



N R KRISHNAMOORTHY & CO
CHARTERED ACCOUNTANTS

Phone : 044 24351045, 24351046
044 48575115
Cell : 98410 24004, 98400 24004
E-mail : krishnamoorthy_nr@yahoo.co.in

BG2, Guru Parasakthi Apartments,
No. 16A / 18, 45th Street,
Nanganallur, Chennai - 600 061
India

Ref. :

Date :

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
OF METHODHUB SOFTWARE PRIVATE LIMITED

We have audited the accompanying Consolidated Financial Statements of **M/s. METHODHUB SOFTWARE PRIVATE LIMITED** ("the Parent Company") and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss for the year ended 31st March 2024, Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of Affairs of the Company as at March 31, 2024, and its financial performance, and its Consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are 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 statement under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with the requirements and 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 Parent 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 Consolidated Financial Statements, Standalone Financial Statements and our auditors' report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statement of the subsidiaries and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Other information, so far as it relates to the subsidiaries, associates and jointly controlled entities, is traced from its financial statements audited by the other auditors or certified by the management, as the case may be. If based on the work we have performed on the other information obtained prior to the date of this auditor's 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 Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Board of Directors of the Parent Company, as aforesaid.



N R KRISHNAMOORTHY & CO

CHARTERED ACCOUNTANTS

In preparing the Consolidated Financial Statements, the respective management and Board of Directors of the companies and entities included in the Group are responsible for assessing the Company and entity'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 or respective management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- (a) 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.
- (b) 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 Group, its associates and its jointly controlled entities has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.



N R KRISHNAMOORTHY & CO
CHARTERED ACCOUNTANTS

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
- (e) 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.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, its associates and its jointly controlled entities to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the directions, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent company and entities included in the Consolidated Financial Statements 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. 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 is not applicable to the subsidiary. Hence, reporting under this Order is not applicable.
2. As required by Section 143(3) of the Act, based on our audit, and on the consideration of the reports of other auditors on separate financial statements of its subsidiaries, incorporated in India, 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 Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors of the Parent Company as on 31 March, 2024, taken on record by the Board of Directors of the Parent Company and the reports of the other statutory auditors, none of the directors is disqualified as on 31 March, 2024, 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, we give in the "Annexure B" a statement on the same, which is based on the auditors' reports of the Parent Company and auditor's report on separate financial statement of its subsidiaries. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those entities.
- 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:
The company, being a Private Limited Company, the provisions of section 197 of the Act, is not applicable.
- h. With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 and to the best of our information and according to the explanations given to us:
 - i. The Group does not have any pending litigations which would impact its financial position
 - ii. The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses



N R KRISHNAMOORTHY & CO
CHARTERED ACCOUNTANTS

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company or subsidiaries.
- iv. (a) The respective Managements of the Parent Company and its subsidiaries have 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 Parent Company or of such subsidiary 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 respective Managements of the Parent and its subsidiaries have 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 Parent Company or subsidiaries 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 performed by us and that performed by the auditors of subsidiary, nothing has come to our or other auditor's 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.



N R KRISHNAMOORTHY & CO
CHARTERED ACCOUNTANTS

- v. (a) The dividend has not been declared by the Parent Company or subsidiaries during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The interim dividend has not been declared by the Parent Company or subsidiaries during the year.
- (c) The Board of Directors of the Parent Company has not proposed any dividend for the year.

For N R Krishnamoorthy & Co,
Chartered Accountant
FRN: 001492S

N R Krishnamoorthy
Partner
Membership No: 020638

UDIN: 24020638BKCB226260



Place: Chennai

Date: 13.07.2024

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of **M/s. Methodhub Software Private Limited** ("the Parent Company") as of 31 March 2024 in conjunction with our audit of the Consolidated Financial Statements of the Parent Company and its subsidiaries for the year ended on that date.

Management and Board of Directors' Responsibility for Internal Financial Controls

The respective Board of Directors management of the Parent and its subsidiary 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.

Auditors' Responsibility

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



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Parent 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 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 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.

Opinion

In our opinion, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Parent 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 N R Krishnamoorthy & Co

Chartered Accountants

FRN – 001492S

N R Krishnamoorthy

Membership No: 020638

UDIN: 24020638 BK CQZZ6260

Place: Chennai

Date: 13.07.2024



METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001
Consolidated Balance Sheet as at 31st March, 2024

All figures are in Rs. '000

	PARTICULARS	Notes	As at 31st March 2024	As at 31st March 2023
I.	<u>EQUITY AND LIABILITIES</u>			
1	<u>Shareholders' funds</u>			
	(a) Share Capital	2	33,400	13,600
	(b) Reserves and Surplus	3	79,780	25,703
	(c) Minority Interest		2,519	-
			1,15,699	39,303
2.	<u>Non Current Liabilities</u>			
	(a)Long-term borrowings	4	1,38,472	1,39,702
	(b)Deferred Tax Liabilities (net)	5	3,270	3,343
	(c)Long Term Provisions	6	4,390	3,339
			1,46,132	1,46,384
3.	<u>Current Liabilities</u>			
	(a) Short term borrowings	7	1,49,850	1,15,307
	(b) Trade payables			
	(i) Total Outstanding dues of micro enterprises and small enterprises	8	2,575	14,848
	(ii)Total Outstanding Dues of Creditors other than micro enterprises and small enterprises		20,588	24,802
	(c) Other current liabilities	9	9,362	68,320
	(d) Short-term Provisions	10	7,236	-
			1,89,611	2,23,277
	TOTAL		4,51,442	4,08,964
II	<u>ASSETS</u>			
1.	<u>Non-current assets</u>			
	(a) Property, Plant and Equipment and Intangible Assets			
	(i) Property, Plant and Equipment	11	3,534	3,069
	(b) Goodwill		41,380	-
	(c) Non-Current Investments	12	-	26,000
	(d) Deferred tax assets (net)		-	-
	(e) Other non current assets	13	741	741
			45,655	29,810
2.	<u>Current assets</u>			
	(a) Trade receivables	14	1,92,930	1,81,299
	(b) Cash and Cash equivalents	15	93,699	82,641
	(c) Short-term loans and advances	16	76,052	73,674
	(d) Other Current Assets	17	43,106	41,540
			4,05,787	3,79,154
	TOTAL		4,51,442	4,08,964
Significant Accounting Policies See accompanying Notes forming part of financial statements As per our Audit Report of Even date For N R KRISHNAMOORTHY & CO Chartered Accountants FRN: 001492S For and on behalf of the Board of Directors Methodhub Software Private Limited CIN-U74900KA2016PTC085743 N R Krishnamoorthy Partner Membership No. 020638 Date: July 13, 2024 Place: Chennai Prasanna Dhandapani (Director) DIN: 02187044 Satinder Mohan Mohindra (Director) DIN: 02767144				

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Consolidated Statement of Profit and Loss For the year ended 31st March 2024

All figures are in Rs. '000

	Particulars	Notes	For the year ended 31st March 2024	For the year ended 31st March 2023
I.	<u>INCOME</u>			
	Revenue from operations	18	5,68,021	3,54,895
	Other Income	19	7,853	4,280
	Total Income		5,75,874	3,59,175
II.	<u>EXPENSES</u>			
	Cost of Sales	20	2,02,879	1,10,475
	Employee benefits expense	21	2,01,019	1,19,428
	Finance Costs	22	36,415	50,111
	Depreciation and amortization expense	11	1,935	1,442
	Administrative and Other expenses	23	72,438	60,903
	Total Expenses		5,14,686	3,42,359
III.	Profit before exceptional and extraordinary items and Tax		61,188	16,816
	Exceptional and Extraordinary Items		-	
IV.	Profit before tax		61,188	16,816
V.	<u>Tax expense:</u>			
	Current Tax		7,183	-
	Deferred Tax		-73	3,370
	Profit/(Loss) for the year		54,078	13,446
Earnings per equity share: 24 (1) Basic 35.46 9.89 (2) Diluted 35.46 9.89 See accompanying Notes forming part of financial statements For N R KRISHNAMOORTHY & CO Chartered Accountants FRN: 001492S For and on behalf of the Board of Directors Methodhub Software Private Limited CIN-U74900KA2016PTC085743 N R Krishnamoorthy Partner Membership No. 020638 Prasanna Dhandapani (Director) DIN: 02187044 Satinder Mohan Mohindra (Director) DIN: 02767144 Date: July 13, 2024 Place: Chennai				

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001
Consolidated Cash flow statement for the year ended 31st March 2024

All figures are in Rs. '000		
Particulars	As at 31st March 2024	As at 31st March 2023
Cash Flow from operating activities		
Profit before tax	61,188	16,816
<i>Adjustments:</i>		
Minority interest profit	-1	
Depreciation and amortization	1,935	1,442
Interest on Deposits	-7,846	-3,831
Share of Profit from Partnership Firm	-	-444
Profit on Sale of Fixed Assets	-	-5
Finance cost	36,415	50,111
Minority interest	2,519	-
	94,210	64,089
<i>Adjustments:</i>		
(Increase)/decrease in Trade receivables	-11,631	1,322
(Increase)/decrease in Other Non Current Assets	-	1,955
(Increase)/decrease in Short Term Loans and Advances	-2,378	-30,795
(Increase)/decrease in Other Current Assets	-1,566	-6,816
Increase/(decrease) in Trade payables	-16,487	34,889
Increase/(decrease) in Short Term Borrowing	34,543	11,213
Increase/(decrease) in Provisions	7,236	-6,272
Increase/(decrease) in Other Current Liabilities	-58,958	1,314
Cash generated from operations	44,969	70,899
Income taxes (paid)/refunded	-7,110	-3,344
Net cash provided/(used) by operating activities	37,859	67,555
Cash flow from investing activities		
Purchase of fixed assets	-2,400	-1,196
Interest on Deposits	7,846	3,831
Share of Profit from Partnership Firm	-	444
Profit on Sale of Fixed Assets	-	5
Investment in subsidiary	-41,380	-
Increase/(decrease) in Investment	26,000	-26,000
Net cash provided/(used) by investing activities	-9,934	-22,916
Cash flow from financing activities		
Finance cost paid	-36,415	-50,111
Proceeds from issue of capital	19,800	-
Increase/(decrease) in Non-Current Liabilities	-252	1,241
Net cash provided/(used) by financing activities	-16,867	-48,870
Net increase/(decrease) in cash and cash equivalents		
Net changes in cash and cash equivalents	11,058	-4,231
Cash and cash equivalents at the beginning of the period	82,641	86,872
Cash and cash equivalents at the end of the period	93,699	82,641

see accompanying Notes forming part of financial statements and accounting policies

For N R KRISHNAMOORTHY & CO
Chartered Accountants
FRN: 001492S

For and on behalf of the Board of Directors
Methodhub Software Private Limited
CIN-U74900KA2016PTC085743

N R Krishnamoorthy
Partner
Membership No. 020638

Prasanna Dhandapani
(Director)
DIN: 02187044

Satinder Mohan Mohindra
(Director)
DIN: 02767144

Date: July 13, 2024
Place: Chennai

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Notes To Consolidated Financial Statements as at & For the Year Ended 31st March 2024

All figures are in Rs. '000

2 Share Capital:					
Particulars			As at 31/03/2024		As at 31/03/2023
1,00,00,000 Equity shares of Rs.10/-each (As at 31st March 2023-15,00,000 equity shares)			1,00,000		15,000
			1,00,000		15,000
Issued, subscribed, and Fully paid up capital					
33,40,000 Equity shares of Rs.10/- each (As at 31st March 2023-13,60,000 equity shares)			33,400		13,600
Total			33,400		13,600
<u>i) Reconciliation of the No. of shares outstanding at the beginning and at the end of the year</u>					
Particulars			As at 31st March 2024		As at 31st March 2023
			No. of Share	Amount (Rs.)	No. of Share
					Amount (Rs.)
At the beginning of the year			13,60,000	13,600	13,60,000
Issued during the year			19,80,000	19,800	-
Outstanding at the end of the year			33,40,000	33,400	13,60,000
ii) Rights, preferences and restrictions attached to equity shares					
The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up-equity capital of the Company. On winding up of the Company, the holders of the equity shares will be entitled to receive the residual assets of the Company, after distribution of all preferential amounts (if any) in proportion to the number of equity shares held.					
The Company has not allotted any fully paid up equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.					
No dividend is proposed for the year ending 31st March 2024.					
<u>iii) Equity Shares in the Company held by Each Shareholder holding more than 5% of shares</u>					
Particulars			As at 31st March 2024		As at 31st March 2023
			Number of shares held	% holding in that class of shares	Number of shares held
					% holding in that class of shares
Ahobilam Nagasundaram			10,00,000	29.94%	5,44,000
Chandrasekaran K			7,00,000	20.96%	1,36,000
Jayakumar A			6,80,000	20.36%	6,80,000
Sumridh Fintech India Pvt Ltd			2,85,000	8.53%	-
Total			26,65,000	79.79%	13,60,000
<u>iv) Shareholding of Promoters</u>					
Promoter Name			No. of Shares	% of total	% Change during the year
Ahobilam Nagasundaram			10,00,000	29.94%	4,56,000
Jayakumar A			6,80,000	20.36%	6,80,000
3 Reserves and Surplus:					
<u>Surplus</u>					
Particulars			As at 31/03/2024		As at 31/03/2023
Balance in the statement of Profit and Loss at the beginning of the year			25,703		12,257
Profit/(Loss) for the year			54,078		13,446
Less: Minority profit			(1)		-
Balance at the end of the year			79,780		25,703
4 Long-term borrowings					
Particulars			As at 31/03/2024		As at 31/03/2023
a) Term Loans					
Unsecured					
HDFC bank - ECLGS loan** (note 4.01)			16,559		24,890
b) Other Loans and Advances					
From Others			1,21,913		1,14,812
Total			1,38,472		1,39,702
4.01 "Emergency Credit Line Guaranteed Scheme(ECLGS)" from HDFC Bank Ltd is repayable over a period of 50 months and has a Principal moratorium period of 13 months. The loan carries an interest rate of 9.25% p.a. This facility is guaranteed by a third party. The Current maturity of the loan amounting to Rs.83,30,487/- has been grouped under short term borrowings.					
The Repayment schedule of the said loan is as below					
Within			2024-25	2025-26	2026-27
					2027-28
Term Loan from HDFC Bank			8,330	9,134	7,425
					-

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Notes To Consolidated Financial Statements as at & For the Year Ended 31st March 2024

All figures are in Rs. '000

5 Deferred Tax Liability				
Particulars		As at 31/03/2024	As at 31/03/2023	
Deferred Tax Liability (Net)		3,270	3,343	
Total		3,270	3,343	
6 Long Term Provisions				
Particulars		As at 31/03/2024	As at 31/03/2023	
Provision for Employee Benefits - Long Term		4,390	3,339	
Total		4,390	3,339	
7 Short Term Borrowings				
Particulars		As at 31/03/2024	As at 31/03/2023	
Loans Repayable on Demand				
Secured				
From Banks - Over Draft Facility (Refer Note 7.01)		1,41,519	1,12,696	
Unsecured				
Current Maturity of Long Term Debt (Refer note 4.01 above)		8,331	2,611	
Total		1,49,850	1,15,307	
7.01 Over Draft facilities from HDFC Bank is secured by hypothecation on all current assets of the company including lien on fixed deposit. The facility is repayable on demand and carries an interest @ 8.86% pa. Interest rate will be reset by the bank once in three months or at such intervals as may be permissible under the RBI guidelines/regulations from time to time. This facility is guaranteed by a third party.				
8 Trade Payables				
Particulars		As at 31/03/2024	As at 31/03/2023	
Payables to related parties		1,915	14,848	
Due to -				
(a) Total outstanding due of Micro and Small Enterprises		2,575	14,848	
(b) Trade Payables		20,588	24,802	
Total		23,163	39,650	
The Company has not received any Memorandum from some of it's creditors (as required to be filed by the Supplier with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on March 31, 2024 as Micro, Small or Medium Enterprises. In cases where no memorandum has been received the same has been treated as dues to others.				
Trade Payables ageing schedule as at 31st March,2024				
Sl. No.	Particulars	Outstanding for following		Total
		Less than 1 year months	1-2 years	
(i)	MSME	2,575	-	2,575
(ii)	Others	20,588	-	20,588
(iii)	Disputed dues - MSME	-	-	-
(iv)	Disputed dues - Others	-	-	-
Note: There are no due exceeding a period of more than 2 years				
9 Other Current Liabilities				
Particulars		As at 31/03/2024	As at 31/03/2023	
Income received in Advance		3,900	48,084	
Other payables - Expenses Outstanding		908	1,035	
Other payables - Advance received		-	3,000	
Salary payable		2,315	-	
Credit Cards		114	-	
Statutory dues payable		2,060	16,201	
Tax audit fee payable		65	-	
Total		9,362	68,320	

Notes To Consolidated Financial Statements as at & For the Year Ended 31st March 2024

10	<u>Short Term Provisions</u>					
Particulars		As at 31/03/2024	As at 31/03/2023			
Provision for Tax		7,183	-			
Provision for Employee Benefits -Short Term		53				
Total		7,236	-			
12	<u>Non-Current Investment (Trade) (At Cost)</u>					
Particulars		As at 31/03/2024	As at 31/03/2023			
Investment in Partnership Firm		-	1,000			
Premium for Acquisition of Controlling Interest		-	25,000			
Name: Braincapitol Technologies						
Partners Name	% Share	Total Capital				
Methodhub Software Pvt Ltd.,	99.0%	99000				
K.Chandrasekaran	0.5%	500				
Rajalakshmi Ramamirtham	0.5%	500				
Total		-	26,000			
Aggregate value of Quoted Investments and Market Value thereof	Nil					
Aggregate value of Unquoted Investments	-					
Aggregate Provision for diminution in value of Investments	Nil					
13	<u>Other Non-Current Assets</u>					
Particulars		As at 31/03/2024	As at 31/03/2023			
Capital Advances		741	741			
Total		741	741			
14	<u>Trade Receivables</u>					
<u>Unsecured, Considered Good</u>						
Particulars		As at 31/03/2024	As at 31/03/2023			
Trade Receivables		1,92,930	1,81,299			
Total		1,92,930	1,81,299			
No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.						
Trade Receivables Ageing Schedule as March 31, 2024						
Particulars	Current but not due	Outstanding Less than 6 months	Outstanding for following periods from due 6 months to 1 year	1 year to 2 years	2 years to 3 years	Total
Undisputed trade receivables - considered good**	1,57,772	28,761	1,427	1,155	3,815	1,92,930
Undisputed trade receivables - credit impaired			-	-	-	-
Less: Allowances expected for credit losses			-	-	-	-
Total	1,57,772	28,761	1,427	1,155	3,815	1,92,930
Trade Receivables Ageing Schedule as March 31, 2023						
Particulars	Current but not due	Outstanding Less than 6 months	Outstanding for following periods from due 6 months to 1 year	1 year to 2 years	2 years to 3 years	Total
Undisputed trade receivables - considered good**	91,141	63,088	9,773	17,297	-	1,81,299
Undisputed trade receivables - credit impaired			-	-	-	-
Less: Allowances expected for credit losses			-	-	-	-
Total	91,141	63,088	9,773	17,297	-	1,81,299
** Trade Receivable is net of bills discounted and purchased						
Trade Receivables includes amounts due from related parties amounting to INR503.80 lakhs as at March 31,2024 and INR438.50 lakhs as at March 31, 2023.						

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Notes To Consolidated Financial Statements as at & For the Year Ended 31st March 2024

All figures are in Rs. '000

15	Cash and Bank Balances	As at 31/03/2024	As at 31/03/2023
	Particulars		
	(a) Cash and cash equivalents		
	Balances with Banks		
	In Deposit Account		
	- Margin money against borrowings	79,498	76,728
	- Other Deposits	10,000	-
	Current Account	4,053	1,772
	Cash on Hand	148	141
	Cheques On Hand	-	4,000
	Total	93,699	82,641
	(Balances in Deposit Account Rs.7,94,97,425/- are under Lien for Over Draft Facility with the Bank)		
16	Short-term Loans and Advances		
	Unsecured, Considered Good		
	Particulars	As at 31/03/2024	As at 31/03/2023
	Advance to Employees		
	Advance to Vendors	41,950	40,098
	Due from Related Parties	11,260	21,025
	Other advances	22,040	11,834
	Total	76,052	73,674
17	Other current assets		
	Particulars	As at 31/03/2024	As at 31/03/2023
	Goods and Service Tax		
	Income Taxes	30,465	33,426
	Rent Deposit	7,093	5,648
	Other Current Assets	5,292	2,235
	Total	43,106	41,540
	GST amount includes Rs.2,54,77,904/- which is paid under dispute.		

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Notes To Consolidated Financial Statements as at & For the Year Ended 31st March 2024

All figures are in Rs. '000

18	Revenue From Operations		
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
	Revenue from information technology services		
	International	2,59,409	1,11,510
	Domestic	98,144	38,236
	Revenue from Telecom and Tech Infra Projects	2,10,468	2,05,149
	Total	5,68,021	3,54,895
19	Other Income		
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
	Interest Income	7,846	3,831
	Share of Profit from Partnership Firm	-	444
	Profit on Sale of Fixed Assets	-	5
	Discount received	7	-
	Total	7,853	4,280
20	Cost of Sales		
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
	Purchases	2,02,879	1,10,475
	Other Direct Expenses	-	-
	Total	2,02,879	1,10,475
21	Employee benefits expense		
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
	Salaries and bonus	1,92,331	1,12,461
	Employer's Contribution towards PF	5,225	2,565
	Employer's Contribution towards ESI	169	131
	Gratuity	20	3,339
	Leave Encashment	1,193	-
	Staff welfare expenses	2,081	932
	Total	2,01,019	1,19,428
22	Finance Cost		
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023
	Bank Charges	2,095	6,644
	Interest Expenses	26,916	48,624
	Forex Loss/(Gain)	3,107	(5,157)
	Interest on Loan from Banks	1,820	-
	Interest on delayed statutory dues	23	-
	Interest on unsecured loans	1,855	-
	Other Finance Cost	599	-
	Total	36,415	50,111

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Notes To Consolidated Financial Statements as at & For the Year Ended 31st March 2024

All figures are in Rs. '000

23	<u>Administrative and Other Expenses</u>			
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	
	Business Promotion Expenses	339	452	
	Electricity Charges	437	188	
	Misc Expenses	175	349	
	Legal & Professional Charges	48,505	46,247	
	Telephone & Internet Charges	203	161	
	Office Expenses	284	239	
	Printing & Stationery	299	111	
	Payment to Auditors:	-	-	
	As Auditors	85	200	
	Other Services	500	30	
	Rent, Rates and Taxes	9,775	3,802	
	Repair & Maintenance - Building	1,179	320	
	Repair & Maintenance - Plant & Machinery	103	286	
	Subscription Charges	6,384	4,693	
	Training and Development	-	21	
	Travelling Expenses	1,136	3,804	
	Software charges	2,357	-	
	Insurance	544	-	
	Repair & Maintenance	133	-	
	Total	72,438	60,903	
24	<u>Earnings Per Share</u>			
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	
	<i>Net profit / (loss) for the year</i>	54,078	13,446	
	Weighted average number of equity shares outstanding for calculation of basic EPS	1,525	1,360	
	Add: Effect of dilutive potential equity shares	-	-	
	Weighted average number of equity shares outstanding for calculation of diluted EPS	1,525	1,360	
	<u>Earnings Per Share</u>	-	-	
	Basic & Diluted	35.46	9.89	
	Diluted	35.46	9.89	
25	<u>Contingent Liabilities and Commitments (to the extent not provided for)</u>			
	Particulars	For the year ended 31/03/2024	For the year ended 31/03/2023	
	<u>Claims against the company not acknowledged as debt</u>			
26	Bills Discounted and Purchased	-1,30,809	-74,125	
	<u>Earnings in Foreign Exchange</u>			
27	Professional and Consultation Fees	2,59,380	1,11,510	
	<u>Related Party Transactions</u>			
28	Information on Related Party Transactions as required by Accounting Standard (AS 18) on the Related Party disclosures for the year ended March 31, 2024.			
	<u>Transactions with Related Parties</u>			
	Nature of Transactions	Related Party Name	Description of Relation	For the year ended 31/03/2024
				For the year ended 31/03/2023
	Rendering of Services	SewTech Inc	Common Director	2,38,299
	Receiving of Services	Sakthivel PM Services LLP	Common Director/Designated	95,313
				14,848
	Name of the Entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss
		As % of Consolidated net	Amount	As % of Consolidated
				Amount
28	Parent Subsidiaries & Associates - Indian			
	1. Brain Capitol Technologies	2.18%	2519	0.19%
	Minority interest in all subsidiaries Associates (Investment as per equity method) - Indian			
28	1. Brain Capitol Technologies	0.02%	25	0.00%
				1

METHODHUB SOFTWARE PRIVATE LIMITED
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Notes To Consolidated Financial Statements as at & For the Year Ended 31st March 2024

All figures are in Rs. '000

29	In the opinion of the Board of Directors, current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. Security of Current Assets against borrowings :No quarterly returns or statements of current assets are filed by the Company for the working capital facilities enjoyed by the Company as the facility is secured by a lien on the Fixed Deposit held by the Company with the Bank. Security of Current Assets against borrowings :Monthly statements of current assets are filed by the Associate for the working capital facilities enjoyed by the Associate.
30	<u>Relationship with struck off companies</u> The Company does not have any transactions with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
31	Previous year figures have been regrouped, reworked, re-arranged and re-classified wherever necessary to conform to current year's classification. The Consolidation is not applicable for the Previous Year figures.
32	All the figures have been rounded off to the nearest thousands up to two decimals except in the EPS, number of shares and ratios data given in respective notes.

Methodhub Software Private Limited
CIN-U74900KA2016PTC085743
Unit No.109, 1st Floor, Prestige Meridian-1
No.29, M.G.Road, Bangalore - 560001

Notes to the consolidated financial statements for the year ended 31st March,2024

Note 11 - Fixed Assets Schedule

Property, plant and equipment

All figures are in Rs. '000

Particulars	Computer and accessories	Office Equipment's	Furniture and Fittings	Total
Gross block				
Balance as at 31st March 2022	4,247	12	16	4,275
Additions	1,382	22	-	1,404
Deletions / write off	-143	-	-	-143
Balance as at 31st March 2023	5,486	34	16	5,536
Additions	1,995	305	-	2,300
Deletions / write off	-	-	-	-
Balance as at 31st March 2024	7,481	339	16	7,836
Accumulated Depreciation				
Balance as at 31 March 2022	957	3	-	960
Depreciation for the year	1,458	4	2	1,464
Depreciation on disposals	-57	-	-	-57
Balance as at 31 March 2023	2,358	7	2	2,367
Depreciation for the year	1,907	26	2	1,935
Depreciation on disposals	-	-	-	-
Balance as at 31 March 2024	4,265	33	4	4,302
Net Block				
Balance as at 31 March 2024	3,216	306	12	3,534
Balance as at 31 March 2023	3,128	27	14	3,169
Less: Brain Capital Technologies 31 March 2023**	80	20	-	100
Balance as at 31 March 2023	3,048	7	14	3,069

****Note - Not considered since consolidation not applicable for the year FY 2022-23**

Contents

1.	SIGINIFICANT ACCOUNTING POLCIES.....	2
1.1.	Basis of Preparation of Financial Statements	2
1.2.	Significant Accounting Policies.....	2
1.3.	Basis of consolidation.....	2
1.4.	Investment in Associates	4
1.5.	Use of Estimates.....	4
1.6.	Inventories	4
1.7.	Current/Non-Current Classification	4
1.8.	Revenue Recognition	5
1.9.	Property, Plant and Equipment ("PPE").....	5
1.10.	Depreciation and Amortisation.....	6
1.11.	Cash and Cash Equivalents (for the purposes of Cash Flow Statement)	6
1.12.	Cash Flow Statement.....	6
1.13.	Exceptional and Extraordinary items.....	6
1.14.	Foreign currency transactions	7
1.15.	Investments	7
1.16.	Employee Benefits.....	7
1.17.	Leases	8
1.18.	Earnings per Share.....	8
1.19.	Taxation.....	8
1.20.	Intangible assets and amortisation.....	8
1.21.	Impairment of Assets.....	8
1.22.	Provisions and Contingencies	9

Notes to the consolidated financial statements for the year ended 31st March 2024

CORPORATE INFORMATION

Methodhub Software Private Limited (“Company or the Company”) was incorporated on February 02, 2016, under the Companies Act, 2013 as a Private Limited company with CIN U74900KA2016PTC085743. The Company is engaged primarily in providing.

a) Information Technology Services and

b) Telecom and Tech Infra Services.

1. SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of Preparation of Financial Statements

The Consolidated Financial Statements have been prepared and presented under the historical cost convention on accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (GAAP) in India. The Company has prepared these financial statements to comply with all material respects with the accounting standards notified under section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of Consolidated financial statements are consistent with those of adopted in previous year.

1.2. Significant Accounting Policies

The Consolidated Financial Statements have been prepared and presented under the historical cost convention on accrual basis of accounting and in accordance with Generally Accepted Accounting Principles (GAAP) in India. The Company has prepared these financial statements to comply with all material respects with the accounting standards notified under section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of Consolidated financial statements are consistent with those of adopted in previous year.

1.3. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its associates (referred to as “Group” as of March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- i. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee).
- ii. Exposure, or rights, to variable returns from its involvement with the investee; and
- iii. The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an

investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

The financial statements of the entity used for the purpose of consolidation are drawn up to same reporting date as that of the parent Company, i.e., year ended on March 31, 2024.

The Group re-assesses whether it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary and associates begins when the group obtains control over the subsidiary and associates, and ceases when the Group loses control of the subsidiary and associates. Assets, liabilities, income and expenses of a subsidiary and associates acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the group ceases to control the subsidiary and associates.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses, and cash flows of the parent with those of its subsidiaries and associates.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary and associates.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised are eliminated in full)

The difference between the cost of investment in the subsidiary and associate and the Company's share of net assets at the time of acquisition of share/ownership in the subsidiaries and associates is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.

Minority Interest in the net assets of consolidated subsidiaries and associates is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

Minority Interest in the net assets of consolidated subsidiary and associate consists of the amount of equity attributable to Non-Controlling Interest (NCI) at the date on which investment in a subsidiary and associate is made and the share of movements in equity since the date parent subsidiary and associate relationship came into existence.

Group information

(a) Associate as of March 31, 2024

The Company acquired 99% of the share of ownership in Brain Capitol Technologies, a partnership entity effective April 01, 2023 and consolidated as an associate during the year.

Name of the Entity	Country of incorporation	% of Partnership Interest
Brain Capitol Technologies	India	99.00%

1.4. Investment in Associates

Section 129 (3) of the Companies Act, 2013, requires preparation of consolidated financial statement of the company and of all the subsidiaries including associate company and joint venture businesses in the same form and manner as that of its own. Accounting Standard (AS) 23 on Accounting for Investments in associates in consolidated financial Statements defines Associate Company as an enterprise in which an entity has significant influence and which is neither a subsidiary nor a joint venture of that party. It mentions that if an investing party holds, directly or indirectly through intermediaries, 20 per cent or more of the voting power of the enterprise, it is presumed that the investing party does have significant influence, unless it can be clearly demonstrated that this is not the case.

An investment in associate is initially recognised at cost and adjusted thereafter to recognise the Company's share of profit or loss of the associate. On acquisition of investment in an associate, any excess of cost of investment over the value of the assets and liabilities of the associate, is recognised as goodwill and is included in the carrying value of the investment in the associate. The carrying amount of investment in joint ventures and associates is reduced to recognise impairment, if any, when there is evidence of impairment.

1.5. Use of Estimates

The preparation of Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples for such estimates include provision against litigation and regulatory actions, provision of future obligation under employee benefit plans, useful lives of Property, Plant and Equipment, provision in respect of non-current investments, and provision for customer claims and recoverability of taxes.

Although these estimates are based upon the management's best knowledge of current events and actions, actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

1.6. Inventories

The Company does not hold any inventory.

1.7. Current/Non-Current Classification

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 Schedule III to the Companies Act, 2013. Considering the nature of business activities of the Company, the time between deploying of resources for projects/ contracts and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities

1.8. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- a) Revenue from Information Technologies Services is recognised in the period in which services are rendered and is recognised net of GST. Revenue is recognized upon transfer of control of contracted services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services. Arrangements with customers for information technology services and Telecom and Tech Infra Services are either on a fixed price, fixed-time frame contracts or on a time and material basis. Revenue from fixed price, fixed-time frame contracts where performance obligations are satisfied over a period of time and where there is no uncertainty as to the measurement or collectability of consideration, is recognized as per the percentage of completion method. When there is uncertainty as to the measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Efforts have been used to measure progress towards completion as there is a direct relationship between input and productivity. In arrangements for Information Technology Services, Telecom and Tech Infra Services, the Company has applied the guidance in Ind AS 115. Revenue from Contracts with customers are recognized by applying criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering Information Technology and related services as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative Consolidated selling price. Revenues in excess of invoicing are classified as unbilled revenue while invoicing in excess of revenues are classified as unearned revenues.
- b) For Tech infra contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled Revenue." For contracts where progress billing exceeds the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as "Unearned Revenue." Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer." The amounts billed on customer for work performed and are unconditionally due for payment i.e., only passage of time is required before payment falls due, are disclosed in the Balance Sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of trade receivables. Contract revenues are net of GST.
- c) Interest income on Fixed Deposits is recognised on accrual basis.

1.9. Property, Plant and Equipment ("PPE")

Property, Plant and Equipment are stated at cost less accumulated depreciation / amortisation and impairment losses, if any. The cost of Property Plant and Equipment comprises its cost of acquisition 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 and other incidental expenses up to the date the asset is ready for its intended use, Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as “Capital Advances” under Other Non-Current Assets and cost of property, plant, and equipment not ready to use before such date are disclosed under “Capital Work- in- Progress.”

1.10. Depreciation and Amortisation

Depreciation on Property, Plant and Equipment has been provided on the straight- line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support etc.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Particulars	Useful Life (In years)
Computers	3
Office Equipment	5
Furniture & Fittings	10

1.11. Cash and Cash Equivalents (for the purposes of Cash Flow Statement)

Cash and Cash Equivalents comprises of cash on hand, demand and fixed deposits with banks, short -term balances (with an original maturity of twelve months or less from the date of acquisition), highly liquid investments that are really convertible into known amounts of cash and which are subject to insignificant risk of change in value.

1.12. Cash Flow Statement

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

1.13. Exceptional and Extraordinary items

Exceptional Items:

Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Company’s financial performance. Items which may be considered exceptional are significant restructuring charges, gains, or losses on disposal of investments of subsidiaries, write down of inventories and significant disposal of fixed assets.

Extraordinary items:

Extraordinary items are income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the enterprise and, therefore, are not expected to recur frequently or regularly.

1.14. Foreign currency transactions

Initial recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences

Exchange differences arising on settlement / restatement of foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

1.15. Investments

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees, and duties.

1.16. Employee Benefits

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and compensated absences.

Defined contribution plan

The Company makes contributions to Provident Fund, Employee State Insurance, etc., for eligible employees, which is a defined contribution plan, and contribution paid or payable is recognized as an expense in the period in which it falls due.

The Company has no further obligations beyond its contributions. Employer Contributions made to a post-retirement benefits plan, e.g., Provident Fund, Employee State Insurance, etc, which is a defined contribution scheme, are charged to the statement of profit and loss in the year in which the services are rendered by the employees.

Defined benefits

The Company provides for gratuity, a defined benefit retirement plan ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation, or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liability for the Gratuity Plan is determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method. As these liabilities are relatively long term in nature, the actuarial assumptions take in account the requirements of the relevant GAAP coupled with a long-term view of the underlying variables/trends, wherever required.

Short Term Employee benefits

Short term employee benefits are recognised as an expense as per the Company's scheme based on expected obligations on an undiscounted basis.

1.17. Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the lease term.

1.18. Earnings per Share

There are no potential equity shares and hence the basic and diluted earnings per share are same. Basic earnings per share is computed by dividing the net profit or loss after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

1.19. Taxation

Current Tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred Tax

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability.

1.20. Intangible assets and amortisation

Acquired intangible assets

Intangible assets that are acquired by the company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortization and any accumulated impairment loss.

Amortization

Intangible assets are amortised over their economic useful lives on a straight-line basis commencing from the date of the asset is available for its intended use.

1.21. Impairment of Assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

- a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortised over a period exceeding ten years from the date when the asset is available for use.

- b) If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.
- c) The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.
- d) When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss.

1.22. Provisions and Contingencies

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

As per our Audit Report of Even date
For N R KRISHNAMOORTHY & CO
Chartered Accountants
FRN: 001492S

For and on behalf of the Board of Directors
Methodhub Software Private Limited
CIN-U74900KA2016PTC085743

N R Krishnamoorthy
Partner
Membership No. 020638

Prasanna Dhandapani
(Director)
DIN: 02187044

Satinder Mohan Satinder
(Director)
DIN: 02767144

Date: July 13, 2024
Place: Chennai