

Independent Auditor's Report

To the Members of ESDS Internet Services Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **ESDS Internet Services Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, Statement of Profit and Loss, the Statement of changes in Equity and Cash Flow Statement for the year then ended, notes to financial statements, including a summary of the 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 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 March 31, 2024, the 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 Standards on Auditing (SAs) specified u/s 143(10) of the Act. Our responsibilities under those SAs 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 financial statements under the provisions of the Act & Rules made 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 opinion.

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

The company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's 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 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 on the other information obtained prior to the date of this auditors' report, 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 management and Board of Directors are responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss, other 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 (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 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, 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 Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditors' 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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of Managements and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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 material uncertainty exists, we are required to draw attention in the 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 the 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.



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

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 (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the **Annexure I**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Companies 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 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, 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- (f) With respect to the adequacy of the internal financial control with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate report in **Annexure II**.



- (g) In our opinion and to the best of our information and according to the explanations given to us, there is no Managerial Remuneration paid or provided during the year under audit and therefore, reporting under the provisions of Section 197 read with Schedule V 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 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 [Refer note 20(b) of financial statements] as at 31 March 2024 on its financial position in its 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 are required to be transferred to the Investor Education and Protection fund by the Company.
 - iv. a) 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(is), 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) 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, and



ESDS Internet Services Private Limited
Independent Auditor's Report as at 31 March 2024 (continued)

- v. Based on the audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations made by the management under sub clause iv (a) and (b) above, contain any material misstatement.
- vi. The company has neither declared nor paid any dividend during the year.
- vii. 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, 2024 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.

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

for **S S Dhoot & Co.,**
Chartered Accountants

Firm's registration number: 131854W



Sarvesh Dhoot

Partner

Membership number: 134130

UDIN - 24134130 BKFC YA 6960

Nashik, August 26, 2024



Annexure I to Independent Auditors' Report

Referred to in paragraph 7 of the Independent Auditors Report of even date to the members of ESDS Internet Services Private Limited on the financial statements as of and for the year ended on March 31, 2024

- (i) According to the information and explanation given to us, the Company has no fixed assets as on 31st March, 2024. Accordingly, the provisions of clause 3(i)(a), (b), (c), (d) and (e) of the Order are not applicable to the Company and hence not commented upon
- (ii) According to the information and explanation given to us, the Company has no inventory as on 31st March, 2024. Accordingly, the provisions of clause 3(ii)(a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are 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 Act are applicable and hence not commented upon.
- (v) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the products of the Company.
- (vii) (a) The undisputed statutory dues including provident fund, employees' state insurance, income-tax, customs duty, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, custom duty, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable *except Adjusted Gross Revenue demand of INR 60.07 million raised by department of telecom [Refer note 20(b) of financial statements].*



- (c) According to the information and explanations given to us, there are no dues of income tax, customs duty, goods and services tax and cess which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any other lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, there are no term loans taken by the company during the year under audit and hence the said clause is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that, there are no loans taken by the company from banks or financial institutions during the year under audit and therefore, the said clause is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under Companies Act. The Company does not hold any investment in any associate or joint venture as defined under the Companies Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under Companies Act. The Company does not hold any investment in any associate or joint venture as defined under Companies Act.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, clause 3(x)(a) of the Order is not applicable.



(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors 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) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) The company being Private Limited Company with turnover and borrowings not exceeding two hundred crore rupees and one hundred crore rupees respectively at any point of time during the preceding financial year, provisions of section 138 of Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules ,2014 is not applicable. Accordingly, clause 3(xiv) (a) and (b) of the Order is not applicable.

(xv) in our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.



- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (e) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (refer note 24 to financials), 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.



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ESDS Internet Services Private Limited
Independent Auditor's Report as at 31 March 2024 (continued)

(xx) In our opinion and according to the information and explanations given to us, sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable to the company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

for **S S Dhoot & Co.,**
Chartered Accountants

Firm's registration number: 131854W



Sarvesh Dhoot

Partner

Membership number: 134130

UDIN - 24134130 BKFC YA 6960

Nashik, August 26, 2024



Annexure II to the Independent Auditor's Report on the financial statements of ESDS Internet Services Private Limited for the year ended 31st March 2024.

Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Act

Opinion

We have audited the Internal financial controls over financial reporting of ESDS Internet Services Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the financial statements of the company for the year ended on that date.

In our opinion, the company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2024, based on the internal financial controls with reference to financials statements criteria establish by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note")

Management's Responsibility for Internal Financial Controls

The company's management and Board of Directors 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 control 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 respective 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the 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 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

Auditors Responsibility

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 (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 over Financial Reporting

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

for **S S Dhoot & Co**

Chartered Accountants

Firm's registration number: 131854W



Sarvesh Dhoot

Partner

Membership number: 134130

UDIN - 24134130BKFCYA6960

Nashik, August 26, 2024



ESDS Internet Services Private Limited
Balance Sheet as at March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

	Notes	March 31, 2024	March 31, 2023
ASSETS			
I. Non-current assets			
Financial assets			
(i) Lease Receivables	3a	313.47	354.21
(ii) Other non current assets	4	20.50	19.79
Total non-current assets		333.96	374.00
II. Current assets			
Financial Assets			
(i) Lease Receivables	3a	40.92	33.05
(ii) Trade receivables	5	(0.00)	16.48
(iii) Cash and cash equivalents	6	2.77	7.40
Other current assets	7	9.67	11.51
Deferred Tax Asset		1.06	4.41
Total current assets		54.42	72.84
Total assets		388.38	446.84
EQUITY AND LIABILITIES			
Equity			
Equity share capital	8	0.18	0.18
Other equity			
Reserves and surplus	9	11.67	(9.09)
Total equity		11.85	(8.91)
LIABILITIES			
I. Non-current liabilities			
Financial Liabilities			
(i) Lease Liabilities	3a	313.47	354.21
(ii) Other financial liabilities	3b	11.36	9.85
Total non-current liabilities		324.82	364.06
II. Current liabilities			
Current financial liabilities			
(i) Lease Liabilities	3a	40.92	33.05
(ii) Short term borrowings	10	-	31.75
(iii) Trade payables	11	0.56	18.66
(iv) Other current liabilities	12	10.23	8.23
Total current liabilities		51.71	91.69
Total liabilities		376.53	455.75
Total equity and liabilities		388.38	446.84

The above balance sheet should be read in conjunction with the accompanying significant notes

In terms of our report of even date

For S S Dhoot & Co.

Firm Registration Number: 131854W
Chartered Accountants


Sarvesh Dhoot
Partner

Membership Number : 134130
UDIN: **241324130BKFCYA86960**



For and on behalf of the Board of Directors

ESDS Internet Services Private Limited
CIN : U900MH2010PTC199511


Piyush Somani
Director
DIN :02357582


Sarala Somani
Director
DIN: 02357805



Place : Nashik
Date : August 26, 2024

Place: Nashik
Date : August 26, 2024

Place: Nashik
Date : August 26, 2024

ESDS Internet Services Private Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

	Notes	For the year ended 31st March, 2024	For the year ended 31st March, 2023
Revenue from operations	13	0.12	0.97
Other income	14	68.71	40.36
Total income		68.83	41.33
Expenses			
Depreciation and amortisation	15	0.73	0.73
Employee benefits expense	16	0.12	0.12
Finance costs	17	35.97	38.58
Other expenses	18	3.39	1.85
Total expenses		40.21	41.28
Profit before tax		28.62	0.04
Income tax expense			
Current tax		4.53	0.01
Deferred tax		3.34	-
Mat entitlement		-	-
Total tax expense		7.87	0.01
Profit for the year		20.75	0.04
Other comprehensive income			
<i>Items that may be reclassified to profit or loss</i>		-	-
<i>Items that will not be reclassified to profit or loss</i>		-	-
Total other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the PERIOD		20.75	0.04
Earnings per equity share for profit attributable to owners of EISPL	19		
Basic		1,152.92	2.06
Diluted		1,152.92	2.06

The above statement of profit and loss should be read in conjunction with the accompanying notes.

In terms of our report of even date

For S S Dhoot & Co.
Firm Registration Number: 131854W
Chartered Accountants


Sarvesh Dhoot

Partner
Membership Number : 134130
UDIN: 24134130BKFCYA6960



Place : Nashik
Date : August 26, 2024

For and on behalf of the Board of Directors
ESDS Internet Services Private Limited
CIN : 078900MH2010PTC199511


Piyush Somani
Director
DIN : 02357582

Place: Nashik
Date : August 26, 2024


Sarala Somani

Sarala Somani
Director
DIN: 02357805

Place: Nashik
Date : August 26, 2024



ESDS Internet Services Private Limited
Statement of Cashflows for the year ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

Particulars	For the year ended	For the year ended
	31st March, 2024	31st March, 2023
	Rs.	Rs.
(A) Cash flow from operating activities		
Profit before income tax	28.62	0.04
Adjustments for		
Liabilities no longer payable written back	-31.75	-
Amortisation	-	-
Interest income classified as investing cash flow	(36.81)	(39.63)
Finance Cost	35.97	38.58
Operating profit before working capital changes	(3.97)	(1.01)
Movements in working capital :		
Increase/(Decrease) in trade payables	(18.10)	(7.78)
Increase/(Decrease) in other current liabilities	2.00	(0.57)
Increase/(Decrease) in non current financial liabilities	1.50	1.50
(Increase)/Decrease in trade receivables	16.48	8.36
(Increase) / Decrease in other current assets	1.85	5.14
(Increase)/ Decrease in Non current Financial Assets	(0.70)	(1.84)
Cash generated from operations	(0.94)	3.79
Direct taxes paid	4.53	0.01
Net cash inflow/ (outflow) from operating activities	(5.47)	3.79
(B) Cash flow from investing activities		
Fixed deposit made		
Fixed deposit redeemed		
Interest income classified as investing cash flow	1.33	1.52
Sublease payment received	68.35	63.39
Net cash flows used in investing activities	69.68	64.90
(C) Cash flow from financing activities		
Interest paid	(0.49)	(0.46)
Principal elements of lease payments	(68.35)	(63.39)
Proceeds from borrowings	5.80	4.00
Repayment of borrowings	(5.80)	(3.56)
Net cash inflows/ (outflow) from financing activities	(68.84)	(63.41)
Net increase in cash and cash equivalents (A+B+C)	-4.63	5.28
Cash and cash equivalents at beginning of the period	7.40	2.11
Cash and cash equivalents at end of the period	2.77	7.40

Cash Flow Statement (continued)

Statement of Cashflows for the year ended March 31, 2024

Particulars	For the year ended	For the year ended
	31st March, 2024	31st March, 2023
	Rs.	Rs.
Components of cash and cash equivalents		
Balances with scheduled banks		
On current accounts	2.77	7.40
Cash and cash equivalents at the end of the financial period	2.77	7.40

The notes referred to above from an integral part of the Cash Flow Statement

In terms of our report of even date

For S S Dhoot & Co.

Firm Registration Number: 131854W
Chartered Accountants


Sarvesh Dhoot
Partner

Membership Number : 134130

UDIN: 24134130BKFCYA6960

Place : Nashik
Date : August 26, 2024





Sau. Sarala Somani

For and on behalf of the Board of Directors
ESDS Internet Services Private Limited
CIN : U72900MH2010PTC199511

Piyush Somani
Director
DIN :02357582

Sarala Somani
Director
DIN: 02357805

Place : Nashik
Date : August 26, 2024

Place : Nashik
Date : August 26, 2024



ESDS Internet Services Private Limited
Notes Forming Part of Financial Statements for the period ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

1. Corporate information

ESDS Internet Services Private Limited ('the Company') was incorporated on 1st February 2010. The Registered office of the company is B-24 & 25, MIDC, Satpur, Nashik -422007. The company is providing internet bandwidth services and other support services relating to IT sector. It has obtained the license from department of telecom to procure and provide the network/internet bandwidth services.

2. Summary of significant accounting policies

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. These are the Company's first Ind AS financial statements. The date of transition is April 1, 2019.

2.1 Basis of accounting preparation and presentation

These financial statements have been prepared on historical cost basis. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services. The financial statements are presented in "INR" and all values are rounded to the nearest million (INR 000,000) except when otherwise indicated.

These financial statements comply in all material aspects with the Indian Accounting Standard (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) (Companies (Indian Accounting Standard) Rules, 2015) and other relevant provisions of the Act.

New and amended standards adopted by the Company

The Company has applied the following amendments to Ind AS for the first time for their annual reporting period commencing 1 April 2020:

- Definition of Material – amendments to Ind AS 1 and Ind AS 8
- COVID-19 related concessions – amendments to Ind AS 116
- Interest Rate Benchmark Reform – amendments to Ind AS 109 and Ind AS 107

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

Operating cycle of the Company is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. Based on the nature of products and the time between the acquisitions of assets for processing and their realization in cash and cash equivalents, the company has ascertained operating cycle of 12 months for the purpose of current and non-current classification of assets and liabilities.



2.6 Provisions

General

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

2.7 Contingent Liabilities

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

2.8 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

2.9 Segmented reporting:

Since the entire Company's business is Internet bandwidth service provider, there are no other primary reportable segments. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge of depreciation and amortization during the year are all as reflected in the Financial Statements as at and for the year ended March 31, 2023

2.10 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company.

2.11 Cash and Cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents consist of cash and cash equivalent, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

2.12 Dividends

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

2.13 Leases

As a lessee:

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

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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



ESDS Internet Services Private Limited

Notes Forming Part of Financial Statements for the period ended March 31, 2024

(All amounts are in Rupees Millions, unless otherwise stated)

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor/intermediate lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.



ESDS Internet Services Private Limited
Statement of Changes in Equity for the year ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

A. Equity Share Capital

Equity Shares of Rs.10 each issued, subscribed and fully paid up

	Note	Total
As at April 1, 2022		0.18
Change in equity share capital		-
As at March 31, 2023	8	0.18
Change in equity share capital		-
As at March 31, 2024		0.18

B. Other Equity

	Retained earnings	Total other equity
As at April 1, 2022	(9.12)	(9.12)
Profit for the year	0.04	0.04
Other Comprehensive Income	-	-
Total comprehensive income for the year	0.04	0.04
As at March 31, 2023	(9.09)	(9.09)
Profit for the period	20.75	20.75
Other Comprehensive Income	-	-
Total comprehensive income for the period	20.75	20.75
As at March 31, 2024	11.67	11.67

The above statement of changes in equity should be read in conjunction with the accompanying notes.

For S S Dhoot & Co.

Firm Registration Number: 131854W
Chartered Accountants

Sarvesh Dhoot

Sarvesh Dhoot

Partner

Membership Number : 134130

UDIN: 24134130BKFCYA6960

Place : Nashik

Date : August 26, 2024



For and on behalf of the Board of Directors

ESDS Internet Services Private Limited
CIN : U73900MH2010PTC199511

Piyush Somani

Piyush Somani

Director

DIN :02357582

Place : Nashik

Date : August 26, 2024

Sau. Sarala Somani

Sarala Somani

Director

DIN: 02357805

Place : Nashik

Date : August 26, 2024



3

3a Lease receivable

Particulars	March 31, 2024	March 31, 2023
Non-current lease receivable	313.47	354.21
Current Lease receivable	40.92	33.05
Total	354.39	387.26

Lease liability

Particulars	March 31, 2024	March 31, 2023
Non-current lease liabilities	313.47	354.21
Current lease liabilities	40.92	33.05
Total	354.39	387.26

The following is the movement in lease liabilities during the year

Particulars	March 31, 2024	March 31, 2023
Balance as of April	387.26	412.53
Additions	-	-
Finance cost accrued during the period	35.48	38.11
Payment of lease liabilities	(68.35)	(63.39)
Balances as at the end of period	354.39	387.26



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ESDS Internet Services Private Limited
Notes Forming Part of Separate Financial Statements for the year ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

3b Other financial liabilities - Deposits Refundable

Particulars	March 31, 2024	March 31, 2023
Deposit:		
Lease Deposit and Others	11.36	9.85
Total	11.36	9.85



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ESDS Internet Services Private Limited
Notes Forming Part of Separate Financial Statements for the year ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

Financial Assets

4 Other Financial assets

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Other non-current assets		
Fixed deposits with maturity more than 12 months	2.59	2.35
Accrued Interest	0.13	0.64
Other deposits	0.01	-
Security deposits		
Long Term Leases and Others	13.73	12.02
Prepayment of rent	4.04	4.77
Total other non-current assets	20.50	19.79
Other current financial assets		
Advance to employees	-	-
Other loans and advance	4.09	16.94
Less: Allowance for bad and doubtful advances	(4.09)	(16.94)
Total other current financial assets	-	-

5 Trade receivables

Particulars	As at	As at
	March 31, 2024	March 31, 2023
	less than 6 months	less than 6 months
Trade receivables - Others	(0.00)	16.48
Total Trade receivables	-0.00	16.48
Break-up of security details		
Trade receivables (Unsecured) - considered good	-0.00	16.48
Total Trade receivables	-0.00	16.48

6 Cash and cash equivalents

	As at	As at
	March 31, 2024	March 31, 2023
Balances with banks On current accounts	2.77	7.40
Total cash and cash equivalents	2.77	7.40

7 Other current assets

	As at	As at
	March 31, 2024	March 31, 2023
Prepayments	0.13	0.17
Balances with statutory authorities	0.10	0.17
Advances to creditors	0.18	0.18
MAT Credit Entitlement	1.10	2.99
Other current assets	3.52	3.63
Advance tax and tax deducted at source	4.64	4.38
Total Other current assets	9.67	11.51



8 Equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised share capital:		
100,000 (2023 : 100,000) equity shares of Rs 10 each	1.00	1.00
Total	1.00	1.00
Issued, subscribed and paid up :		
Equity share capital		
18,000 (2023 : 18,000) equity shares of Rs 10 each fully paid up	0.18	0.18
Total	0.18	0.18

(i) Reconciliation of number of equity shares issued

Particulars	As at March 31, 2024	As at March 31, 2023
Issued, subscribed and paid up		
Shares outstanding at the beginning of the year	18,000	18,000
Shares outstanding at the end of the year	18,000	18,000

(ii) Reconciliation of issued equity share capital

Particulars	As at March 31, 2024	As at March 31, 2023
Issued, subscribed and paid up		
Share capital outstanding at the beginning of the year	0.18	0.18
Share capital outstanding at the end of the year	0.18	0.18

(v) Terms/ rights attached to equity shares

Equity Shares: The company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. No dividend is proposed by the Board of Directors. 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.

(vi) Details of shareholders holding more than 5% equity shares is set out below

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	% holding	No. of shares	% holding	No. of shares
ESDS Software Solution Limited	50.00%	9,000	50.00%	9,000
Yashwant Patil	49.00%	8,820	49.00%	8,820
Piyush Somani	0.50%	90	0.50%	90
Sarla Somani	0.50%	90	0.50%	90

(vii) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date:

Nil bonus shares issued during the period ended June 30, 2023 (Nil for the year ended March 31, 2022)

(viii) Details of shareholding of promoters:

Name of the promoters	As at March 31, 2024		(% change during the year	As at March 31, 2023		(% change during the year
	No. of shares	% holding		No. of shares	% holding	
ESDS Software Solution Limited	9,000	50.00%	0.00%	9,000	50.00%	0.00%
Piyush Somani	90	0.50%	0.00%	90	0.50%	0.00%
Sarla Somani	90	0.50%	0.00%	90	0.50%	0.00%

9 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
Reserves and Surplus		
(i) Retained earnings		
Balance at the beginning of reporting period	(9.09)	(9.12)
Profit for the year	20.75	0.04
Loss allowance for loans and advances	-	-
Deferred tax	-	-
Sub-total	11.67	(9.09)
Balance at the end of reporting period	11.67	(9.09)



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ESDS Internet Services Private Limited
Notes Forming Part of Separate Financial Statements for the year ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

Financial Liabilities

10 Short term borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured: - From Holding Company	-	31.75
Total current borrowings	-	31.75

11 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payables To Micro, Small, medium enterprises To Others (refer note 25)	- 0.56	- 18.66
Total trade payables	0.56	18.66

Trade payables ageing schedule:

Particulars	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023	As at March 31, 2023
	Less than 1 year	More than 2 years	Less than 1 year	1 to 2 years
Trade payables* To Others	0.00	0.56	18.10	0.56
Total trade payables	0.00	0.56	18.10	0.56

*For trade payables relating to MSME suppliers, if any, refer note 25 for details.

12 Other current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Income Liability	3.94	4.49
Statutory liabilities	0.11	0.39
Advance from customers	-	-
Provision for expenses	3.05	3.36
Provision for Interest on MSME	0.50	-
Provision for Income Tax	2.63	-
Total other current liabilities	10.23	8.23



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13 Revenue from operations

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of services		
Data Transfer sales	0.12	0.12
Recurring charges - Sales	-	0.84
Total	0.12	0.97

14 Other income

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest Income	0.13	0.37
Interest on IT refund	0.15	0.60
Interest on Security Deposit	0.66	0.60
Income on Security Deposit	0.55	0.55
Interest on Sublease	35.48	38.11
Liabilities no longer payable written back	31.75	0.13
Total	68.71	40.36

15 Depreciation and amortisation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Amortisation	0.73	0.73
Total	0.73	0.73

16 Employee benefit expense

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, bonus, provident and other funds	0.12	0.12
Total	0.12	0.12

17 Finance costs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest		
-On Lease liability	35.48	38.11
-On Security Deposit	0.45	0.41
Other borrowing costs	0.04	0.05
Total	35.97	38.58

18 Other expenses

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Data transfer charges	0.11	0.11
Recurring charges	-	0.77
Rent	0.13	0.12
ISP Compliance Fees	0.48	0.16
DOT Assessment Fees	1.54	-
Membership and subscription	0.03	0.05
Legal and professional charges	-	0.40
Auditor's remuneration	0.08	0.11
Travelling and conveyance	-	0.08
Interest on MSME	0.50	0.00
Miscellaneous expenses	0.54	0.05
Total	3.39	1.85



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Payment to auditors

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As auditor		
- Statutory audit fee	0.05	0.09
- Tax audit fee	0.02	0.01
In other capacity		
- Fees for other services	0.01	0.01
Total	0.08	0.11

19 Earnings per share

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Basic Earnings Per Share		
Net Profit attributable to Equity Shareholders of the Company	20.75	0.04
Weighted average number of Equity Shares	0.02	0.02
Basic Earnings per share	1,152.92	2.06
(b) Diluted Earnings Per Share		
Net Profit attributable to Equity Shareholders of the Company	20.75	0.04
Weighted average number of Equity Shares (including Potential Shares)	0.02	0.02
Diluted Earnings per share	1,152.92	2.06



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20 Contingencies and commitments

a Commitments

Capital commitments

	March 31, 2024	March 31, 2023
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	-	-
Total	-	-

b Contingent liabilities (to the extent not provided for)

	March 31, 2024	March 31, 2023
Claims against the company not acknowledged as debts (*Refer Note)	60.07	43.93
Total	60.07	43.93

*Company has received a notice from Ministry of Communications of INR 60.07 million for the Financial Year 2012-13 to 2020-21 for short payment/ non-payment /delayed payment of license fees and interest thereon.

However, the company is of the view that the claim is frivolous and not tenable and the Company has filed a reply for the same with Department of Telecommunications [CCA, MH Circle, Mumbai].

Further, company has received another letter dated 12.10.2023 from Department of Telecommunications [CCA, MH Circle, Mumbai] mentioning the representation filed by the company has not accepted by the said office and if the company is not satisfied by the response then it may file an appeal with O/o Pr. CCA Western Zone, Mumbai.

21 Related party Disclosures

I Related Party Name and Nature

Related Party Names	Relation
ESDS Software Solutions Limited	Holding Company
Piyush Somani	Director
Sarala Somani	Director

II Nature of Transactions and Amounts

Nature of transactions	KMP		Holding	
	For the year ended 31st March, 2024	For the year ended 31st March 2023	For the year ended 31st March, 2024	For the year ended 31st March 2023
Loan Taken	5.80	-	0.00	4.00
Loan Repaid / Reversed	5.80	-	31.75	3.56
Sales of services (Gross)	-	-	0.12	1.14
Reimbursement of Expenses(Recovered)	-	-	108.47	100.48

III Outstanding Receivable/(Payable) Balances

Nature of transactions	KMP		Holding	
	For the year ended 31st March, 2024	As at 31st March 2023	For the year ended 31st March, 2024	As at 31st March 2023
Loans	-	-	0.00	31.75
Security Deposit Payable	-	-	10.00	10.00
Security Deposit-MSEDCL	-	-	6.14	5.09
Trade Receivables	-	-	0.00	16.48



22 Fair value measurements

Break up of financial assets and financial liabilities

	March 31, 2024		March 31, 2023	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial assets				
Non-current financial assets				
Security deposits		13.73		12.02
Prepayment of rent		4.04		4.77
Fixed deposits with maturity more than 12 months		2.72		2.99
Lease Receivables		313.47		354.21
Current financial assets				
Trade receivables		-0.00		16.48
Cash & Cash Equivalent		2.77		7.40
Other current asset		-		-
Lease Receivables		40.92		33.05
Total financial assets	-	377.64	-	430.91
Financial liabilities				
Non-current financial liabilities				
Lease Liability		313.47		354.21
Other financial liabilities - Deposit refundable		11.36		9.85
Current financial liabilities				
Lease Liability		40.92		33.05
Current borrowings		-		31.75
Trade payables		0.56		18.66
Other current liabilities		10.23		8.23
Total financial liabilities	-	376.53	-	455.75

The management assessed that the fair value of cash and cash equivalents, trade receivables, trade payables and other current financial assets and liabilities approximate their carrying amounts, largely due to the short term nature of these balances.

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

The management assessed that the carrying amounts of its financial instruments are reasonable approximations of fair values.

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

All of the resulting fair value estimates are included in Level 2




23 Financial risk management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans given, investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk, and liquidity risk. The Company's senior management oversees the management of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk include deposits, investments, loans and borrowings and (i) other financial instruments. Market risk comprises interest rate risk, currency risk, etc. The sensitivity analysis in the following sections relate to the position as at respective period end.

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

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at each period end.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

(ii) 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 (primarily trade receivables) and from its financing activities, including deposits with banks and financial institution and other financial instruments.

• Trade receivables/contract assets

Customer credit risk is managed by the group subject to the established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each reporting date on an individual basis for major clients. The group applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, "Financial Instruments" which permits the use of the lifetime expected loss provision for all trade receivables. The group has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the group. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets have substantially the same risk characteristics as the trade receivables for the same types of contracts. The group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

ii) Reconciliation of loss allowance provisions

Particulars	Amount
Loss allowance as at April 1, 2022	16.94
Add/(less): changes in loss allowance Provision for the year	-
Loss allowance as at March 31, 2023	16.94
Add/(less): changes in loss allowance Bad debts written off during the period Provision for the period Recoveries	-
Loss allowance as at March 31, 2024	16.94



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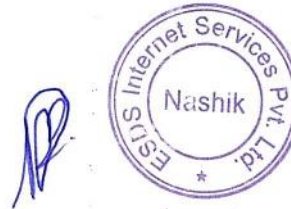
(iii) Liquidity Risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments:

March 31, 2024	Less than 1 year	1 year and more	Total
Borrowings	-	-	-
Deposits Refundable	-	11.36	11.36
Trade Payables	0.00	0.56	0.56
Provision for expenses	3.05	-	3.05
Total	3.05	11.91	14.97

March 31, 2023	Less than 1 year	1 year and more	Total
Borrowings	-	31.75	31.75
Deposits Refundable	-	9.85	9.85
Trade Payables	18.10	0.56	18.66
Provision for expenses	3.36	-	3.36
Total	21.46	42.16	63.62



ESDS Internet Services Private Limited
Notes Forming Part of Separate Financial Statements for the year ended March 31, 2024
(All amounts are in Rupees Millions, unless otherwise stated)

24. Ratios:

The ratios for the period ended March 31, 2024 and March 31, 2023 are as follows:

Sr. No.	Type of Ratio	Formulae	March 31, 2024			March 31, 2023			Change in Ratios (%)	Remarks
			Numerator	Denominator	Ratio (%)	Numerator	Denominator	Ratio (%)		
1	Current ratio	Current assets Current liabilities	54.42	51.71	1.05	72.84	91.69	0.79	32.46%	Refer Note -1
2	Debt - equity ratio	Total debt Total equity	0.00	11.85	0.00	31.75	-8.91	-3.57	-100.00%	Refer Note -1
3	Debt service coverage ratio	Not applicable	-	-	-	-	-	-	-	NA
4	Return on equity ratio	Net profit Shareholders equity	20.75	11.85	175.17%	0.04	-8.91	-0.45%	-39098.09%	Refer Note -2
5	Inventory turnover ratio	Not applicable	-	-	-	-	-	-	-	NA
6	Trade receivables turnover ratio	Annual sales Trade receivables	0.12	0.00	-440.79	0.97	16.48	0.06	-749025.21%	Refer Note -3
7	Trade payables turnover ratio	Annual purchases Trade payables	0.11	0.56	0.20	0.88	18.66	0.05	325.02%	Refer Note -4
8	Net capital turnover ratio	Annual sales Current assets (-) Current liabilities	0.12	2.71	0.05	0.97	-18.84	-0.05	-188.45%	Refer Note -1
9	Net profit ratio	Net profit after tax Sales	20.75	0.12	16814.63%	0.04	0.97	3.84%	437781.07%	Refer Note -2
10	Return on capital employed	EBIT Capital employed	28.62	11.85	241.57%	0.04	-8.91	-0.49%	-49400.50%	Refer Note -2
11	Return on investment	Not applicable	-	-	-	-	-	-	-	NA

Notes:

- Company's current liability is decreased substantially [from 91.69 Millions to 51.71 Millions] as it has written back borrowings availed from holding company resulted in improving the current & debt-equity ratio.
- Company has written back its debt availed from holding company resulted in increase in net profit from INR 0.04 Millions to INR 20.75 Millions resulted in increase in return on equity ratio, net profit ratio and return on capital employed ratio for the year.
- Trade receivable balance has brought down to NIL as at the year end resulted in improved the trade receivable turnover ratio.
- Trade payables balance has brought down to INR 0.11 Million from INR 18.66 Million as at the year end resulted in improved trade payable turnover ratio.



25 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating in order to support its business activities and maximize brand value.

The Company manages its capital and makes adjustments to it in light of the changes in economic and market conditions.

The Company monitors capital gearing ratio, which is net debt divided by total capital. Net debt comprises of long term and short term borrowings less cash and bank balances, equity includes equity share capital and reserves that are managed as capital. The gearing at the end of the reporting period was as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Debt*	-	31.75
Cash and bank balances	(2.77)	(7.40)
Net debt	-2.77	24.35
Shareholders' Funds		
Equity Share Capital	0.18	0.18
Reserves and Surplus	11.67	(9.09)
Total Equity	11.85	(8.91)
Net debt to equity ratio	(0.23)	(2.73)

26 Micro, Small and Medium Enterprises Development Act, 2006

As per the information available, almost all trade payables are not MSMEs and the management has not received any information from few suppliers confirming that they are covered under Micro, Small and Medium Enterprises Development Act, 2006.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Amount remaining unpaid to any supplier at the end of each accounting year:	-	-
Principal	-	-
Interest	-	-
Total	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 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 MSMED Act.	499,390	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(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 MSMED Act.	499,390	-

In the opinion of the Board, the current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business, except otherwise stated. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.

28 Previous years figures are regrouped / rearranged wherever considered necessary to confirm to current year's presentation.



29 Additional Regulatory Disclosures As Per Schedule III Of Companies Act, 2013

- a) The company does not have any immovables property, therefore, Additional Regulatory Disclosure relating to title deeds required as per Schedule III (revised) is not applicable.
- b) The company does not have any Investments in Property, Plant and Equipment (including Right of Use Assets) and intangible assets. Therefore, the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- c) No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- d) The Company does not have any debt taken from banks or financial institutions, therefore, wilful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.
- e) There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the period ended December 31, 2023
- f) The Company does not have any debt taken from banks or financial institutions, therefore, Additional Regulatory Disclosure relating to registration and satisfaction of charges required as per Schedule III (revised) is not applicable.
- g) No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
- h) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary
- i) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- j) There are no subsidiaries to comply with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
- k) There are no transactions 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.
- l) The Company has not operated in any crypto currency or Virtual Currency transactions during the year.

In terms of our report of even date

For S S Dhoot & Co.
Firm Registration Number: 131854W
Chartered Accountants



Sarvesh Dhoot

Partner

Membership Number : 134130

UDIN: 24134130BKFCYA6960

Place : Nashik

Date : August 26, 2024



For and on behalf of the Board of Directors
ESDS Internet Services Private Limited
CIN : U72900MH2010PTC199511



Piyush Somani

Director

DIN : 02357582

Place: Nashik

Place: Nashik

Date : August 26, 2024

Sau. Sarala Somani

Sarala Somani

Director

DIN: 02357805

Place: Nashik

Place: Nashik

Date : August 26, 2024

