0.48)	—
Net (gain)/loss arising on investments mandatorily measured at fair value through profit or loss	(10.06)	(8.51)
Operating Profit/(loss) before working capital changes	181.76	(149.21)
Adjustments for:		
Trade receivables	15.94	102.88
Other Current and Non Current Assets	(28.83)	2.97
Inventories	26.46	173.90
Trade Payables, Other Financial Liabilities & Provisions	139.48	(360.72)
Cash (used in) / generated from operations before taxation	334.81	(230.18)
Income tax paid (net of refunds)	—	—
Net cash (used in) / generated from operations	334.81	(230.18)
B. Cash flow from investing activities		
Interest received	0.01	2.14
Sale of Property Plant and Equipment	0.58	—
Purchase of Property Plant and Equipment	(2.11)	—
Redemption/(Investment) in Mutual Fund	(341.99)	58.44
Maturity /(Investment) in bank deposit (original maturity more than 3 months)	—	18.74
Net cash (used in) / generated from investing activities	(343.51)	79.32
C. Cash flow from financing activities		
Interest Paid	—	—
Reduction of Share Capital (Refer Note 24(vi))	—	—
Net cash (used in) / generated from financing activities	—	—
D. Net increase / (decrease) in cash and cash equivalents (A+B+C)	(8.70)	(150.86)
E. Reconciliation		
Cash and cash equivalents at the beginning of the period	44.41	195.27
Cash and cash equivalents at the end of the period	35.71	44.41
Net increase / (decrease) in cash and cash equivalents	(8.70)	(150.86)
Cash and cash equivalents		
Cash and cash equivalents as above	35.71	44.41
Cash Credit Facility (Note 10)	—	—
Cash and Cash Equivalent (Note 7)	35.71	44.41

Note : The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS - 7 - "Statement of Cash Flow"

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For M. Anandam & Co.
Firm Registration No. 0001255
Chartered Accountants

B. V. Suresh Kumar
Partner
(Membership No. 212187)

Place : Hyderabad
Date : 29.04.2025

D. ASHOK
Chairman
DIN : 02009735
Place : Kolkata
Date : 29.04.2025

D. SINGHANIA
Company Secretary
Place : Kolkata
Date : 29.04.2025

For and on behalf of the Board

S. V. LIMAYE
Wholetime Director
DIN : 01757813
Place : Ambarnath
Date : 29.04.2025

A. BOTHRA
Chief Financial Officer
Place : Chennai
Date : 29.04.2025

CIN -U24291WB1923PLC264251

STATEMENT OF STANDALONE CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2025

A. Equity Share Capital (₹ in Lakhs)

Balance as on 1st April, 2024	Changes in equity share capital during the current year	Balance as on 31st March, 2025
1,850.81	–	1,850.81

Balance as on 1st April, 2023	Changes in equity share capital during the current year	Balance as on 31st March, 2024
1,850.81	–	1,850.81

#Refer note 25(vi) for reduction of Equity Share Capital

B. Other Equity (₹ in Lakhs)

	Reserves and Surplus			Total
	Subsidy Reserve *	Capital Contribution for Share Based Payments	Retained Earnings	
Balance as at 1st April, 2024	14.93	66.52	(2,437.74)	(2,356.29)
Profit for the period	-	-	145.42	145.42
Other Comprehensive Income (net of Tax)	-	-	(0.05)	(0.05)
Total Comprehensive Income	-	-	145.37	145.37
Recognition of share based payment	-	-	-	-
Transfer from Capital Contribution for Share Based Payments on lapse	-	-	-	-
Balance as at 31st March, 2025	14.93	66.52	(2,292.37)	(2,210.92)

	Reserves and Surplus			Total
	Subsidy Reserve *	Capital Contribution for Share Based Payments	Retained Earnings	
Balance as at 1st April, 2023	14.93	66.52	(2,244.47)	(2,163.02)
Profit for the period	-	-	(187.91)	(187.91)
Other Comprehensive Income (net of Tax)	-	-	(5.36)	(5.36)
Total Comprehensive Income	-	-	(193.27)	(193.27)
Recognition of share based payment	-	-	-	-
Transfer from Capital Contribution for Share Based Payments on lapse	-	-	-	-
Balance as at 31st March, 2024	14.93	66.52	(2,437.74)	(2,356.29)

* Represents receipt of subsidy from government

The accompanying notes 1 to 27 are an integral part of the Financial Statements.

In terms of our report attached

For M. Anandam & Co.

Firm Registration No. 0001255

Chartered Accountants

B. V. Suresh Kumar

Partner

(Membership No. 212187)

Place : Hyderabad

Date : 29.04.2025

D. ASHOK

Chairman

DIN : 02009735

Place : Kolkata

Date : 29.04.2025

D. SINGHANIA

Company Secretary

Place : Kolkata

Date : 29.04.2025

For and on behalf of the Board

S. V. LIMAYE

Wholtime Director

DIN : 01757813

Place : Ambernath

Date : 29.04.2025

A. BOTHRA

Chief Financial Officer

Place : Chennai

Date : 29.04.2025

Notes to standalone financial statement for the year ended 31st March, 2025

Particulars	Gross Block				Depreciation and Amortisation				Net Book Value	
	As at 31st March, 2024	Addition	On withdrawals and adjustments	As at 31st March, 2025	Upto 31st March 2024	For the period	On withdrawals and adjustments	Upto 31st March, 2025	As at 31st March, 2025	As at 31st March, 2024
1A. Property, plant and equipment - owned										
Land Freehold	47.92	-	-	47.92	-	-	-	-	47.92	47.92
Buildings	10.63	-	-	10.63	3.21	0.25	-	3.45	7.18	7.42
Plant and Equipment	4.72	-	0.58	4.14	3.49	0.12	0.02	3.59	0.55	1.23
Computers	20.75	2.11	-	22.85	19.53	0.33	-	19.86	3.00	1.22
Office Equipment	5.00	-	-	5.00	4.89	-	-	4.89	0.11	0.11
Furniture and Fixtures	2.93	-	-	2.93	2.81	0.05	-	2.86	0.07	0.12
Vehicles	4.51	-	-	4.51	4.15	-	-	4.15	0.36	0.36
Total	96.46	2.11	0.58	97.98	38.08	0.74	0.02	38.80	59.18	58.37
1B. Intangible Assets										
Computer Software	18.12	-	-	18.12	18.12	-	-	18.12	-	-
Total	18.12	-	-	18.12	18.12	-	-	18.12	-	-
Grand Total	114.58	2.11	0.58	116.10	56.20	0.74	0.02	56.92	59.18	58.37

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)
2. Deferred tax Assets (Net)		
Deferred tax liabilities		
On difference between book balance and tax balance of Property Plant and Equipment	-	-
On other timing differences	2.55	0.02
Sub-Total	2.55	0.02
Deferred tax assets		
On difference between book balance and tax balance of Property Plant and Equipment	1.28	1.81
Unabsorbed depreciation carried forward	3.71	28.04
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	0.48	0.63
Provision for doubtful debts, advances and diminution in value of Investments.	10.66	10.37
Brought forward business losses	133.01	115.89
Sub-Total	149.15	156.74
Total	-	-

Deferred tax asset has been recognized only to the extent of the deferred tax liabilities as this amount is considered to be reasonably certain of realization.

The Company has tax losses of ₹ 528 Lakhs (2024 - ₹ 460.44 lakhs) for which no deferred tax assets have been recognised. These losses will expire between financial year 2024-25 to 2028-29.

	As at 31st March, 2025 (₹ in Lakhs)		As at 31st March, 2024 (₹ in Lakhs)	
	Current	Non-Current	Current	Non-Current
3. Other Assets				
Advances other than capital advances				
(i) Advance Tax (net of provisions)	-	55.99	-	25.45
(ii) Other Advances (including advances with statutory authorities, suppliers, employees etc.)	3.60	-	5.31	-
TOTAL	3.60	55.99	5.31	25.45

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)
4. Inventories		
(At lower of cost and net realisable value)		
Raw materials (including packing materials)	-	26.46
TOTAL	-	26.46

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

	Fair Value ₹ (Fully paid unless stated otherwise)	Number	As at 31st March, 2025 (₹ in Lakhs)	Number	As at 31st March, 2024 (₹ in Lakhs)
5. Investments - Current (at fair value through profit or loss, unless stated otherwise)					
INVESTMENT IN MUTUAL FUNDS					
Axis Liquid Fund 10,696 (2024 - 1865.58) units of ₹ 1000 each	1000	10,696	308.44	1865.58	50.07
Aditya Birla Sun Life Liquid Fund 22,485.03 (2024 - Nil) Units of ₹1000 each	1000	22,485	94.15	Nil	-
TOTAL			<u>402.59</u>		<u>50.07</u>
			As at 31st March, 2025 (₹ in Lakhs)		As at 31st March, 2024 (₹ in Lakhs)
6. Trade Receivables (Current)					
Secured, considered good			-		-
Unsecured, considered good			1.32		18.43
Which have significant increase in credit risk			-		-
Credit Impaired			31.16		29.99
Less: Allowance for credit impairment			<u>31.16</u>		<u>29.99</u>
TOTAL			<u>1.32</u>		<u>18.43</u>

The ageing of Trade Receivables is as under:

As at 31st March, 2025	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	-	1.17	0.15	-	-	-	1.32
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	0.18	4.12	0.01	26.85	31.16
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	-	1.17	0.33	4.12	0.01	26.85	32.48
Less: Allowance of Credit Impairment							31.16
Total							<u>1.32</u>

As at 31st March, 2024	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	17.09	1.34	-	-	-	-	18.43
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	0.85	2.29	1.88	24.97	29.99
Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Sub Total	17.09	1.34	0.85	2.29	1.88	24.97	48.92
Less: Allowance of Credit Impairment							29.99
Total							<u>18.43</u>

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)
7. Cash and cash equivalents@		
Balances with Banks		
Current Accounts	35.71	9.40
In deposit Accounts	-	35.01
Cash on hand	-	-
TOTAL	<u>35.71</u>	<u>44.41</u>

@ Cash and cash equivalents include cash on hand, cheques, drafts on hand, cash at bank and deposits with banks with original maturity of 3 months or less.

The Company does not have any significant cash and cash equivalents that are not available for use.

	As at 31st March, 2025 (₹ in Lakhs)	As at 31st March, 2024 (₹ in Lakhs)
8. Other Bank Balances		
In deposit Accounts*	-	-
Earmarked Balances #	12.84	12.84
TOTAL	<u>12.84</u>	<u>12.84</u>

* Represents deposits with original maturity of more than 3 months having remaining maturity of less than 12 months from the Balance Sheet date.

Represents unclaimed amount payable to erstwhile shareholders pursuant to reduction of Equity Share Capital of the Company [refer Note 25(vi)].

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

9. Equity Share capital

	As at 31st Mar 2025 (No. of Shares)	As at 31st Mar 2025 (₹ in Lakhs)	As at 31st Mar 2024 (No. of Shares)	As at 31st Mar 2024 (₹ in Lakhs)
Authorised				
35,00,00,000 (2024: 35,00,00,000) Equity shares of ₹ 1 (2024: ₹ 1) each [see note (D) below]	35,00,00,000	3,500.00	35,00,00,000	3,500.00
1,13,00,000 (2024: 1,13,00,000) Redeemable Preference Shares of ₹ 100 (2024: ₹ 100) each	1,13,00,000	11,300.00	1,13,00,000	11,300.00
Total	36,13,00,000	14,800.00	36,13,00,000	14,800.00
Issued, Subscribed & Paid up*				
18,50,81,193 (2024: 18,50,81,193) Equity shares of ₹ 1 (2024: ₹ 1) each	18,50,81,193	1,850.81	18,50,81,193	1,850.81
5,00,000 (2024: 5,00,000) Redeemable Preference Shares of ₹ 100 (2024: ₹ 100) each (Refer note -10)*	5,00,000	500.00	5,00,000	500.00

*See Note 10 for Redeemable preference shares issued and Note 25 (vi) for reduction in Issued, Subscribed & Paid up Equity Capital of the Company.

	As at 31st Mar 2025 (No. of Shares)	As at 31st Mar 2025 (₹ in Lakhs)	As at 31st Mar 2024 (No. of Shares)	As at 31st Mar 2024 (₹ in Lakhs)
A) Reconciliation of number of Ordinary Shares outstanding				
As at beginning of the period	18,50,81,193	1,850.81	18,50,81,193	1,850.81
Add: Issue of Shares	—	—	—	—
Less: Reduction of Equity Share Capital*	—	—	—	—
As at end of the period	18,50,81,193	1,850.81	18,50,81,193	1,850.81

*Refer note 25(vi) for reduction of Equity Share Capital

	As at 31st Mar 2025 (No. of Shares)	As at 31st Mar 2025 (%)	As at 31st Mar 2024 (No. of Shares)	As at 31st Mar 2024 (%)
B) Shares held by Holding Company				
Equity Shares				
18,50,81,193 (2022: 18,50,81,193) Equity shares of ₹ 1 each, fully paid up are held by ITC Limited (Holding Company)	18,50,81,193	100.00	18,50,81,193	100.00

	As at 31st Mar 2025 (No. of Shares)	As at 31st Mar 2025 (%)	As at 31st Mar 2024 (No. of Shares)	As at 31st Mar 2024 (%)
C) Name of share holders holding more than 5% of the shares of the Company				
Equity Shares				
ITC Limited (Holding Company)	18,50,81,193	100.00	18,50,81,193	100.00

D) Rights, preferences and restrictions attached to the Shares

The Ordinary Shares of the Company, having par value of ₹ 1/- per share, rank pari passu in all respects including entitlement to dividend. Repayment of capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company and as may be determined by the Company in General Meeting prior to such winding up.

	As at 31st Mar 2025 (No. of Shares)	As at 31st Mar 2025 (%)	As at 31st Mar 2024 (No. of Shares)	As at 31st Mar 2024 (%)
E) Shares held by Promoters				
Equity Shares				
ITC Limited (Holding Company)	18,50,81,193	100.00	18,50,81,193	100.00
% Change during the year	—	—	—	—

	As at 31st March, 2025 (₹ in Lakhs)		As at 31st March, 2024 (₹ in Lakhs)	
	Current	Non-Current	Current	Non-Current
10. Borrowings				
Unsecured				
9% Redeemable Preference share capital of ₹ 100 each#	—	500.00	—	500.00
TOTAL	—	500.00	—	500.00

Redeemable non-convertible preference shares have been issued on 28th November, 2019 with a tenure of five years which are cumulative in nature. ITC Limited, the sole Preference Shareholder, vide letter dated 25th October, 2024, has given its consent to extend the redemption date of the said Preference Shares, along with accumulated preference dividend at the rate of 9% p.a., by a period of two years i.e. upto 27th November, 2026. The Company has not paid any dividend on the said shares till date due to its accumulated losses.

	As at 31st March, 2025 (₹ in Lakhs)		As at 31st March, 2024 (₹ in Lakhs)	
	Current	Non-Current	Current	Non-Current
11. Other Financial liabilities				
Employee Benefits Payable	0.16	—	7.27	—
Payable to the Holding Company	—	—	1.36	—
Provision for Preference Share dividend	240.37	—	195.37	—
Others#	12.84	—	12.84	—
TOTAL	253.37	—	216.84	—

Represents unclaimed amount payable to erstwhile shareholders pursuant to reduction of Equity Share Capital of the Company [refer Note 25(vi)].

Notes to standalone financial statement for the year ended 31st March, 2025(Contd.)

	As at 31st March, 2025 (₹ in Lakhs)		As at 31st March, 2024 (₹ in Lakhs)	
	Current	Non-Current	Current	Non-Current
12. Provisions				
Provision for employee benefits (Refer Note 24(iii))				
Retirement benefits	0.06	1.16	0.22	3.81
TOTAL	<u>0.06</u>	<u>1.16</u>	<u>0.22</u>	<u>3.81</u>
	As at 31st March, 2025 (₹ in Lakhs)		As at 31st March, 2024 (₹ in Lakhs)	
	Current	Non-Current	Current	Non-Current
13. Other non-Current / Current Liabilities				
Statutory Liabilities	0.57	–	3.12	–
Advances received from customers	1.49	–	3.20	–
Unearned Income	96.50	68.50	–	–
Others	–	–	5.10	–
TOTAL	<u>98.56</u>	<u>68.50</u>	<u>11.42</u>	<u>–</u>
		For the year ended 31st March, 2025 (₹ in Lakhs)		For the year ended 31st March, 2024 (₹ in Lakhs)
14. Revenue from operations				
Sale of Products		89.66		340.44
Sale of Services		170.40		6.37
Gross Revenue from sale of products and services		<u>260.06</u>		<u>346.81</u>
Other Operating Revenues		–		0.65
TOTAL		<u>260.06</u>		<u>347.46</u>
		For the year ended 31st March, 2025 (₹ in Lakhs)		For the year ended 31st March, 2024 (₹ in Lakhs)
15. Other income				
Interest Income		0.01		1.93
Net Foreign Exchange Gain / (Loss)		(0.15)		–
Other non-operating Income		110.54		8.51
TOTAL		<u>110.40</u>		<u>10.44</u>
		For the year ended 31st March, 2025 (₹ in Lakhs)		For the year ended 31st March, 2024 (₹ in Lakhs)
Other non-operating Income:				
Assignment of Trademark GAB & GAN		25.00		–
Sale of Blueprints, Drawings and Technical & Commercial documents		75.00		–
Short term Capital Gain on sale of Mutual Funds		0.48		–
Net gain arising on financial assets (Current investments) mandatorily measured at FVTPL		10.06		8.51
TOTAL		<u>110.54</u>		<u>8.51</u>
		For the year ended 31st March, 2025 (₹ in Lakhs)		For the year ended 31st March, 2024 (₹ in Lakhs)
16. Changes in Inventory				
Opening Work-in-progress (A)		–		109.69
Closing Work-in-progress (B)		–		–
Change in inventories of work-in-progress (A) - (B)		<u>–</u>		<u>109.69</u>
		For the year ended 31st March, 2025 (₹ in Lakhs)		For the year ended 31st March, 2024 (₹ in Lakhs)
17. Employee benefits expense				
Salaries and wages		35.28		73.11
Contribution to Provident and other funds		2.68		5.40
Share based payment		–		–
Staff welfare expenses		4.74		10.92
TOTAL		<u>42.70</u>		<u>89.43</u>
		For the year ended 31st March, 2025 (₹ in Lakhs)		For the year ended 31st March, 2024 (₹ in Lakhs)
18. Finance costs				
Preference Dividend		45.00		45.00
TOTAL		<u>45.00</u>		<u>45.00</u>

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
19. Other Expenses		
Consumption of stores and spare parts	—	0.34
Sub-Contracting Expenses	24.09	40.94
Power and fuel	7.34	8.13
Repairs and Maintenance		
- Buildings	0.10	—
- Others	0.41	1.33
Rates and taxes	0.43	1.96
Insurance	0.53	1.07
Maintenance and upkeep	17.51	16.83
Travelling and conveyance	13.23	21.53
Printing and stationery	0.53	1.21
Freight and forwarding	1.13	5.93
Bank charges	0.54	2.05
Information technology services	0.33	—
Professional fees	6.14	13.08
Postage and telephone charges	2.78	2.52
Directors' sitting fees	1.00	1.20
Doubtful and Bad debts	1.17	1.30
Doubtful and bad Advances	—	1.52
Miscellaneous expenses	6.43	15.23
TOTAL	83.70	136.17
Miscellaneous expenses include :		
1) Auditors' remuneration and expenses		
Audit fees	1.25	1.75
Tax audit fees	0.65	1.00
Others	—	—
	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
20. Tax Expenses		
Current Tax	—	—
TOTAL	—	—
	For the year ended 31st March, 2025 (₹ in Lakhs)	For the year ended 31st March, 2024 (₹ in Lakhs)
21. Earnings per share		
Profit/ (Loss) after tax, attributable to equity shareholders (A)	145.42	(187.91)
Weighted average number of Equity Shares (B)	18,50,81,193	18,50,81,193
Earnings per share - Basic & Diluted (in ₹) (A / B)	0.08	(0.10)
Nominal value of an equity share (in ₹)	1.00	1.00
22 Segment Reporting		
A. Information about primary business segments :		
The company's operations comprise of only one segment i.e. Fabrication/Assembly of Machines and allied services and is consistent with the internal reporting provided to the Executive Management Committee, which is the Chief Operating Decision Maker. Hence, separate segmental information is not required to be given as per the requirements of Indian Accounting Standard 108.		
B. Information about secondary business segments		(₹ in Lakhs)
	2025	2024
1. Segment Revenue		
- Within India	260.06	346.81
- Outside India	—	—
Total	260.06	346.81
2. Non Current Assets		
- Within India	115.17	83.82
- Outside India	—	—
TOTAL	115.17	83.82

Note : Revenue of ₹ 139 lakhs (2024 - ₹ 237 Lakhs) arose from one (2024 - three) external customers which is more than 10% of the Company's total revenue during the reported period.

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

23. Related Party Disclosures

1. PARTIES EXERCISING CONTROL OVER THE COMPANY

i) Holding Company:

a) ITC Limited

2. RELATED PARTIES WITH WHOM THE COMPANY HAD TRANSACTIONS

a) ITC Limited

ii) Key Management Personnel:

D. Ashok	Chairman & Non-Executive Director
D. Dutta	Non-Executive Director
C.R. Dua	Non-Executive Director
N. Bajaj	Non-Executive Director
S. V. Limaye#	Wholtime Director
D. Singhanian*	Company Secretary (w.e.f. 12.07.2024)
A. Bothra#	Chief Financial Officer (w.e.f. 12.07.2024)
S.K. Sipani *	Company Secretary (upto 30-06-2024)
S. Mundra#	Chief Financial Officer (upto 30-06-2024)

* No remuneration is paid by the Company to the Company Secretary in accordance with the terms of his appointment.

No remuneration is paid by the Company to the Chief Financial Officer and Wholtime Director from Financial year 2023-2024 onwards in accordance with the terms of their appointment.

DISCLOSURE OF TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES AND THE STATUS OF OUTSTANDING BALANCES AS AT 31.03.2025

(₹ in Lakhs)

RELATED PARTY TRANSACTIONS SUMMARY		Holding Company		Key Management Personnel		Total	
		ITC Limited					
		2025	2024	2025	2024	2025	2024
1	Sale of Goods/ Services	54.27	4.17	–	–	54.27	4.17
2	Expenses Recovered	215.48	323.49	–	–	215.48	323.49
3	Expenses Reimbursed	–	2.32	–	–	–	2.32
4	Preference dividend	45.00	45.00	–	–	45.00	45.00
5	Share Based Payments* Cash Settled Share Based Payments - Other Payables	–	–	–	–	–	–
6	Remuneration of Key Management Personnel on Deputation reimbursed * Other Remuneration#	–	–	–	–	–	–
7	Director's Sitting Fees	–	–	1.00	1.20	1.00	1.20
8	Outstanding receivable	–	–	–	–	–	–
9	Outstanding payables	–	1.36	–	–	–	1.36
10	Redeemable Preference Share Outstanding	500.00	500.00	–	–	500.00	500.00
11	Interest accrued but not due - Preference Share	240.37	195.37	–	–	240.37	195.37

* Post employment benefits are actuarially determined on overall basis and hence not separately provided. Further, for share based payments, Refer Note 17

24. Financial Instruments and Related Disclosures

1. Capital Management

The Company funds its operations through mix of equity and borrowings. The primary objective of the company's capital management strategy is to provide adequate capital for sustaining operational activities, meeting its growth plans and maximizing shareholder value.

The capital structure of the Company consists of equity Rs. 1850.81 Lakhs and preference shares issued to the holding company of Rs. 500 Lakhs. The Company is not subject to any externally imposed capital requirement.

During the financial year 20-21, the Company completed the reduction of Issued, Subscribed and Paid up Equity Share Capital [Refer note 24(vi)]

2. Categories of Financial Instruments

(₹ in Lakhs)							
Particulars			Note	As at 31st March, 2025		As at 31st March, 2024	
				Carrying Value	Fair Value	Carrying Value	Fair Value
A. Financial assets							
a)	Measured at amortised cost						
	i)	Cash and Cash Equivalents	7	35.71	35.71	44.41	44.41
	ii)	Other Bank Balances	8	12.84	12.84	12.84	12.84
	iii)	Trade Receivables	6	1.32	1.32	18.43	18.43
b)	Measured at Fair Value Through Profit or loss						
	i)	Investment in Mutual Funds	5	402.59	402.59	50.07	50.07
	Total financial assets			452.46	452.46	125.75	125.75
B. Financial liabilities							
c)	Measured at amortised cost						
	i)	Non – Current Borrowings	10	500.00	500.00	–	–
	ii)	Current Borrowings	10	–	–	500.00	500.00
	iii)	Trade Payables		9.68	9.68	14.53	14.53
	iv)	Other financial liabilities	11	253.37	253.37	216.84	216.84
	Total financial liabilities			763.05	763.05	731.37	731.37

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

3. Financial risk management objectives

The Company's exposure to financial risks such as market risk, foreign currency risk, liquidity risk and credit risk is limited. The Company has designed its Risk Management System in line with the nature and scale of its operations to address risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

a) Market risk

The Company is not an active investor in Equity market. The Company's investments are predominantly held in fixed deposit and debt mutual funds.

Fixed deposit is held with highly rated bank and have a short tenure and are not subjected to interest rate volatility. The Company also invest in mutual fund schemes of leading fund houses. However, given the relatively short tenure of underlying portfolio of the mutual fund schemes in which the Company has invested such price risk are not significant.

Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As majority of the financial assets and liabilities of the Company are either short term or fixed interest-bearing instruments, the Company's net exposure to interest risk is negligible.

b) Foreign currency risk

The Company undertakes transactions denominated in foreign currency which results in exchange rate fluctuations. Such exchange rate risk primarily arises from transactions made in foreign exchange and reinstatement risks arising from recognised assets & liabilities. Such transactions are primarily undertaken in US Dollar and Euro. Considering the insignificant value, foreign currency risks is assessed to be immaterial. As the transactions undertaken by the company are in smaller denominations taking forward cover for each transaction is not economically feasible.

The carrying amount of foreign currency denominated financial asset is as follows :

(₹ in Lakhs)

Financial Asset	As at 31st March 2025	As at 31st March 2024
USD	9.87	9.87
EURO	—	—
Total	9.87	9.87

As there are no large exposures, sensitivity analysis has not been provided.

c) Liquidity risk

The Company manages its liquidity risk by ensuring that it will always have sufficient liquidity to meet its liabilities when due. The company maintains adequate committed credit lines with the banks.

The table below provides details regarding the remaining contractual maturities of significant financial liabilities at the reporting date.

(₹ in Lakhs)

Particulars	As at 31st March, 2025						
	Contractual Cashflows*						
	Carrying value	Less than 3 months	More than 3 months upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Beyond 3 year	Total
Trade Payables	9.68	3.14	6.18	0.36	-	-	9.68
Other Financial Liabilities	253.37	253.37	-	-	-	-	253.37
Non-Current Borrowings	500.00	-	-	-	500.00	-	500.00
	763.05	256.51	6.18	0.36	500	-	763.05

Particulars	As at 31st March, 2024						
	Contractual Cashflows*						
	Carrying value	Less than 3 months	More than 3 months upto 6 months	More than 6 months upto 1 year	More than 1 year upto 3 years	Beyond 3 year	Total
Trade Payables	14.53	14.53	-	-	-	-	14.53
Other Financial Liabilities	216.84	216.84	-	1.36	-	-	216.84
Current Borrowings	500.00	-	500.00	-	-	-	500.00
	731.37	230.01	500.00	1.36	-	-	731.37

* The table has been drawn up based on undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The Cash credit facility is not included in the above as the same is revolving in nature. Preference share has also not been included being part of the capital structure management of the Company.

d) Credit risk

Credit risk is the risk that counterparty will not meet its obligations.

Trade receivables are initially recognized at fair value plus any directly attributable transaction costs. The net carrying value of trade receivables is not significantly different from their carrying values due to the short - term duration of trade receivables.

Generally, terms of trade are 75% to 90% advance and balance 10% to 25% is paid by customers post installation of machine. Wherever required credit terms for customers are determined based on the terms of the trade, market scenario, general economic scenario and industry practice, which can be for a specific credit requirement. There is no significant financing component in respect of its transaction with the customers. Concentrations of credit risk with respect to trade receivables are limited to period end sales against post-dated cheques, where extended. Credit limits extension are monitored by the Executive Committee and necessary steps are taken for monitoring, as required.

Our historical experience of collecting receivables, supported by the level of default, is that credit risk is low and so trade receivables are considered to be a single class of financial assets.

All Customer balances which are overdue for more than 180 days are evaluated for provision and considered for impairment on an individual basis. The Company has used practical expedient in computing allowance for doubtful receivables based on the ageing of the customer's balances, specific credit circumstances and Company's historical bad receivable experience and forward looking information. Write offs are made with the approval of the Board of Directors.

The movement of expected loss provision (allowance for bad and doubtful receivable) made by the company are as under:

(₹ in Lakhs)

Particulars	Expected Loss Provision	
	As at 31st March, 2025	As at 31st March, 2024
Opening Balance	29.99	28.69
Add: Provision made	1.17	1.30
Less: Utilisation for impairment/de-recognition	—	—
Closing Balance	31.16	29.99

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

4. Fair value measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables and payables and other current financial liabilities is considered to be equal to the carrying amounts of these items due to their short – term nature.

There has been no change in the fair valuation methodology as compared to previous year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

(₹ in Lakhs)

Particulars	Fair Value Hierarchy (Level)	As at 31st March, 2025	As at 31st March, 2024
A. Financial assets			
Measured at Fair Value Through Profit or loss			
Investment in Mutual Funds	1	402.59	50.07
Total financial assets		402.59	50.07
B. Financial liabilities			
Measured at amortised cost			
Borrowings	2	500.00	–
Other Financial liabilities*	3	–	–
Total financial liabilities		500.00	–

* Represents Fair value of Non-Current Financial Instruments

25. Additional Notes to the Financial Statements

(i) Micro, Small and Medium scale business entities:

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and as at March 31, 2025 and March 31, 2024. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.

(ii) The eligible employee(s) of the Company, including employee(s) deputed from ITC Limited, the Holding Company (ITC), have been granted:

- stock options by ITC under the ITC Employee Stock Option Schemes (ITC ESOS) in earlier years and
- stock appreciation units (SARs) under the ITC Employee Cash Settled Stock Appreciation Linked Reward Plan (ITC ESAR)

in earlier years in accordance with the terms and conditions of such schemes, details of which are as under:

ITC ESOS: Each Option entitles the holder thereof to apply for and be allotted ten ordinary shares of Rs. 1.00 each of ITC upon payment of the exercise price during the exercise period. These options vest over a period of three years from the date of grant and are exercisable within a period of five years from the date of vesting.

ITC ESAR: Under the ITC ESAR Plan, eligible employees would receive cash linked to appreciation in the value of the shares of ITC in accordance with the terms and conditions of this Plan. The SARs vest over a period of five years from the date of grant and entitles each ESAR grantee to the appreciation for the total number of ESAR Units vested.

The cost of stock options granted under ITC ESOS / SARs granted under ITC ESAR have been recognized as equity settled / cash settled share based payments respectively in accordance with Ind AS 102 – Share Based Payment. In terms of said deputation arrangement, the Company has accounted for the cost of the fair value of options / stock appreciation units granted to the deputed employees on-charge by ITC. The fair value of the options / SARs granted is determined, using the Black Scholes Option Pricing model, by ITC for all the grantees covered under ITC ESOS / ITC ESAR as a whole.

The summary of movement of such options granted by ITC and status of the outstanding options is as under:

Particulars	As at 31st March, 2025	As at 31st March, 2024
	No. of Options	No. of Options
Outstanding at the beginning of the year	–	2724
Add: Corporate Action: Bonus Issue by ITC	–	–
Add: Granted during the year	–	–
Less: Lapsed during the year	–	–
Add / (Less): Movement due to transfer of employees within group	–	–
Less: Exercised during the year	–	2724
Outstanding at the end of the year	–	–
Options exercisable at the end of the year	–	–

Note : The weighted average exercise price of the options granted to all Optionees under the ITC ESOS is computed by ITC as a whole.

In accordance with Ind AS 102, an amount of ₹ NIL lakhs (2024: ₹ NIL lakhs) towards ITC ESOS and ₹ NIL lakhs (2024 : ₹ NIL lakhs) towards ITC ESAR has been recognized as employee benefits expense (Refer Note 17). Such charge has been recognized as employee benefits expense and has been considered as capital contribution by ITC Limited, net of reimbursements, if any. Liability recognized for payments towards ITC ESAR is presented under note 11 of the financial statements. Out of the above, ₹ NIL Lakhs (2024 - ₹ NIL Lacs) is attributable to the Chief Financial Officer of the Company.

(iii) Defined Benefit Plans / Long Term Compensated Absences - As per Actuarial Valuations as on March 31, 2025 and recognized in the financial statements in respect of Employee Benefit Schemes:

Description of Plans :

In respect of Gratuity, the Company makes contributions to defined benefit scheme for qualifying employees, in a group-cum-life assurance cash accumulation policy offered by LIC. The liabilities arising in the defined benefit scheme are determined in accordance with the advice of independent, professionally qualified actuaries, using the projected unit credit method. Additional funding requirements are based on actuarial measurement.

The employees of the Company are also entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under projected unit credit method. These benefits are unfunded.

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

Risk Management :

The defined benefit plans expose the Company to actuarial deficit arising out of investment risk, interest rate risk, salary cost inflation risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. However, this may be partially offset by an increase in capital value of the Scheme assets that have similar characteristics. Increase in salary due to adverse inflationary pressures might lead to higher liabilities. To manage the risk, gratuity scheme has been funded by a policy offered by Life Insurance Corporation of India.

We understand that LICs overall portfolio of assets is well diversified and as such the long term return on the policy is expected to be higher than the rate of return on Central Government Bonds.

(₹ in Lakhs)

			For the year ended 31st March, 2025		For the year ended 31st March, 2024	
			Gratuity	Leave Encashment	Gratuity	Leave Encashment
I	–	Recognised in Profit or Loss				
	1	Current Service Cost	0.11	0.05	1.01	0.27
	2	Past Service Cost	-	-	-	-
	3	Net Interest Cost	0.75	0.17	0.16	0.03
	4	Total expense recognised in the Statement of Profit and Loss	0.86	0.22	1.17	0.30
	–	Re-measurements recognised in Other Comprehensive Income				
	5	(Return) on plan assets (excluding amounts included in Net interest cost)	(0.07)	-	14.51	-
	6	Effect of changes in demographic assumptions	-	-	-	-
	7	Effect of changes in financial assumptions	0.04	0.02	0.62	0.13
	8	Changes in asset ceiling (excluding interest income)				
	9	Effect of experience adjustments	1.24	0.03	23.59	5.23
	10	Total re-measurements included in OCI	1.21	0.05	38.72	5.36
	11	Total defined benefit cost recognised in Profit and Loss and Other Comprehensive Income (4+10)*	2.07	0.27	39.89	5.66

II			For the year ended 31st March, 2025		For the year ended 31st March, 2024	
			Gratuity	Leave Encashment	Gratuity	Leave Encashment
	1	Present Value of Defined Benefit Obligation	2.15	1.22	21.51	4.03
	2	Fair Value of Plan Assets	12.06	-	32.06	-
	3	Status [Surplus/(Deficit)] *	9.91	(1.22)	10.55	(4.03)
	4	Net Asset/(Liability) recognised in Balance Sheet	As at 31st March, 2025		As at 31st March, 2024	
			Current	Non Current	Current	Non Current
		- Gratuity	-	-	-	-
		- Leave Encashment	(0.06)	(1.16)	(0.22)	(3.82)
	* The excess of plan assets over present value of defined benefit obligation for Gratuity has not been recognized since the Company does not have an unconditional right of refund over the excess plan assets. Consequently no defined benefit cost recognised in Profit and Loss and Other Comprehensive Income for Gratuity.					

			For the year ended 31st March, 2025		For the year ended 31st March, 2024	
			Gratuity	Leave Encashment	Gratuity	Leave Encashment
III	Change in Defined Benefit Obligations (DBO)					
	1	Present Value of DBO at the beginning of the year	21.51	4.03	8.25	2.51
	2	Current Service Cost	0.11	0.05	1.01	0.27
	3	Interest Cost	0.75	0.17	0.16	0.03
	4	Others	(0.12)	–	(0.23)	–
	5	Remeasurement gains / (losses):				
		Effect of changes in demographic assumptions	–	–	–	
		Effect of changes in financial assumptions	0.04	0.02	0.62	0.13
		Changes in asset ceiling (excluding interest income)			–	–
		Effect of experience adjustments	1.24	0.03	23.59	5.23
	6	Curtailement Cost / (Credit)	–	–	–	–
	7	Settlement Cost / (Credits)	–	–	–	–
	8	Liabilities assumed in business combination	–	–	–	–
	9	Exchange difference on foreign plans	–	–	–	–
	10	Benefits Paid	(21.38)	(3.08)	(11.89)	(4.14)
	11	Present Value of DBO at the end of the year	2.15	1.22	21.51	4.03

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

IV	Best Estimate of Employer's Expected Contribution for the next year	As at 31st March, 2025	As at 31st March, 2024
	- Gratuity	Nil	Nil
	- Leave Encashment	NA	NA

		For the year ended 31st March, 2025		For the year ended 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
V	Change in Fair Value of Assets				
1	Plan Assets at the beginning of the year	32.06	–	55.24	–
2	Asset acquired in Business Combination	-	–	–	–
3	Expected Return on Plan Assets	1.44	–	3.45	–
4	Remeasurement Gains/(Losses) on plan assets	0.06	–	(14.51)	–
5	Actual Company Contributions	-	–	–	–
6	Benefits Paid	(21.37)	–	(11.89)	–
	Others	(0.12)	–	(0.23)	–
7	Plan Assets at the end of the year	12.06	–	32.06	–

VI	Actuarial Assumptions	As at 31st March, 2025	As at 31st March, 2023
		Discount Rate (%)	Discount Rate (%)
1	Gratuity	6.75%	7.00%
2	Leave Encashment	6.75%	7.00%
	The estimates of future salary increases, considered in actuarial valuations take account of inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.		

VII	In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

VIII	Net Asset / (Liability) recognised in Balance Sheet (including experience adjustment impact)	As at 31st March, 2025		As at 31st March, 2024	
		Gratuity	Leave Encashment	Gratuity	Leave Encashment
1	Present Value of Defined Benefit Obligation	2.15	1.22	21.51	4.03
2	Fair Value of Plan Assets	12.06	-	32.06	–
3	Status [Surplus/(Deficit)]	9.91	(1.22)	10.55	(4.03)
4	Experience Adjustment of Plan Assets [Gain/(Loss)]	-	-	–	–
5	Experience Adjustment of obligation [(Gain)/Loss]	1.24	0.04	23.59	5.03

* The excess of plan assets over present value of defined benefit obligation for Gratuity has not been recognized since the Company does not have an unconditional right of refund over the excess plan assets.

IX	Sensitivity Analysis		
	The Sensitivity Analysis below has been determined based on reasonably possible change of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. These sensitivities show the hypothetical impact of a change in each of the listed assumptions in isolation. While each of these sensitivities holds all other assumptions constant, in practice such assumptions rarely change in isolation and the asset value changes may offset the impact to some extent. For presenting the sensitivities, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the Defined Benefit Obligation presented above.		
	(₹ in Lakhs)		
		DBO as at 31 March 2025	DBO as at 31 March 2024
1	Discount Rate + 100 basis points	3.15	23.78
2	Discount Rate - 100 basis points	3.62	27.49
3	Salary Increase Rate + 1%	3.64	27.62
4	Salary Increase Rate – 1%	3.13	23.64

(iv) Other Disclosures in respect of Gross Revenue from sale of products and services:

- In terms of the nature of goods and services offered by the Company, the duration between rendering performance obligation and receipt of consideration is, generally, short term in nature.
- Advances received from customers which are outstanding on the reporting date are expected to be recognized as revenue within a period of one year.

(v) Contingent liabilities:

- Claims against the Company not acknowledged as debts is ₹ 22.68 Lakhs (2024 - ₹ 20.92 Lakhs) including interest and penalty estimated to be ₹ 12.89 Lakhs (2024 – ₹ 11.13 Lakhs) for GST disputed by the Company.
- (vi) The Shareholders of the Company on 21st March, 2020 had approved reduction of Issued, Subscribed and Paid-up Equity Share Capital of the Company from ₹ 18,84,60,000/- comprising 18,84,60,000 Equity Shares of ₹ 1/- each to ₹ 18,50,81,193/- comprising 18,50,81,193 Equity Shares of ₹ 1/- each, by way of cancelling and extinguishing, in aggregate, 33,78,807 Equity Shares of ₹ 1/- each held by Shareholders other than the Promoter (i.e. Public Shareholders), in lieu of payment not exceeding ₹ 1/- per share to such Shareholders. The said reduction of Equity Share Capital of the Company was confirmed by the National Company Law Tribunal, Mumbai Bench, vide Order dated 9th April, 2021.

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

Consequently, the company become a wholly owned subsidiary of ITC Limited with effect from 29th July, 2021, upon completion of necessary formalities under section 66 of Companies Act, 2013

(vii) The ageing of Trade Payable is as under:

(₹ in Lakhs)

	Outstanding for following periods from due date of payment as at 31st March, 2025						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	-	6.18	0.36	-	-	-	6.54
Disputed Dues – MSME	-	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-	-
Sub Total	-	6.18	0.36	-	-	-	6.54
Accrued Payables (not dues)	-	-	-	-	-	-	-
MSME	-	-	-	-	-	-	1.13
Others	-	-	-	-	-	-	2.02
Total							9.68

(₹ in Lakhs)

	Outstanding for following periods from due date of payment as at 31st March, 2024						Total
	Not Due	Less than 6 months	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	6.77	1.11	-	-	-	-	7.88
Disputed Dues – MSME	-	-	-	-	-	-	-
Disputed Dues – Others	-	-	-	-	-	-	-
Sub Total	6.77	1.11	-	-	-	-	7.88
Accrued Payables (not dues)	-	-	-	-	-	-	-
MSME	-	-	-	-	-	-	-
Others							6.65
Total							14.53

(viii) Ratios

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

Ratio	Numerator	Denominator	31st March 2025	31st March 2024
Current Ratio	Current Assets	Current Liabilities	1.2	0.2
Debt Service Coverage Ratio#	Earnings for Debt Service	Debt Service	4.2	#
Inventory Turnover Ratio	Gross revenue from sales of products and services	Average Inventory	19.6	3.1
Trade Receivables Turnover ratio	Gross revenue from sales of products and services	Average Trade Receivables	26.3	4.9
Trade Payables Turnover ratio	Cost of goods sold + other expense + Non -Cash Expenditure	Average Trade Payables	11.7	2.7
Net Profit Ratio#	Net Profit	Sales	56%	#
Return on Investment	Income from investment	Time weighted average Investment	7.5%	7.1%

#Not disclosed since negative

Debt-Equity Ratio, Net Capital Turnover Ratio, Return on Capital employed have not been disclosed as the same is negative in both the years.

Positive variance in Current Ratio & Return on Investment is on account of better utilization of Funds.

Positive variance in Debt Service Coverage Ratio & Net Profit Ratio is on account of profit in the current year.

Positive variance in Inventory turnover ratio, Trade Receivables turnover ratio & Trade Payables turnover ratio is on account of improved working capital cycle.

The financial statements were approved for issue by the Board of Directors on 29th Apr, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013

(ix) **Effect of amendments to IND AS notified but not yet effective**

There is no such Notification applicable from 1st April, 2025.

26. Use of Estimates and Judgements

The key estimates and assumptions used in the preparation of financial statements are set out below:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognized in the income statement and in other comprehensive income. Such valuation depends upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

27. MATERIAL ACCOUNTING POLICIES**a) Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company adopted Ind AS from 1st April, 2016.

b) Basis of Preparation

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at amortised cost or fair value, as explained in the accounting policies below. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. The financial statements are presented in Rupees Lakhs.

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.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those 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; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

c) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d) Going Concern Assumption

As at 31 March 2025, the net worth of the Company has been eroded due to accumulated losses/restructuring. The financial statements have been prepared on a going concern basis taking into consideration the business plans and liquid assets which are considered adequate to meet its external obligations for the next 12 months from the Balance Sheet date.

e) Property, Plant & Equipment

Property, plant & equipment (PP&E) are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of PP&E recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP).

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will be realized. The carrying amount of a replaced part is derecognized. All other repairs and maintenance are charged to the statement of Profit & Loss.

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

Software is capitalised where it is expected to provide future enduring economic benefits. Capitalisation costs include licence fees and costs of implementation/system integration services. The costs are capitalised in the year in which the relevant software is implemented for use.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of PP&E are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis. Land is not depreciated.

The estimated useful lives of PP&E of the Company are as follows:

Buildings	30 Years
Plant and Equipment	5-15 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years

PP&E's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

f) Impairment of Assets

Impairment loss is provided, if any, to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amount of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised in previous years.

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

g) Inventories

Inventories including work-in-progress are stated at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Net realisable value is the estimated selling price less estimated costs for completion and sale.

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories.

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

h) Revenue from sale of products and services

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods excludes Goods and Services Tax which are payable in respect of sale of goods and services.

Revenue from the sale of goods and services is recognised when the Company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery and in case of services, in the period in which such services are rendered.

i) Trade Receivables

Trade receivables are initially measured at transaction value, which is the fair value and subsequently retained at cost less appropriate allowance for credit losses as all receivables of the Company are current in nature. Where significant, non – current receivables are accounted for at amortised cost using effective interest rate method less appropriate allowance for credit losses. Interest is accounted for on the basis of contractual terms, where applicable and is included in interest income. Impairment losses are recognized in the profit or loss where there is an objective evidence that the Company will not be able to collect all the due amounts.

j) Employee Benefits

Short-term employee benefits are expensed in the period in which the employee renders the related service on an undiscounted basis. A liability is recognised for the amount expected to be paid within twelve months, if the Company has a present legal or constructive obligation to pay the same as a result of past service provided by the employee and the obligation can be reliably estimated.

The contributions in respect of defined benefit gratuity fund are made to Life Insurance Corporation (LIC) under its Group Gratuity Scheme. The accounting charge for benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the statement of profit and loss. Gain or Loss on account of re measurements are recognized immediately through Other Comprehensive Income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed under projected unit credit method. These benefits are unfunded. Service costs and net interest expense or income is reflected in the statement of profit and loss. Gain or Loss on account of re measurements are recognized immediately through Other Comprehensive Income in the period in which they occur.

k) Employee Share Based Compensation

The cost of stock options and stock appreciation units granted by ITC Limited, the Holding Company, to its eligible employees including employees deputed by holding company is recognized at fair value. These Schemes are in the nature of equity settled / cash settled share based compensation and are assessed, managed / administered by the Holding Company.

In case of stock options, the fair value of stock options at the grant date is amortised on a straight line basis over the vesting period and cost recognized as an employee benefit expenses in the Statement of Profit and Loss with corresponding credit in equity.

In case of stock appreciation units, the fair value of stock appreciation units at the grant date is initially recognised and remeasured at each reporting date, until settled, and cost recognized as an employee benefits expenses in the Statement of Profit and Loss with a corresponding increase in other financial liabilities

l) Foreign Currency Transactions

The presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains / losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

m) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Recognition: Financial assets include investments, Trade receivable, Advances, Security Deposits, Cash & Cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the assets is being fair valued through the statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose of which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets :

Recognition: Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial Liabilities :

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled or on expiry.

Notes to standalone financial statement for the year ended 31st March, 2025 (Contd.)

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

n) Claims

Claims against the Group not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

o) Earnings per Share (EPS)

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit for the period attributable to the equity shareholders by the weighted average number of equity and equivalent dilutive equity shares outstanding during the period, except where the results would be anti-dilutive.

p) Taxes on Income

To provide current tax in the statement of profit and loss as the amount of tax payable in respect of taxable income for the period using tax rates enacted or substantively enacted during the period, together with any adjustment to tax payable in respect of previous years. Income tax, in so far as it relates to items disclosed under Other Comprehensive Income are disclosed separately under Other Comprehensive Income.

Deferred tax is provided using the balance sheet approach, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognizes, unrecognised deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

For and on behalf of the Board

D. ASHOK
Chairman
DIN : 02009735
Place : Kolkata
Date : 19.04.2025

D. SINGHANIA
Company Secretary
Place : Kolkata
Date : 19.04.2025

S. V. LIMAYE
Wholtime Director
DIN : 01757813
Place : Ambernath
Date : 19.04.2025

A. BOTHRA
Chief Financial Officer
Place : Chennai
Date : 19.04.2025

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Your Directors submit their Report for the financial year ended 31st March, 2025.

2. COMPANY PERFORMANCE

The operations of the Company continue to be adversely impacted pursuant to the Order of the Hon'ble High Court of Uttarakhand at Nainital in February, 2014 dismissing the Writ Petition filed by the Company against the Order of the District Magistrate authorising the State authorities to take possession of the land leased to the Company. The Company had filed an appeal against the aforementioned order of the Hon'ble High Court in 2014, which has been pending adjudication.

Considering the time and resources involved, the Company has since withdrawn the said appeal with the approval of the Hon'ble High Court on 7th March, 2025.

During the year under review, the Company recorded Total Income of ₹ 9.62 lakhs (previous year: ₹ 9.84 lakhs) and the Net Loss of the Company was ₹ 9.15 lakhs (previous year: ₹ 1.93 lakhs).

3. DIVIDEND

In view of the losses incurred, your Directors are unable to recommend any dividend for the year under review.

4. DIRECTORS

(a) Changes in Directors during the year

During the year under review, there was no change in the composition of the Board of Directors of your Company ('Board').

(b) Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with Articles of Association of the Company, Mr. Suneel Kumar Pandey (DIN: 08017025), Director, will retire by rotation at the ensuing Annual General Meeting ('AGM') of the Company, and being eligible, offers himself for re-election. Your Board has recommended his re-election.

5. BOARD MEETINGS

Five meetings of the Board were held during the year ended 31st March, 2025.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- i) followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- ii) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv) prepared the Annual Accounts on a going concern basis; and
- v) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

8. PARTICULARS OF EMPLOYEES

The requirements of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

The requirement relating to constitution of Internal Complaints Committee in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is also not applicable to the Company.

9. RISK MANAGEMENT

The Company's risk management framework, designed to bring robustness to the risk management processes, addresses risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

Annual update is provided to the Board on the effectiveness of the Company's risk management systems and policies.

10. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with respect to the financial statements, commensurate with its size and scale of operations.

During the year under review, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognises that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year ended 31st March, 2025, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

12. RELATED PARTY TRANSACTIONS

During the year under review, the Related Party Transactions (RPTs) entered into by your Company were in the ordinary course of business and on arm's length basis.

The details of material RPTs of the Company in the prescribed Form No. AOC-2 are enclosed as **Annexure** to this Report.

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

14. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

15. STATUTORY AUDITORS

Messrs. M. Anandam & Co., Chartered Accountants, were appointed as the Statutory Auditors of your Company at the 27th AGM held on 20th June, 2024 for a period of five years till the conclusion of the 32nd AGM. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, the remuneration of Messrs. M. Anandam & Co., to conduct audit for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report on the financial statements of the Company.

16. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption.

There has been no foreign exchange earnings or outgo during the year under review.

On behalf of the Board

S. S. Bandyopadhyay Director

DIN : 08016972

S. K. Pandey Director

DIN : 08017025

Dated: 30th April, 2025

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2***[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]***Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto****1. Details of contracts or arrangements or transactions not at arm's length basis**

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, the Holding Company (ITC)
b)	Nature of contracts / arrangements / transactions	Purchase of goods
c)	Duration of the contracts / arrangements / transactions	N.A.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of Saplings from ITC Value of the transaction during the year - ₹ 3.30 lakhs
e)	Date(s) of approval by the Board, if any	15 th January, 2024
f)	Amount paid as advances, if any	Nil

Dated : 30th April, 2025

On behalf of the Board
S. S. Bandyopadhyay Director
DIN : 08016972
S. K. Pandey Director
DIN : 08017025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAG AGRO FARM LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of PRAG AGRO FARM 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 Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2025, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 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 issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgement 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 system with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed 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) 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 A".
- g) In our opinion and to the best of our information and according to the explanations given to us, no remuneration paid by the Company to its directors during the year as per provisions of section 197 and read with Schedule V of the Companies Act, 2013.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 17 of the 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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b)The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
 - vi. Based on our examination, including 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 the audit trail feature being tampered with and 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 of India 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.

For **M.Anandam & Co.**
Chartered Accountants
(Firm's Registration No. 001255)
B.V.Suresh Kumar
Partner
(Membership No. 212187)

Place : Secunderabad
Date: 30-04-2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

Report on the Internal Financial Controls with reference to 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 the financial statements of **PRAG AGRO FARM LIMITED** ("the Company") as of 31 March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the 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") 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the 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 system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the 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 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.

For **M.Anandam & Co.**
Chartered Accountants
(Firm's Registration No. 001255)
B.V.Suresh Kumar
Partner
(Membership No. 212187)

Place : Secunderabad
Date: 30-04-2025

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company, we report that,

- (i) The company does not have any property, plant and equipment or intangible assets. Accordingly, reporting under clause 3(i)(a) to 3(i)(e) of the Order is not applicable.
- (ii) (a) The company does not have any inventory during the year. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
(b) According to the information and explanations given to us and the records of the Company examined by 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) During the year, the Company has not made investments, not provided loans or advances in the nature of loans or not stood guarantee or not provided security in/to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of Section 185 or 186 of the Companies Act, 2013, and hence reporting under clause(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and the records of the Company examined by us, the Company has not accepted deposits nor the amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues:
(a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Goods and Services Tax, Customs duty, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us and records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)(a) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(a) of the Order is not applicable.
(b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
(c) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
(d) On an overall examination of the financial statements of the Company, no funds were raised by the Company.
(e) The Company does not have any Subsidiaries, associates or Joint Ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable.
(b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)(a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
(c) The company is not required by statute to implement vigil mechanism under Companies Act, hence reporting under clause (xi)(c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. Section 177 of Companies Act, 2013 is not applicable to the company.
- (xiv) In our opinion the Company doesn't have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not engaged in any non-banking financial or housing finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a core investment company as defined in the Regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting to Rs. 866.44 thousands during the financial year covered by our audit and Rs 141.68 thousands in 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 realisation 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) Provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **M.Anandam & Co**
Chartered Accountants
(Firm's Registration No. 001255)
B.V.Suresh Kumar
Partner
(Membership No. 212187)

Place : Secunderabad
Date: 30-04-2025

BALANCE SHEET AS AT 31ST MARCH, 2025

(All amounts are in Indian Rupees thousands unless otherwise stated)

CIN: U01100MH1997PLC128846

Particulars	Note	As at 31st March, 2025 (₹)	As at 31st March, 2024 (₹)
I. ASSETS			
Non-current assets			
(a) Advance tax and TDS receivables		41.04	67.71
		<u>41.04</u>	<u>67.71</u>
Current Assets			
(a) Financial assets			
(i) Cash and cash equivalents	3	8,190.47	9,185.79
(ii) Other financial assets	4	479.33	203.57
		<u>8,669.80</u>	<u>9,389.36</u>
TOTAL ASSETS		<u>8,710.84</u>	<u>9,457.07</u>
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	5	12,800.02	12,800.02
(b) Other equity	6	(4,589.11)	(3,673.89)
		<u>8,210.91</u>	<u>9,126.13</u>
Liabilities			
Current Liabilities			
(a) Financial liabilities	16		
- Total outstanding dues of micro enterprises and small enterprises		31.50	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		432.12	325.36
(b) Other current liabilities	7	36.32	5.58
		<u>499.94</u>	<u>330.94</u>
TOTAL LIABILITIES		<u>499.94</u>	<u>330.94</u>
TOTAL EQUITY AND LIABILITIES		<u>8,710.84</u>	<u>9,457.07</u>

See accompanying notes forming part of the financial statements

In terms of our report attached

For M. Anandam & Co.

Chartered Accountants

(Firm's Registration No. 0001255)

B. V. Suresh Kumar

Partner

Membership No. 212187

Place: Secunderabad

Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey

Director

DIN - 08017025

Place: Hyderabad

Date: 30/04/2025

Sib Sankar Bandyopadhyay

Director

DIN - 08016972

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in Indian Rupees thousands unless otherwise stated)

CIN: U01100MH1997PLC128846

Particulars	Note	For the year ended March 31, 2025 (₹)	For the year ended March 31, 2024 (₹)
I. Income			
Revenue from Operations	8	430.00	410.00
Other Income	9	532.06	574.77
Total Income		962.06	984.77
II. Expenses			
Purchases of Stock-in-Trade		330.00	310.00
Other Expenses	10	1,498.50	816.45
Total Expenses		1,828.50	1,126.45
III. Profit / (Loss) Before Tax (I-II)		(866.44)	(141.68)
IV. Tax Expense:			
1) Current Tax	11	12.06	51.44
2) Earlier year's tax		36.71	-
3) Deferred tax		-	-
Total Tax Expense		48.77	51.44
V Profit / (Loss) for the Year (III-IV)		(915.20)	(193.12)
VI. Other Comprehensive Income:			
Other Comprehensive Income (net of tax)		-	-
VII. Total Comprehensive Loss for the Year (V+VI)		(915.20)	(193.12)
VIII. Earnings per Equity Share (face value of ₹ 1 each)			
1) Basic (in ₹)	13	(0.07)	(0.02)
2) Diluted (in ₹)		(0.07)	(0.02)

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For M. Anandam & Co
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey Sib Sankar Bandyopadhyay
Director Director
DIN - 08017025 DIN - 08016972

Place: Hyderabad
Date: 30/04/2025

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in thousands Indian Rupees unless otherwise stated)
CIN: U01100MH1997PLC128846

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash Flow from Operating Activities		
Loss Before Tax	(866.44)	(141.68)
Adjustments for:		
Interest Income	(532.06)	(574.77)
Operating Loss Before Working Capital Changes	(1,398.50)	(716.45)
Adjustments for:		
Increase in Other Assets	26.67	(39.98)
Increase/(Decrease) in Trade Payables	138.26	(186.11)
Increase / (Decrease) in Other Current Liabilities	30.74	(7.78)
Cash used in from Operations	(1,202.83)	(950.32)
Income Taxes Paid (Net of Refunds)	(47.42)	(51.44)
Net Cash used in Operating Activities	(1,250.25)	(1,001.76)
Cash Flows from Investing Activities		
Interest Received	254.94	1,842.18
Net Cash generated from Investing Activities	254.94	1,842.18
Cash Flow from Financing Activities	—	—
Net Cash generated from Financing Activities	—	—
Net Decrease in Cash and Cash Equivalents	(995.32)	840.42
Cash and Cash Equivalents at the beginning of the year	9,185.79	8,345.37
Cash and Cash Equivalents at the end of the year (Refer Note 3)	8,190.47	9,185.79
	(995.32)	840.42

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For M. Anandam & Co.
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey Sib Sankar Bandyopadhyay
Director Director
DIN - 08017025 DIN - 08016972

Place: Hyderabad
Date: 30/04/2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in thousands Indian Rupees unless otherwise stated)

CIN: U01100MH1997PLC128846

A. Equity Share Capital

Particulars	Amount (₹)
Balance at April 1, 2023	12,800.02
Add : Changes in Equity Share Capital due to prior period errors	-
Changes in Equity Share Capital during the year	-
Balance at March 31, 2024	12,800.02
Add : Changes in Equity Share Capital due to prior period errors	-
Changes in Equity Share Capital during the year	-
Balance at March 31, 2025	12,800.02

B. Other Equity

Particulars	Amount (₹)
Balance at April 1, 2023	(3,480.77)
Loss for the Year	(193.12)
Balance at March 31, 2024	(3,673.89)
Loss for the year	(915.20)
Balance at March 31, 2025	(4,589.11)

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For M. Anandam & Co.
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey
Director
DIN - 08017025

Sib Sankar Bandyopadhyay
Director
DIN - 08016972

Place: Hyderabad
Date: 30/04/2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Company Information

The Company is in the business of trading of poplar woods, saplings and agro forestry and other related activities, which consists of harvesting and selling of poplar wood, and is based in the states of Uttarakhand and Uttar Pradesh.

2. Material Accounting Policies**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The company adopted Ind AS from 1st April, 2016

2.2 Basis of Preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention, except for certain items that are measured at amortized cost or fair values, as explained in the accounting policies below, and on accrual basis. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

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 a 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. Fair value for measurement or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36. The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Use of Estimates and Judgements

The preparation of 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 and liabilities, disclosure of contingent liabilities and the reported amounts of income and expenses during the year. Actual results could differ from those estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known / materialise. The estimates and underlying assumptions are reviewed on an ongoing basis.

2.4 Biological Assets other than Bearer Plants

Biological assets other than bearer plants comprises of matured as well as growing poplar trees. These trees are felled for wood and are then sold to farmers, the usual production cycle ranging from 5 – 6 years. At any reporting period, these trees would be at various stages of growth. Since the trees have a growing period of 5-6 years, and there is no market for such trees in the initial 4-5 years of their growth, the fair value of the same cannot be established. Hence, such assets are measured at cost less any accumulated depreciation and any accumulated impairment losses on initial recognition and at the end of each reporting period. In determination of cost, no adjustment is made to the total cost of trees on account of undeveloped / diseased trees, being normal loss during the period of maturity of plantation (based on a technical estimate) except that realization / insurance claim for such trees is reduced from total cost. Cost includes all direct and indirect expenses in respect of the poplar plantation. Further, 75% of net standard realizable value of inter cropping, waste, etc. is reduced from the above cost because entire farm cost is first added to the cost of plantation.

Fair valuation is done for those trees which have attained a growth of 5 years and is ready for sale in the next one year, provided it is reasonably certain that the existing market prices are unlikely to show wide variability in the next one year. To determine the fair value, reference is made to the current market price of similar grade of wood less estimated costs to be incurred for making the sale.

Unharvested agricultural produce of intercropping traditional crops are valued at fair value less costs to sell.

2.5 Inventories

Agricultural produce after harvest i.e., felled wood from poplar trees and inter-cropping of traditional crops (viz., wheat and sugarcane) are measured at 75% of their net realizable value in accordance with well-established practice in the industry.

In respect of traded items, inventories are valued at weighted average cost basis.

2.6 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit / (loss) 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.

2.7 Property, Plant and Equipment – Recognition and Depreciation

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment, if any. The cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses related to acquisition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.8 Revenue Recognition

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and estimates of variable consideration such as discounts to customers.

Revenue from the sale of goods and services is recognized when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery and in case of services, in the period in which such services are rendered

2.9 Earnings Per Share ('EPS')

Basic earnings per share ('EPS') is computed by dividing the net profit/(loss) attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit/(loss) attributable to the equity shareholders for the period by the weighted average number of equity and equivalent dilutive equity shares outstanding during the period, except where the results would be anti-dilutive.

2.10 Taxation

Income-tax expense comprises current tax and deferred tax charge or credit. Current tax is determined in accordance with the Income-tax Act, 1961. Income tax, in so far as it relates to items disclosed under Other Comprehensive Income or Equity, are disclosed separately under Other Comprehensive Income or Equity, as applicable.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. As the Company is currently engaged in trading of agricultural produce, such income is exempt from income tax. Accordingly, there are no deferred tax assets/liabilities arising therefrom.

2.11 Impairment of Assets

To provide for impairment loss, if any, to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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 profit and loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.12 Contingencies and Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. 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 settlement 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).

2.13 Operating Cycle

Based on the nature of products / activities of the Company which consists of harvesting and selling of poplar wood on an annual basis from the existing trees which have attained maturity 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. In the process of trading of agri produce also, the operating cycle has been determined as 12 months.

2.14 Financial Instrument, Financial Assets, Financial Liabilities and Equity Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price.

Financial Assets

Recognition: Financial assets include, Advances, Security deposits, Cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Trade receivables, Advances, Security deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

2.15 Standards issued but not yet effective. There is no such notification applicable from 1st April, 2025.

Notes forming part of Financial Statements

(All amounts are in thousands Indian Rupees unless otherwise stated)
CIN: U01100MH1997PLC128846

3. Cash and Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with Banks:		
Current Account	460.30	225.13
Deposit Accounts (Refer Note below)	7,729.94	8,960.31
Cash in Hand	0.23	0.35
	<u>8,190.47</u>	<u>9,185.79</u>

Note: Deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

The company does not have any significant cash and cash equivalents that are not available for use.

4. Other Financial Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Current:		
Interest Accrued on Bank Deposits	477.33	201.57
Others (Receivables on National Savings Certificate and Kisan Vikas Patra)	<u>2.00</u>	<u>2.00</u>
	<u>479.33</u>	<u>203.57</u>

5. Equity Share Capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital:		
13,00,00,000 Equity Shares of ₹ 1 each fully paid-up	<u>1,30,000.00</u>	<u>1,30,000.00</u>
(13,00,00,000 Equity shares of Rs. 1 each fully paid-up)		
Issued, Subscribed and Paid-up Capital:		
1,28,00,020 Equity Shares of ₹ 1 each fully paid-up	<u>12,800.02</u>	<u>12,800.02</u>
(1,28,00,020 Equity Shares of Rs. 1 each fully paid-up)		

A) Reconciliation of number of Equity Shares outstanding:

Particulars	Face Value	No. of Shares	Amount
Balance at April 1, 2023	1	1,28,00,020	12,800.02
Add: issued during the year		-	-
Balance as at March 31, 2024	1	1,28,00,020	12,800.02
Add: issued during the year		-	-
Balance at March 31, 2025	1	1,28,00,020	12,800.02

B) Shareholders holding more than 5% of the Equity Shares in the Company:

Particulars	As at March 31, 2025	%	As at March 31, 2024	%
	No. of Shares		No. of Shares	
ITC Limited and its Nominees	1,28,00,020	100	1,28,00,020	100

* 1,28,00,014 shares are held by ITC Limited, the Holding Company and the balance 6 shares are held by nominees of the Holding Company jointly with the Holding Company.

C) Rights, preferences and restrictions attached to the Equity Shares:

The equity shares of the Company, having par value of ₹ 1 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

D) During 2016-17, pursuant to the Reduction of Share Capital approved by the Hon'ble High Court of Bombay, Authorised Share Capital has been changed to ₹ 1,30,000.00 thousands comprising of 13,00,00,000 equity shares of ₹ 1 each (Refer Note 12).

E) Shares held by Promoters

Sl. No	Promoters Name	As at 31st March 2025			As at 31st March 2024		
		No of shares as at end of the year	% of Total Shares	% change during the year	No of shares as at end of the year	% of Total Shares	% change during the year
1	ITC Limited	1,28,00,020	100	-	1,28,00,020	100	-

6. Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Reserves and Surplus		
Retained Earnings		
Retained earnings comprise of the Company's undistributed earnings after taxes.	(4,589.11)	(3,673.89)
Total	<u>(4,589.11)</u>	<u>(3,673.89)</u>

7. Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory Liabilities	36.32	5.58
Total	<u>36.32</u>	<u>5.58</u>

8. Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Products (Saplings)	430.00	410.00
	<u>430.00</u>	<u>410.00</u>

9. Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Miscellaneous Income	-	0.02
Interest Income on:		
Bank Deposits	530.71	574.77
Income tax refund	1.35	-
	<u>532.06</u>	<u>574.79</u>

10. Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent	8.20	8.20
Rates and Taxes	4.11	2.88
Insurance	2.44	2.44
Security Charges	459.12	343.09
Legal Expenses & Consultancy Expenses	952.89	386.52
Power & Fuel	3.26	3.04
Miscellaneous Expenses	68.48	70.28
	<u>1,498.50</u>	<u>816.45</u>

Miscellaneous expenses include :

Payment to Auditors (excluding applicable taxes)		
- Statutory Audit	35.00	50.00
- Tax Audit	15.00	15.00
	<u>50.00</u>	<u>65.00</u>

11. Tax Expenses

Reconciliation of the income tax provision to the amount computed by applying the Indian statutory income tax rate to the profit before tax is summarised below:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss before Income Tax	(866.44)	(141.68)
Enacted tax rates	25.17%	25.17%
Computed Expected Tax Expense	(218.08)	(35.66)
Tax on Income after excluding expenses for income exempt u/s 10	230.14	87.10
Income tax expense	<u>12.06</u>	<u>51.44</u>

12. Reduction of Issued, Subscribed and Paid-Up Equity Share Capital:

The Shareholders, in the Extra-Ordinary General Meeting held on June 15, 2016, approved reduction of Issued, Subscribed and Paid-up Equity Share Capital of the

NOTES FORMING PART OF THE FINANCIAL STATEMENTS(Contd.)

Company from ₹ 128,000.20 thousands comprising 1,28,00,020 equity shares of ₹ 10 each to ₹ 12,800.02 thousands comprising 1,28,00,020 equity shares of ₹ 1 each, and such reduction be effected by cancelling the Issued, Subscribed and Paid-up Equity Share Capital of the Company to the extent of ₹ 9 per share. Such cancellation of Share Capital was to be adjusted against the debit balance in Statement of Profit and Loss as at April 1, 2016. The aforesaid reduction of Share Capital was confirmed by the Hon'ble High Court at Bombay vide Order dated September 29, 2016 and became effective from November 22, 2016 consequent to the registration of the said order by the Registrar of Companies, Mumbai.

Consequently, the Authorised Share Capital of the Company was amended to ₹ 130,000.00 thousands comprising 13,00,00,000 Equity Shares of ₹ 1 each in the year 2016-17.

12.(a)Contingent Liabilities*

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Company not acknowledged as debts:		
Revision of Land Lease Rent	-	6,700.00
Total	-	6,700.00

* It is not practicable for the Company to estimate the closure of the issue and the consequential timings of cash flows, if any, in respect of the above.

13. Earnings Per Share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Computation of earnings per share is set out below:		
Net Loss attributable to Equity Shareholders (A)	(915.20)	(193.12)
Weighted Average Number of Equity Shares outstanding during the year (B) (Nos.)	1,28,00,020	1,28,00,020
Face value of Equity Share (₹)	1.00	1.00
Earnings Per Share (Basic and Diluted) (A/B) (₹)	(0.07)	(0.02)

14. Segment Information

The Board of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by IND AS 108 operating segments. The Company's activities involve predominantly business of growing and selling agricultural produce in India, which is considered to be a single business segment since these are subject to similar risks and returns. Further, the business is carried out in India and product sold primarily in India and hence there are no reportable geographical segments.

The Company receives more than 10% of its total revenue from operations from a single customer as under:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Customer 1	-	23%
Customer 2	-	21%
Customer 3	35%	-
Customer 4	12%	-

15. Related Party Disclosures

a) Details of Related Parties

Name	Relationship
ITC Limited	Holding Company
Key Management Personnel	Relationship
S. K. Sipani	Non-Executive Director
Suneel Pandey	Non-Executive Director
Sib Sankar Bandyopadhyay	Non-Executive Director

(b) Details of Related Party Transactions:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
ITC Limited:		
Purchases	330.00	310.00

(c) Details of Related Party Balances:

Description	As at March 31 2025	As at March 31 2024
ITC Limited:	-	-

16. Trade Payables

	For the year ended March 31, 2025	For the year ended March 31, 2024
Total Outstanding dues of creditors of micro and small enterprises	31.50	-
Total Outstanding dues of creditors other than micro and small enterprises	432.12	325.36
	463.62	325.36

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

Particulars	As at March 31, 2025	At at March 31, 2024
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of accounting year		
Principal amount	31.50	-
Interest due	-	-
ii) Amount of interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
iii) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
iv) Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
v) Amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

Note: Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Ageing of Trade Payables

As at 31st March, 2025	Particulars Outstanding for following periods						
	Not Due	Unbilled Payable*	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	31.50	-	-	-	-	31.50
Others	-	432.12	-	-	-	-	432.12
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
Total	-	463.62	-	-	-	-	463.62

As at 31st March, 2024	Particulars Outstanding for following periods						
	Not Due	Unbilled Payable*	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-	-	-
Others	-	325.36	-	-	-	-	325.36
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
Total	-	325.36	-	-	-	-	325.36

* Unbilled Payable denotes Provision for Expenses which are yet to be billed.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

17. During the year 2013-14, the Hon'ble High Court of Uttarakhand at Nainital, passed an Order directing the State Authorities to take possession of the land leased to the Company. The Company had filed an appeal against the said order, which was admitted by the Hon'ble High Court.

Consequent to the aforesaid Order, as a matter of prudence, cost of the land amounting to ₹ 71,009.68 thousands (being the difference between the premium of ₹ 101,690.20 thousands paid on acquisition of such leasehold land and amortised to the extent of ₹ 30,680.52 thousands) was fully impaired in 2013-14. On transition to Ind AS, deemed cost of such leasehold land as on April 1, 2015 is Nil.

Further, as the Company does not have access to such land, biological assets (including agri-produce) thereon were fully provided for in 2013-14 and consequently, cost of such assets is Nil.

The Board observed that since the aforesaid land parcel has been taken over by the Uttarakhand State Government in 2014, chances of reclaiming this land parcel is practically negligible. In view of this, the Company has withdrawn the litigation pending before the High Court of Uttarakhand.

The Company is examining alternate business opportunities and basis its long experience of trading in poplar wood/saplings, the company continues to engage in trading of poplar wood / saplings in proximate markets. The Board has determined that it would be appropriate to prepare its financial statements on a going concern basis..

18. Financial Instruments and Related Disclosures

A. Capital Management

The Company's financial strategy aims to strengthen its financial position through optimum deployment of capital in the business of agro forestry and other related activities, which consists of harvesting and selling of poplar wood, and in trading of agri produce and nurture opportunities available in the markets. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

B. Categories of Financial Instruments

Particulars	Note	As at March 31, 2025		As at March 31, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets (Measured at amortised cost)					
i) Cash and Cash Equivalents	3	8,190.47	8,190.47	9,185.79	9,185.79
ii) Other Financial Assets	4	479.33	479.33	203.57	203.57
Total Financial Assets		8,669.80	8,669.80	9,389.36	9,389.36
Financial Liabilities (Measured at amortised cost)					
(i) Trade Payables	17	463.62	463.62	325.36	325.36
Total Financial Liabilities		463.62	463.62	325.36	325.36

19. Ratios

Ratio	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	17.34	28.37	-39%	Due to redemption of Fixed deposits
Return on Equity Ratio	PAT	Average Shareholder's Equity	*	*		—
Trade Payable turnover Ratio	Sales	Average Trade Payable	1.09	0.98	11%	—
Net Capital turnover Ratio	Sales	Working Capital	0.05	0.04	17%	—
Net Profit Ratio	PAT	Sales	*	*		
Return on Capital Employed	PBIT	Average Capital Employed	*	*		

* Ratio not disclosed as the same is negative

Note:Debt Service Coverage Ratio, Inventory turnover Ratio, Debt Equity Ratio, Return on Investment and Trade Receivable Ratio are not applicable to the Company.

20. The financial statements were approved for issue by the Board of Directors on April 30, 2025.

Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

In terms of our report attached

For M. Anandam & Co.
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey Sib Sankar Bandyopadhyay
Director Director
DIN - 08017025 DIN - 08016972

Place: Hyderabad
Date: 30/04/2025

C. Financial Risk Management Objectives

The Company's activities expose it primarily to interest rate risk arising out of bank deposits made. Exposure to credit risk is limited to the outstanding trade receivables at hand and resulting from default by the counterparty.

i) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Though the majority of the financial assets of the Company are fixed interest bearing instruments, the Company's net exposure to interest risk is negligible as such instruments are invested in fixed interest bearing instruments which are not subject to substantial movements in rates. The maximum exposure to interest rate risk is ₹ 7,729.94 thousands (As at March 31, 2024 - ₹ 8,960.31 thousands) and is represented by carrying amount of Balance with Banks - Deposit Accounts (Refer Note 3).

ii) Price Risk

The Company invests its surplus funds in bank deposits measured at amortized cost. Accordingly, these do not pose any significant price risk.

iii) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The Company has cash and cash equivalents of ₹ 8,190.47 while the trade payables is ₹ 463.62 as at March 31, 2025. Trade payables is about 5.66% of the total cash and cash equivalents, hence the company does not foresee any liquidity risk.

iv) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. The company does not deal in credit unless specifically approved by the Chief Operating Decision Maker (CODM) and such credit extension is short term in nature ranging from 0 - 15 days. There are no outstanding debtors for which ECL provision is required to be assessed.

The following table gives details in respect of percentage of revenues generated from top customer and top 5 customers:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Top Customer	35%	23%
Revenue from Top 5 Customers	69%	68%

The Company's credit period generally ranges from 0-15 days.

D. Fair value measurement

As at March 31, 2025, the Company does not have any Non-current Financial Assets and Non-current Financial Liabilities. Fair value of Current Financial Assets and Current Financial Liabilities is equivalent to their carrying values.

REPORT OF THE BOARD OF DIRECTORS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

1. Your Directors submit their Report for the financial year ended 31st March, 2025.

2. COMPANY PERFORMANCE

The operations of the Company continue to be adversely impacted pursuant to the Order of the Hon'ble High Court of Uttarakhand at Nainital in February, 2014 dismissing the Writ Petition filed by the Company against the Order of the District Magistrate authorising the State authorities to take possession of the land leased to the Company. The Company had filed an appeal against the aforementioned order of the Hon'ble High Court in 2014, which has been pending adjudication.

Considering the time and resources involved, the Company has since withdrawn the said appeal with the approval of the Hon'ble High Court on 7th March, 2025.

During the year under review, the Company recorded Total Income of ₹ 18.10 lakhs (previous year: ₹ 13.65 lakhs) and the Net Loss of the Company was ₹ 3.18 lakhs (previous year: ₹ 3.17 lakhs).

3. DIVIDEND

In view of the losses incurred, your Directors are unable to recommend any dividend for the year under review.

4. DIRECTORS

(a) Changes in Directors during the year

During the year under review, there was no change in the composition of the Board of Directors of your Company ('Board').

(b) Retirement by Rotation

In accordance with the provisions of Section 152 of the Companies Act, 2013 ('the Act') read with Articles of Association of the Company, Mr. Suneel Kumar Pandey (DIN: 08017025), Director, will retire by rotation at the ensuing Annual General Meeting ('AGM') of the Company, and being eligible, offers himself for re-election. Your Board has recommended his re-election.

5. BOARD MEETINGS

Five meetings of the Board were held during the year ended 31st March, 2025.

6. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 of the Act, your Directors confirm having:

- i) followed in the preparation of the Annual Accounts, the applicable Accounting Standards with proper explanation relating to material departures, if any;
- ii) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- iii) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- iv) prepared the Annual Accounts on a going concern basis; and
- v) devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

7. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Company does not have any subsidiary, associate or joint venture.

8. PARTICULARS OF EMPLOYEES

The details of employees of the Company as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided as **Annexure 1** to this Report.

The requirement relating to constitution of Internal Complaints Committee in terms of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is not applicable to the Company.

9. RISK MANAGEMENT

The Company's risk management framework, designed to bring robustness to the risk management processes, addresses risks intrinsic to operations, financials and compliances arising out of the overall strategy of the Company.

Management of risks vest with the executives responsible for the day-to-day conduct of the affairs of the Company, within the overall framework approved by the Board. Annual update is provided to the Board on the effectiveness of the Company's risk management systems and policies.

10. INTERNAL FINANCIAL CONTROLS

Your Company has in place adequate internal financial controls with respect to the financial statements, commensurate with its size and scale of operations.

During the year under review, the internal financial controls in the Company with respect to the financial statements were tested and no material weakness in the design or operation of such controls was observed. Nonetheless, your Company recognizes that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes are undertaken to ensure that such systems are reinforced on an ongoing basis.

11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company has neither given any loan or guarantee nor has made any investment under Section 186 of the Act.

12. RELATED PARTY TRANSACTIONS

During the year under review, the Related Party Transactions (RPTs) entered into by your Company were in the ordinary course of business and on arm's length basis.

The details of material RPTs of the Company in the prescribed Form AOC-2 are enclosed as **Annexure 2** to this Report.

13. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

During the year under review, no significant or material orders were passed by the Regulators / Courts / Tribunals impacting the going concern status of the Company and its future operations.

14. COST RECORDS

The Company is not required to maintain cost records in terms of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014.

15. STATUTORY AUDITORS

Messrs. M. Anandam & Co., Chartered Accountants were appointed as the Statutory Auditors of your Company at the 29th AGM held on 20th June, 2024, for a period of five years till the conclusion of the 34th AGM. Pursuant to Section 142 of the Act, the Board has recommended for the approval of the Members, the remuneration of Messrs. M. Anandam & Co., to conduct audit for the financial year 2025-26. Appropriate resolution in respect of the same is being placed for your approval at the ensuing AGM of the Company.

There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report on the financial statements of the Company.

16. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118 of the Act.

There has been no foreign exchange earnings or outgo during the year under review.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Considering the nature of business of your Company, no comment is required on conservation of energy and technology absorption.

Dated: 30th April, 2025

On behalf of the Board
S. S. Bandyopadhyay Director
DIN : 08016972
S. K. Pandey Director
DIN : 08017025

Annexure 1 to the Report of the Board of Directors for the financial year ended 31st March, 2025

[Information pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Names of employees	Age	Designation	Gross Remuneration (₹)	Net Remuneration (₹)	Qualifications	Experience (Years)	Date of commencement of Employment	Previous Employment / Position held
1	2	3	4	5	6	7	8	9
K. C. Pandey	56	Assistant Manager	3,78,698/-	3,57,098/-	B.A. and M.A. (Political Science)	29	1.1.1996	N.A.

Notes:

- Gross remuneration includes salary, variable pay / performance bonus, allowances & other benefits / applicable perquisites borne by the Company, except provisions for gratuity and leave encashment which are actuarially determined on an overall Company basis. The term 'remuneration' has the meaning assigned to it under the Companies Act, 2013.
- Net remuneration comprises cash income less income tax, education cess deducted at source and employee's own contribution to provident fund.
- All appointments are contractual in accordance with terms and conditions as per Company's rules.
- Mr. K. C. Pandey is neither relative of any Director of the Company nor holds any equity share in the Company.

Dated: 30th April, 2025

On behalf of the Board
S. S. Bandyopadhyay Director
DIN : 08016972
S. K. Pandey Director
DIN : 08017025

Annexure 2 to the Report of the Board of Directors for the financial year ended 31st March, 2025**FORM NO. AOC-2**

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of contracts / arrangements / transactions	
c)	Duration of the contracts / arrangements / transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

a)	Name(s) of the related party and nature of relationship	ITC Limited, the Holding Company (ITC)
b)	Nature of contracts / arrangements / transactions	Purchase of goods
c)	Duration of the contracts / arrangements / transactions	N.A.
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Purchase of saplings from ITC Value of the transaction during the year - ₹ 13.20 lakhs
e)	Date(s) of approval by the Board, if any	15 th January, 2024
f)	Amount paid as advances, if any	Nil

Dated: 30th April, 2025

On behalf of the Board
S. S. Bandyopadhyay Director
DIN : 08016972
S. K. Pandey Director
DIN : 08017025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAVAN POPLAR LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **PAVAN POPLAR 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 Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements including material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2025, and its 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 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 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 issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were

operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgement 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 system with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed 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) 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 A".
- g) In our opinion and to the best of our information and according to the explanations given to us, no remuneration paid by the Company to its directors during the year as per provisions of section 197 and read with Schedule V of the Companies Act, 2013.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer Note 20 of the 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, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c)Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

vi. Based on our examination, including 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 the audit trail feature being tampered with and 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 of India 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.

For M.Anandam & Co.,
Chartered accountants
(Firm Registration No.0001255)

B.V.Suresh Kumar
Partner
Membership No.212187

Place : Secunderabad
Date: 30-04-2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

Opinion

We have audited the internal financial controls with reference to the financial statements of **PAVAN POPLAR LIMITED** ("the Company") as of 31 March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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 system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the 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") 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the 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 system with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the financial statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to the financial statements.

Meaning of Internal Financial Controls with reference to the 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 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.

For M.Anandam & Co.,
Chartered accountants
(Firm Registration No.0001255)

B.V.Suresh Kumar

Partner

Place : Secunderabad
Date: 30-04-2025

Membership No.212187

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

With reference to Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of the Company, we report that,

- (i) The company does not have any property, plant and equipment or intangible assets. Accordingly, reporting under clause 3(i)(a) to 3(i)(e) of the Order is not applicable.
- (ii) (a) The company does not have any inventory during the year. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and the records of the Company examined by 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) During the year, the Company has not made investments, not provided loans or advances in the nature of loans or not

stood guarantee or not provided security in/to companies, firms, Limited Liability Partnerships or any other parties. Hence, reporting under clause 3(iii) of the Order is not applicable.

- (iv) According to the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of Section 185 or 186 of the Companies Act, 2013, and hence reporting under clause(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us and the records of the Company examined by us, the Company has not accepted deposits nor the amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by

the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

- (vii) In respect of statutory dues:
- (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Goods and Services Tax, Customs duty, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and records of the Company examined by us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The Company has not taken any term loans during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, no funds were raised by the Company.
- (e) The Company does not have any Subsidiaries, associates or Joint Ventures and hence, reporting under clause 3(ix)(e) and (f) of the Order is not applicable.
- (x) (a) The Company has not raised monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) The company is not required by statute to implement vigil mechanism under Companies Act, hence reporting under clause (xi)(c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements

as required by the applicable Indian Accounting Standards. Section 177 of Companies Act, 2013 is not applicable to the company.

- (xiv) In our opinion the Company doesn't have an internal audit system and is not required to have an internal audit system as per the provisions of the Companies Act, 2013.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not engaged in any non-banking financial or housing finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a core investment company as defined in the Regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses amounting to Rs. 313.23 thousands during the financial year covered by our audit and Rs 317.80 thousands in 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 realisation 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) Provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For M.Anandam & Co.,
Chartered accountants
(Firm Registration No.000125S)

B.V.Suresh Kumar
Partner
Membership No.212187

Place : Secunderabad
Date: 30-04-2025

BALANCE SHEET AS AT 31ST MARCH, 2025

(All amounts are in Indian Rupees thousands unless otherwise stated)

CIN : U01100MH1995PLC128849

Particulars	Note	As at 31st March, 2025 (₹)	As at 31st March, 2024 (₹)
I. ASSETS			
Non-current assets			
(a) Advance tax and TDS receivables (Net of Provisions)		14.66	19.39
		<u>14.66</u>	<u>19.39</u>
Current Assets			
(a) Financial assets			
(i) Cash and cash equivalents	3	2,677.51	2,957.21
(ii) Other financial assets	4	1.85	37.69
(b) Other current assets	5	42.34	42.34
		<u>2,721.70</u>	<u>3,037.24</u>
TOTAL ASSETS		<u>2,736.36</u>	<u>3,056.63</u>
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	6	55,100.04	55,100.04
(b) Other equity	7	(52,696.22)	(52,378.32)
		<u>2,403.82</u>	<u>2,721.72</u>
Liabilities			
Non-current Liabilities			
(a) Provisions	8	169.36	152.68
		<u>169.36</u>	<u>152.68</u>
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	19		
- Total outstanding dues of micro enterprises and small enterprises		31.50	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		118.45	172.57
(b) Other current liabilities	9	8.06	5.09
(c) Provisions	8	5.17	4.57
		<u>163.18</u>	<u>182.23</u>
TOTAL LIABILITIES		<u>332.54</u>	<u>334.91</u>
TOTAL EQUITY AND LIABILITIES		<u>2,736.36</u>	<u>3,056.63</u>

See accompanying notes forming part of the financial statements

In terms of our report attached

For M. Anandam & Co
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey
Director
DIN - 08017025

Sib Sankar Bandyopadhyay
Director
DIN - 08016972

Place: Hyderabad
Date: 30/04/2025

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in Indian Rupees thousands unless otherwise stated)

CIN : U01100MH1995PLC128849

Particulars	Note	For the year ended March 31,2025 (₹)	For the year ended March 31,2024 (₹)
I. Income			
Revenue from Operations	10	1,720.00	1,230.00
Other Income	11	90.17	135.04
Total Income		1,810.17	1,365.04
II. Expenses			
Purchases of Stock-in-Trade		1,320.00	930.00
Employee Benefits Expense	12	401.96	375.59
Other Expenses	13	401.44	377.25
Total Expenses		2,123.40	1,682.84
III. Profit/(Loss) Before Tax (I-II)		(313.23)	(317.80)
IV. Tax Expense:			
1) Current Tax	14 (b)	—	—
2) Earlier year's tax		3.75	—
3) Deferred tax		—	—
Total Tax Expense		3.75	—
V Profit / (Loss) for the Year (III-IV)		(316.98)	(317.80)
VI. Other Comprehensive Income:			
(i) Items that will not be reclassified to profit and loss			
a) Re-measurement of defined benefit plans		(0.92)	0.12
b) Income tax relating to item (a) above		—	—
Other Comprehensive Income (net of tax)		(0.92)	0.12
VII. Total Comprehensive Loss for the Year (V+VI)		(317.90)	(317.68)
VIII. Earnings per Equity Share (face value of ₹ 10 each)			
1) Basic (in ₹)	16	(0.06)	(0.06)
2) Diluted (in ₹)		(0.06)	(0.06)

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For M. Anandam & Co

Chartered Accountants

(Firm's Registration No. 0001255)

B. V. Suresh Kumar

Partner

Membership No. 212187

Place: Secunderabad

Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey

Director

DIN - 08017025

Sib Sankar Bandyopadhyay

Director

DIN - 08016972

Place: Hyderabad

Date: 30/04/2025

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in Indian Rupees thousands unless otherwise stated)

CIN : U01100MH1995PLC128849

Particulars	For the year ended March 31, 2025 (₹)	For the year ended March 31, 2024 (₹)
Cash Flow from Operating Activities		
(Loss) / Profit Before Tax	(313.23)	(317.80)
Adjustments for:		
Interest Income	(90.17)	(135.04)
Operating Loss Before Working Capital Changes	(403.40)	(452.84)
Adjustments for:		
Decrease / (Increase) in Other Current Assets	4.74	(11.25)
Increase / (Decrease) in Trade Payable	(22.62)	35.32
Increase / (Decrease) in Other Current Liabilities, Other Financial Liabilities and Provisions	19.33	12.33
Cash used in Operations	(401.96)	(416.44)
Income Taxes (Paid (Net of Refunds)) / refund received	(3.25)	–
Net Cash used in Operating Activities	(405.20)	(416.44)
Cash Flow from Investing Activities		
Interest Received	125.50	175.09
Net Cash generated from Investing Activities	125.50	175.09
Cash Flow from Financing Activities	–	–
Net decrease in Cash and Cash Equivalents	(279.70)	(241.35)
Cash and Cash Equivalents at the beginning of the year	2,957.21	3,198.56
Cash and Cash Equivalents at the end of the year (Refer Note 3)	2,677.51	2,957.21
	(279.70)	(241.35)

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For M. Anandam & Co
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey Sib Sankar Bandyopadhyay
Director Director
DIN - 08017025 DIN - 08016972

Place: Hyderabad
Date: 30/04/2025

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in Indian Rupees thousands unless otherwise stated)

CIN : U01100MH1995PLC128849

A. Equity Share Capital:

Particulars	Amount
Balance at April 1, 2023	55,100.04
Add: Changes in equity share capital due to prior period errors	–
Changes in Equity Share Capital during the year	–
Balance at March 31, 2024	55,100.04
Balance at April 1, 2024	55,100.04
Add: Changes in equity share capital due to prior period errors	–
Changes in Equity Share Capital during the year	–
Balance at March 31, 2025	55,100.04

B. Other Equity :

Particulars	Reserves and Surplus General Reserve	Retained Earnings	Other items of Other Comprehensive Income	Total
Balance as at April 1, 2023	500.00	(51,730.73)	(829.91)	(52,060.64)
Loss for the year	–	(317.80)	–	(317.80)
Remeasurement of the Defined Benefit Liability [Refer Note 21]	–	–	0.12	0.12
Balance at March 31, 2024	500.00	(52,048.53)	(829.79)	(52,378.32)
Loss for the year	–	(316.98)	–	(316.98)
Remeasurement of the Defined Benefit Liability [Refer Note 21]	–	–	(0.92)	(0.92)
Balance at March 31, 2025	500.00	(52,365.51)	(830.71)	(52,696.22)

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For M. Anandam & Co
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey Sib Sankar Bandyopadhyay
Director Director
DIN - 08017025 DIN - 08016972

Place: Hyderabad
Date: 30/04/2025

Notes forming part of the Financial Statements

1. Company Information

The Company is in the business of trading of poplar woods, saplings and agro forestry and other related activities, which consists of harvesting and selling of poplar wood, and is based in the states of Uttarakhand and Uttar Pradesh. The Company is presently exploring business opportunities in trading of agri produce and has undertaken trading of poplar saplings.

2. Material Accounting Policies**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The company adopted Ind AS from 1st April, 2016.

2.2 Basis of Preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention, except for certain items that are measured at amortized cost fair values, as explained in the accounting policies below, and on accrual basis. The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

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 a 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. Fair value for measurement or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

2.3 Use of Estimates and Judgements

The preparation of 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 and liabilities, disclosure of contingent liabilities and the reported amounts of income and expenses during the year. Actual results could differ from those estimates and the difference between the actual results and the estimates are recognised in the periods in which the results are known / materialise. The estimates and underlying assumptions are reviewed on an ongoing basis.

2.4 Biological Assets other than Bearer Plants

Biological assets other than bearer plants comprises of matured as well as growing poplar trees. These trees are felled for wood and are then sold to farmers, the usual production cycle ranging from 5 – 6 years. At any reporting period, these trees would be at various stages of growth. Since the trees have a growing period of 5-6 years, and there is no market for such trees in the initial 4-5 years of their growth, the fair value of the same cannot be established. Hence, such assets are measured at cost less any accumulated depreciation and any accumulated impairment losses on initial recognition and at the end of each reporting period. In determination of cost, no adjustment is made to the total cost of trees on account of undeveloped / diseased trees, being normal loss during the period of maturity of plantation (based on a technical estimate) except that realization / insurance claim for such trees is reduced from total cost. Cost includes all direct and indirect expenses in respect of the poplar plantation. Further, 75% of net standard realizable value of inter cropping, waste, etc. is reduced from the above cost because entire farm cost is first added to the cost of plantation.

Fair valuation is done for those trees which have attained a growth of 5 years and is ready for sale in the next one year, provided it is reasonably certain that the existing market prices are unlikely to show wide variability in the next one year. To determine the fair value, reference is made to the current market price of similar grade of wood less estimated costs to be incurred for making the sale.

Unharvested agricultural produce of intercropping traditional crops are valued at fair value less costs to sell.

2.5 Inventories

Agricultural produce after harvest i.e., felled wood from poplar trees and inter-cropping of traditional crops (viz., wheat and sugarcane) are measured at 75% of their net realizable value in accordance with well-established practice in the industry.

In respect of traded items, inventories are valued at weighted average cost basis.

2.6 Statement of Cash Flows

Cash flows are reported using the indirect method, whereby profit / (loss) 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.

2.7 Property, Plant and Equipment – Recognition and Depreciation

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment, if any. The cost comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses related to acquisition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

2.8 Revenue Recognition

Revenue is measured at the transaction price that the Company receives or expects to receive as consideration for goods supplied and services rendered, net of returns and estimates of variable consideration such as discounts to customers.

Revenue from the sale of goods and services is recognized when the company performs its obligations to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery and in case of services, in the period in which such services are rendered.

2.9 Retirement Benefits**Defined Contribution Plans**

The Company's contribution to provident fund and employees' state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined Benefit Plans

The Company's gratuity benefit scheme is a defined benefit plan which is not funded. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Gain or Loss on account of remeasurements are recognized immediately through Other Comprehensive Income in the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested and otherwise is amortized on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognized in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognized past service cost. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds.

Other Long-Term Employment Benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

2.10 Earnings Per Share ('EPS')

Basic earnings per share ('EPS') is computed by dividing the net profit/(loss) attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit/(loss) attributable to the equity shareholders for the period by the weighted average number of equity and equivalent dilutive equity shares outstanding during the period, except where the results would be anti-dilutive.

2.11 Taxation

Income-tax expense comprises current tax and deferred tax charge or credit. Current tax is determined in accordance with the Income-tax Act, 1961. Income tax, in so far as it relates to items disclosed under Other Comprehensive Income or Equity, are disclosed separately under Other Comprehensive Income or Equity, as applicable.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that

Notes forming part of the Financial Statements (Contd.)

have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised. As the Company is currently engaged in trading of agricultural produce, such income is exempt from income tax. Accordingly, there are no deferred tax assets/liabilities arising therefrom.

2.12 Impairment of Assets

To provide for impairment loss, if any, to the extent, the carrying amount of assets exceed their recoverable amount. Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

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 profit and loss.

2.13 Contingencies and Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. 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 settlement 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).

2.14 Operating Cycle

Based on the nature of products / activities of the Company which consists of harvesting and selling of poplar wood on an annual basis from the existing trees which have attained maturity 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. In the process of trading of agri produce also, the operating cycle has been determined as 12 months.

2.15 Financial Instrument, Financial Assets, Financial Liabilities and Equity Instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value except for trade receivables that do not contain a significant financing component, which are measured at transaction price.

Financial Assets

Recognition: Financial assets include, Advances, Security deposits, Cash and cash equivalents. Such assets are initially recognised at fair value or transaction price, as applicable, when the company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Trade receivables, Advances, Security deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

2.16 Standards issued but not yet effective. There is no such notification applicable from 1st April, 2025.**Notes forming part of Financial Statements**

(All amounts are in Indian Rupees thousands unless otherwise stated)

3. Cash and Cash Equivalents

Particulars	As at 31 March 2025	As at 31 March 2024
Balances with Banks		
Current Account	501.70	556.19
Deposit Accounts (Refer Note below)	2,173.78	2,397.21
Cash in Hand	2.03	3.81
Total	2,677.51	2,957.21

Note: Deposits maintained by the Company with banks comprise of time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal. The company does not have any significant cash and cash equivalents that are not available for use.

4. Other Financial Assets

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Interest Accrued on the Bank Deposits	1.85	37.68
Total	1.85	37.68

5. Other Current Assets

Particulars	As at 31 March 2025	As at 31 March 2024
Deposits with Statutory Authorities	42.34	42.34
Total	42.34	42.34

6. Equity Share Capital

Particulars	As at 31 March 2025	As at 31 March 2024
Authorised Share Capital:		
1,00,00,000 Equity Shares of ₹ 10 each fully paid-up	1,00,000.00	100,000.00
(1,00,00,000 Equity Shares of ₹ 10 each fully paid-up)		
Issued, Subscribed and Paid-Up Capital:		
55,10,004 Equity Shares of Rs. 10 each fully paid-up		
(55,10,004 Equity Shares of Rs. 10 each fully paid-up)	55,100.04	55,100.04

A) Reconciliation of number of Equity Shares outstanding:

Particulars	No. of Shares	Amount
Balance at April 1, 2023	55,10,004	55,100.04
Add: Issued during the year	-	-
Balance at March 31, 2024	55,10,004	55,100.04
Add: Issued during the year	-	-
Balance at March 31, 2025	55,10,004	55,100.04

B) Shareholders holding more than 5% of the Equity Shares in the Company:

Particulars	As at March 31, 2025 (No. of Shares)	%	As at March 31, 2024 (No. of Shares)	%
ITC Limited and its nominees	55,10,004	100	55,10,004	100

* 55,09,998 shares are held by ITC Limited, the Holding Company and the balance 6 shares are held by nominees of the Holding Company jointly with the Holding Company.

C) Rights, preferences and restrictions attached to the Equity Shares:

The equity shares of the Company, having par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement to dividend.

D) Shares held by Promoters:

Sl. No	Promoters Name	As at 31st March 2025			As at 31st March 2024		
		No of shares as at end of the year	% of Total Shares	% change during the year	No of shares as at end of the year	% of Total Shares	% change during the year
1	ITC Limited	55,10,004	100	-	55,10,004	100	-

7. Other Equity

Particulars	As at 31 March 2025	As at 31 March 2024
Reserves and Surplus:		
General Reserve		
This represents appropriation of profit by the Company.	500.00	500.00
Retained Earnings		
Retained earnings comprise of the Company's undistributed earnings after taxes.	(52,365.51)	(52,048.54)
Other items of other comprehensive income		
Other items of other comprehensive income consist of remeasurement of net defined benefit liability/asset.	(830.71)	(829.79)
	(52,696.22)	(52,378.33)

8. Provisions

Particulars	As at 31 March 2025	As at 31 March 2024
Employee Benefits:		
Gratuity (Refer Note 21)	155.89	139.93
Compensated Absences	18.64	17.32
Total	174.53	157.25
Non-current		
Gratuity (Refer Note 21)	151.25	135.84
Compensated Absences	18.11	16.84
Total	169.36	152.68
Current		
Gratuity (Refer Note 21)	4.64	4.09
Compensated Absences	0.53	0.48
	5.17	4.57
Total	174.53	157.25

9. Other Current Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Statutory Liabilities	8.06	5.09
Total	8.06	5.09

10. Revenue from Operations

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Sale of Products (Saplings)	1,720.00	1,230.00
	1,720.00	1,230.00

Notes forming part of the Financial Statements (Contd.)

11. Other Income

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Interest Income on:		
Bank Deposits	89.67	134.90
Income tax refund	0.50	0.14
Total	90.17	135.04

12. Employee Benefits Expense

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Salaries and Wages (Refer Note 21)	346.31	317.40
Contribution to Provident and Other Funds	28.50	28.50
Gratuity Expense (Refer Note 21)	15.15	14.42
Staff Welfare Expenses	12.00	15.27
Total	401.96	375.59

13. Other Expenses

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Rent	7.76	7.76
Rates and Taxes	2.70	3.39
Insurance	2.80	2.80
Security Charges	228.50	171.60
Legal and Consultancy Expenses	88.87	122.80
Miscellaneous Expenses	70.81	68.90
Total	401.44	377.25
Miscellaneous Expenses include:		
Payment to Auditors (excluding applicable taxes)		
- Statutory Audit	35.00	50.00
- Tax Audit	15.00	15.00
	50.00	65.00

14. Tax Expense

- (a) Remeasurement of actuarial losses relating to gratuity are related agricultural activities of the Company. Hence, there is no tax impact on such remeasurement of actuarial losses.
- (b) A reconciliation of the income tax provision to the amount computed by applying the Indian statutory income tax rate to the loss before tax is summarised below:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Loss before Income Tax	(313.23)	(317.80)
Enacted Tax Rates	25.17%	25.17%
Computed Expected Tax Expense	(79.00)	(80.00)
Tax on Income after excluding expenses for income exempt u/s 10	79.00	80.00
Income Tax Expense	-	-

15. Contingent Liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Claims against the Company not acknowledged as Debts		
Revision of Land Lease Rent	-	10,700.00
Other Matters	42.34	42.34
Total	42.34	10,742.34

16. Earnings Per Share

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Computation of earnings per share is set out below:		
Net (Loss) / Profit attributable to Equity Shareholders (A)	(316.98)	(317.80)
Weighted Average Number of Equity Shares outstanding during the year (B)	55,10,004	55,10,004
Face value of Equity Share (INR)	10.00	10.00
Earnings Per Share (Basic and Diluted) (A/B) (in INR)	(0.06)	(0.06)

17. Segment Information

The Board of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by IND AS 108 Operating Segments. The Company's activities involve predominantly business of growing and selling agricultural produce in India, which is considered to be a single business segment since these are subject to similar risks and returns. Further, the business is carried out in India and product sold primarily in India and hence there are no reportable geographical segments.

18. Related Party Disclosures

(a) Details of Related Parties :

Name	Relationship
ITC Limited	Holding Company
Key Management Personnel	Relationship
S. K. Sipani	Non-Executive Director
Suneel Pandey	Non-Executive Director
Sib Sankar Bandyopadhyay	Non-Executive Director

(b) Details of Related Party Transactions:

Description	For the year ended 31 March 2025	For the year ended 31 March 2024
ITC Limited:		
Purchases	1,320.00	930.00

(c) Details of Related Party Balances:

Description	As at 31 March 2025	As at 31 March 2024
ITC Limited	-	-

19. Trade Payable

Particulars	As at 31 March 2025	As at 31 March 2024
Total Outstanding dues of creditors of micro and small enterprises	31.50	-
Total Outstanding dues of creditors other than micro and small enterprises	118.45	172.57
	149.95	172.57

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

Particulars	As at March 31, 2025	At at March 31, 2024
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of accounting year		
Principal amount	31.50	-
Interest due	-	-
ii) Amount of interest paid by the Company under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year	-	-
iii) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
iv) Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
v) Amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006.	-	-

Note: Dues to micro enterprises and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management.

Ageing of Trade Payables

As at 31st March, 2025	Particulars Outstanding for following periods						Total
	Not Due	Unbilled Payable*	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
MSME	-	31.50	-	-	-	-	31.50
Others	-	118.45	-	-	-	-	118.45
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
Total	-	149.95	-	-	-	-	149.95

Ageing of Trade Payables

As at 31st March, 2024	Particulars Outstanding for following periods						Total
	Not Due	Unbilled Payable*	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
MSME	-	-	-	-	-	-	-
Others	-	172.57	-	-	-	-	172.57
Disputed Dues - MSME	-	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-	-
Total	-	172.57	-	-	-	-	172.57

* Unbilled Payable denotes Provision for Expenses which are yet to be billed.

Notes forming part of the Financial Statements (Contd.)

20. During the year 2013-14, the Hon'ble High Court of Uttarakhand at Nainital, passed an order directing the State Authorities to take possession of the land leased to the Company. The Company had filed an appeal against the said Order, which was admitted by the Hon'ble High Court.

Consequent to the aforesaid Order, as a matter of prudence, cost of the land amounting to ₹ 23,410.91 thousands (being the difference between the premium paid on acquisition of such leasehold land amounting to ₹ 44,933.86 thousands and amortised to the extent of ₹ 21,522.95 thousands) was fully impaired in 2013-14. On transition to Ind AS, deemed cost of such leasehold land as on April 1, 2015 is Nil. Further, as the Company does not have access to such land, biological assets (including agri-produce) thereon were fully provided for and consequently, cost of such assets is Nil.

The Board observed that since the aforesaid land parcel has been taken over by the Uttarakhand State Government in 2014, chances of reclaiming this land parcel is practically negligible. In view of this, the Company has withdrawn the litigation pending before the High Court of Uttarakhand.

The Company is examining alternate business opportunities and basis its long experience of trading in poplar wood/saplings, the company continues to engage in trading of poplar wood / saplings in proximate markets. The Board has determined that it would be appropriate to prepare its financial statements on a going concern basis..

21. Employee Benefits**Description of Plans**

The Company makes contribution to defined contribution scheme (Provident Fund) for qualifying employees. The Company makes a monthly contribution as a percentage of eligible salary to Provident Fund.

The liabilities arising in the defined benefit schemes are determined in accordance with the actuarial valuation. Gratuity and Compensated Absences benefits are unfunded.

Risk Management

The defined benefit plans expose the Company to actuarial deficit arising out of interest rate risk, longevity risk and salary cost inflation risk. These plans are not exposed to any unusual, entity specific or scheme specific risks but there are general risks. The Scheme's accounting liabilities are calculated using a discount rate set with reference to the Government security yields. A decrease in yields will increase the fund liabilities, leading to accounting deficit in the funds. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

Gratuity:

The following tables set out the amount recognised in the Financial Statements as of March 31, 2025 and March 31, 2024:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Change in Benefit Obligation		
Benefit Obligation at the beginning	139.93	125.63
Current Service Cost	5.35	5.00
Interest Expense	9.80	9.42
Remeasurements - Actuarial Losses	0.81	(0.12)
Benefits Paid	—	—
Benefit Obligations at the end	155.89	139.93

Amount for the year ended March 31, 2025 and March 31, 2024 recognised in the Statement of Profit and Loss under employee benefit expense:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Current Service Cost	5.35	5.00
Interest Expense	9.80	9.42
Gratuity Expense	15.15	14.42

Amount for the year ended March 31, 2025 and March 31, 2024 recognised in the Statement of Other Comprehensive Income:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Remeasurements of the Defined Benefit Liabilities		
Effect of Changes in Financial Assumptions	0.71	1.86
Effect of Experience Adjustment	0.10	(1.98)
Cost recognised in the Statement of Other Comprehensive Income	0.81	(0.12)

Liability recognised in the Balance Sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Remeasurements of the Defined Benefit Liabilities		
Present Value of Defined Benefit Obligation	155.89	139.93
Liability recognised in Balance Sheet		
- Current	4.64	4.09
- Non-Current	151.25	135.84
Liability recognised in Balance Sheet	155.89	139.93

The principal assumptions used for the purpose of the actuarial valuation were as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Discount Rates	6.75%	7.00%
Expected rates of salary increase	7.00%	7.00%
Mortality Table	Indian Assured Lives Mortality (2006-2008) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Retirement Age	58 Years	58 Years

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The discount rate is based on the government securities yield.

As at March 31, 2025, every percentage point increase / decrease in discount rate will affect the Company's gratuity benefit obligation by approximately ₹ 2.80 thousands / ₹ 2.88 thousands/- (PY ₹ 3.69 thousands) / ₹ 3.83 thousands.

As at March 31, 2025, every percentage point increase / decrease in compensation levels will affect the Company's gratuity benefit obligation by approximately ₹ 2.84 thousands / ₹ 2.82 thousands/- PY (₹ 3.80 thousands) / ₹ 3.72 thousands).

22. Financial Instruments and Related Disclosures**A. Capital Management**

The Company's financial strategy aims to strengthen its financial position through optimum deployment of capital in the business of agro forestry and other related activities, which consists of harvesting and selling of poplar wood, and in trading of agri produce and nurture opportunities available in the markets. The Company aims at maintaining a strong capital base so as to maintain adequate supply of funds towards future growth of its businesses as a going concern.

B. Categories of Financial Instruments

Particulars	Note	As at March 31, 2025		As at March 31, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets (Measured at amortised cost)					
i) Cash and Cash Equivalents	3	2,677.51	2,677.51	2,957.21	2,957.21
ii) Other Financial Assets	4	1.85	1.85	37.68	37.68
Total Financial Assets		2,679.36	2,679.36	2,994.89	2,994.89
Financial Liabilities (Measured at amortised cost)					
(i) Trade Payables	19	149.95	149.95	172.57	172.57
Total Financials Liabilities		149.95	149.95	172.57	172.57

C. Financial Risk Management**Objectives**

The Company's activities expose it to primarily to interest rate risk arising out of bank deposits made. Exposure to credit risk is limited to the outstanding trade receivables at hand and resulting from default by the counterparty.

i) Interest Rate Risk

Interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Though the majority of the financial assets of the Company are fixed interest bearing instruments, the Company's net exposure to interest risk is negligible as such instruments are invested in fixed interest bearing instruments which are not subject to substantial movements in rates. The maximum exposure to interest rate risk is ₹ 2,173.78 thousands (As at March 31, 2024 - ₹ 2,397.21 thousands) and is represented by carrying amount of Balance with Banks - Deposit Accounts (Refer Note 3).

ii) Price Risk

The Company invests its surplus funds in bank deposits measured at amortized cost. Accordingly, these do not pose any significant price risk.

iii) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations as they become due. The company has Cash and Cash equivalents of ₹ 2677.52 thousands while the aggregate of trade payables and other financial liabilities

Notes forming part of the Financial Statements (Contd.)

is Rs. 149.95 thousands. Aggregate of trade payables and other financial liabilities is about 5.60% of the total cash and cash equivalents, hence the company does not foresee any liquidity risk.

iv) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument which may lead to a financial loss to the Company. The company does not deal in credit unless specifically approved by the Chief Operating Decision Maker and such credit extension is short term in nature ranging from 0 - 15 days. There are no outstanding debtors for which ECL provision is required to be assessed.

The following table gives details in respect of percentage of revenues generated from top customer (>10%) and top 5 customers

Particulars	For the year ended	
	31, March 2025	31, March 2024
Revenue from top customer	6%	5%
Revenue from top 5 customers	23%	22%

The Company's credit period generally ranges from 0-15 days

D. Fair value measurement

The Company does not have any Non-current Financial Assets and Non-current Financial Liabilities. Fair value of Current Financial Assets and Current Financial Liabilities is equivalent to their carrying values.

23. Ratios

Ratio	Numerator	Denominator	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024	Variance	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	16.68	16.67	0%	–
Return on Equity Ratio	PAT	Average Shareholder's Equity	*	*	–	–
Trade Payable turnover Ratio	Sales	Average Trade Payable	10.67	7.94	34%	Due to increase in sales
Net Capital turnover Ratio	Sales	Working Capital	0.67	0.43	56%	Due to increase in sales
Net Profit Ratio	PAT	Sales	*	*		
Return on Capital Employed	PBIT	Average Capital Employed	*	*		

* Ratio not disclosed as the same is negative

Note: Debt Service Coverage Ratio, Inventory turnover Ratio, Debt Equity Ratio, Return on Investment and Trade Receivable Ratio are not applicable to the Company.

24. The financial statements were approved for issue by the Board of Directors on April 30, 2025. Such financial statements are required to be placed before the shareholders for adoption in terms of Companies Act, 2013.

For M. Anandam & Co
Chartered Accountants
(Firm's Registration No. 0001255)

B. V. Suresh Kumar
Partner
Membership No. 212187

Place: Secunderabad
Date: 30/04/2025

For and On behalf of the Board of Directors

Suneel Pandey Sib Sankar Bandyopadhyay
Director Director
DIN - 08017025 DIN - 08016972

Place: Hyderabad
Date: 30/04/2025



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