Addverb Technologies Limited

(Formerly Known as Addverb Technologies Private Limited)

Financial Statements
2023-24

INDEPENDENT AUDITOR'S REPORT

To The Members of Addverb Technologies Limited (Formerly Known as Addverb Technologies Private Limited)
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Addverb Technologies Limited (Formerly Known as Addverb Technologies Private Limited) ("the Company"), which comprise the Balance Sheet as at 31st March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31st March 2024 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 Section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 32 to the financial statements;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

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

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

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

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

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended 31st March 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 except that no audit trail was enabled at the database level for the accounting software to log any direct changes. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with, in respect of accounting software for the period for which the audit trail feature was operating.

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

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

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Varsha A. Fadte
Partner
Membership No. 103999
UDIN: 24103999BKENDZ8189

Mumbai, 17th April 2024

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the internal financial controls with reference to financial statements of Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited) ("the Company") as at 31st March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Varsha A. Fadte
Partner
Membership No. 103999
UDIN: 24103999BKENDZ8189

Mumbai, 17th April 2024

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(i)(a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets and intangible assets under development.

(i)(b) The Property, Plant and Equipment were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noticed on such verification.

(i)(c) Based on our examination of the registered lease agreements provided to us, we report that, in respect of the immovable properties where the Company is the lessee, the lease agreements are duly executed in favour of the Company as disclosed in the financial statements and included in property, plant and equipment.

(i)(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(i)(e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii)(a) The inventories except stocks held with third parties were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(ii)(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements and book debt statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

(iii) The Company has not provided any loans or advances in the nature of loans or security to any entity during the year and hence reporting under clause (iii)(c) to (iii)(f) of the Order is not applicable.

The Company has made investments and provided guarantees during the year.

(iii) (a) Details of guarantees provided during the year are given below:

	Guarantee to subsidiary (Rs. in crore)
A. Aggregate amount provided during the year	
- Subsidiary	62.00
B. Balance outstanding as at balance sheet date in respect of above cases:	
-Subsidiary	62.00

The Company has not provided any guarantee to any other entity during the year.

(iii) (b) The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause (iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 (Electrical and Electronic activities). We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31st March 2024 for a period of more than six months from the date they became payable.

b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2024 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in crore)	Period to Which the Amount Relates	Forum where Dispute is Pending	Remarks, if any
Income Tax Act, 1961	Income tax	8.69	AY 2020-2021	ITAT, Delhi	Total demand of Rs. 8.69 Crore was raised, of which Rs. 1.10 Crore is paid through adjustment of refund for AY 2021-2022.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of

Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016 and hence the reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has incurred cash losses amounting to Rs. 48.77 Crores in the financial year covered by our audit but had not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Varsha A. Fadte
Partner
Membership No. 103999
UDIN: 24103999BKENDZ8189

Mumbai, 17th April 2024

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Balance Sheet as at 31st March, 2024

₹ in crore

	Notes	As at 31st March, 2024	As at 31st March, 2023
Assets			
Non-Current Assets			
Property, Plant and Equipment	1	273.43	253.94
Capital Work-in-Progress	1	2.03	27.00
Other Intangible Assets	1	80.81	24.66
Intangible Assets Under Development	1	31.58	24.14
Financial Assets			
Investments	2	147.05	141.51
Others	3	3.37	2.98
Deferred Tax Assets (Net)	4	15.16	-
Other Non- Current Assets	5	9.53	6.93
Total Non-Current Assets		562.96	481.16
Current Assets			
Inventories	6	125.53	116.19
Financial Assets			
Investments	7	-	8.40
Trade Receivables	8	136.29	154.93
Cash and Cash Equivalents	9(a)	1.18	1.51
Bank balances other than cash and cash equivalents	9(b)	-	2.70
Others	10	1.88	1.84
Other Current Assets	11	54.20	35.68
Total Current Assets		319.08	321.25
Total Assets		882.04	802.41
Equity and Liabilities			
Equity			
Equity Share Capital	12	0.54	0.54
Other Equity	13	440.72	496.60
		441.26	497.14
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	14	56.85	-
Lease Liabilities		51.26	58.56
Other Financial Liabilities	15	50.74	40.11
Provisions	16	3.74	3.55
Deferred Tax Liabilities (Net)	4	-	5.48
Total Non-Current Liabilities		162.59	107.70
Current Liabilities			
Financial Liabilities			
Borrowings	17	145.40	53.63
Lease Liabilities		4.90	6.17
Trade Payables	18		
Total Outstanding dues of Micro Enterprises and Small Enterprises		8.89	6.47
Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		84.40	94.43
Other Financial Liabilities	19	2.38	10.59
Other Current Liabilities	20	31.56	26.09
Provisions	21	0.66	0.19
Total Current Liabilities		278.19	197.57
Total Liabilities		440.78	305.27
Total Equity and Liabilities		882.04	802.41

Significant Accounting Policies
See accompanying notes to the Financial Statements **1 to 40**

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)

As per our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No:117366W/W-100018

Varsha A. Fadte
Partner
Membership no. 103999

Dated: 17th April, 2024

For and on behalf of the Board

Sangeet Kumar
Whole Time Director
DIN:07551490

Jalaj Ashwin Dani
Director
DIN:00019080

Ashok Kumar Goyal
Director
DIN:00007920

Anish Keshavlal Shah
Director
DIN:07205243

Kiran Mathew Thomas
Director
DIN:02242745

Hetal Jignesh Rathod
Director
DIN:00010711

Dhirendra Harilal Shah
Director
DIN:00004616

Chandrakant Shripad Gokhale
Director
DIN:00012666

Ashu Kansal
Chief Financial Officer

Divya Wadhawan
Company Secretary

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Statement of Profit and Loss for the year ended 31st March, 2024

₹ in crore

	Notes	2023-24	2022-23
Income			
Value of Sales		292.11	454.72
Income from Services		37.43	31.34
Value of Sales & Services (Revenue)		329.54	486.06
Less: GST Recovered		41.70	69.57
Revenue from Operations	**22**	287.84	416.49
Other Income	**23**	2.76	3.24
Total Income		290.60	419.73
Expenses			
Cost of materials consumed	**24**	163.86	211.86
Purchases of Stock-in-Trade		34.12	34.44
Changes in Inventories of Finished Goods and Work-in- Progress	**25**	(6.82)	(11.77)
Employee benefits expense	**26**	89.33	100.12
Finance costs	**27**	18.12	6.70
Depreciation and amortisation Expenses	**1**	28.76	15.12
Other expenses	**28**	46.01	55.21
Total Expense		373.38	411.68
Profit/ (Loss) Before Tax		(82.78)	8.05
Tax Expenses:			
Current tax	**29**	0.06	0.35
Deferred tax	**29**	(20.64)	2.75
Profit/ (Loss) for the year		(62.20)	4.95
Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to Profit or Loss (Re-measurement of defined benefit plans)	**26.1**	1.07	(0.38)
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income / (Loss) for the year (Net of Tax)		1.07	(0.38)
Total Comprehensive Income for the year		(61.13)	4.57
Earnings per Equity share of face value of ₹ 10 each			
Basic (in ₹)	**30**	**(1,162.52)**	95.93
Diluted (in ₹)	**30**	**(1,156.57)**	95.85
Significant Accounting Policies			
See accompanying notes to the Financial Statements	**1 to 40**		

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)

As per our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No:117366W/W-100018

Varsha A. Fadte
Partner
Membership no. 103999

For and on behalf of the Board

Sangeet Kumar
Whole Time Director
DIN:07551490

Jalaj Ashwin Dani
Director
DIN:00019080

Ashok Kumar Goyal
Director
DIN:00007920

Anish Keshavlal Shah
Director
DIN:07205243

Kiran Mathew Thomas
Director
DIN:02242745

Hetal Jignesh Rathod
Director
DIN:00010711

Dhirendra Harilal Shah
Director
DIN:00004616

Chandrakant Shripad Gokhale
Director
DIN:00012666

Ashu Kansal
Chief Financial Officer

Dated: 17th April, 2024

Divya Wadhawan
Company Secretary

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Statement of Changes in Equity for the year ended 31st March, 2024

A Equity Share Capital ₹ in crore

Balance as at 1st April, 2022	Changes during the year 2022-23	Balance as at 31st March, 2023	Changes during the year 2023-24	Balance as at 31st March, 2024
0.51	0.03	0.54	-	0.54

B Other Equity ₹ in crore
Current Reporting Period

	Reserves & Surplus						Total
Particulars	**Capital redemption reserve**	**Securities premium**	**Retained Earnings**	**Equity Component of Compound Financial Instruments**	**Re-measurement (Gains)/losses on defined benefit plans (OCI)**	**Share based Payment Reserve**	
Balance as at 1st April, 2023	**0.73**	**475.58**	**20.20**	**0.06**	**(0.85)**	**0.88**	**496.60**
Loss for the year	-	-	(62.20)	-	-	-	**(62.20)**
Change during the year	-	-	-	-	1.07	5.25	**6.32**
Balance as at 31st March, 2024	**0.73**	**475.58**	**(42.00)**	**0.06**	**0.22**	**6.13**	**440.72**

Previous Reporting Period

Particulars	**Capital redemption reserve**	**Securities premium**	**Retained Earnings**	**Equity Component of Compound Financial Instruments**	**Re-measurement (Gains)/losses on defined benefit plans (OCI)**	**Share based Payment Reserve**	**Total**
Balance as at 1st April, 2022	0.73	325.49	15.25	0.06	(0.47)	0.48	341.54
Profit for the year	-	-	4.95	-	-	-	4.95
Change during the year	-	-	-	-	(0.38)	0.40	0.02
Changes on account of receipt of premium of Rs.48,415 per share in respect of 20,674 shares and receipt of remaining premium of Rs.5,641.21 per share in respect of 88,635 per share	-	150.09	-	-	-	-	150.09
Balance as at 31st March, 2023	**0.73**	**475.58**	**20.20**	**0.06**	**(0.85)**	**0.88**	**496.60**

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)

As per our Report of even date

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Chartered Accountants
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Membership no. 103999

Dated: 17th April, 2024

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DIN:00012666

Ashu Kansal
Chief Financial Officer

Divya Wadhawan
Company Secretary

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Cash Flow Statement for the year ended 31st March, 2024

₹ in crore

	2023-24	2022-23
A: Cash Flow From Operating Activities		
Net Profit/ (Loss) before Tax as per Statement of Profit and Loss	**(82.78)**	8.05
Adjusted for:		
Loss on sale/ discarding of Property, Plant and Equipment (net)	**0.01**	-
Fair Value gain on Financial Assets measured at FVTPL	**-**	(0.12)
Profit on sale of Investments (net)	**(0.04)**	(0.81)
Depreciation and Amortisation Expenses	**28.76**	15.12
Effect of Exchange Rate Change	**-**	-
Share of (Profit)/Loss of Joint Venture and Associates	**-**	-
Share-based payments to employees	**5.25**	-
Gain/Loss on lease modification	**(0.57)**	-
Interest Income	**(0.17)**	(0.72)
Finance Costs	**17.32**	5.65
Subtotal	**50.56**	19.12
Operating Profit/ (Loss) before Working Capital Changes	**(32.22)**	27.17
Adjusted for:		
Trade and Other Receivables	**0.05**	(64.11)
Other Non current Assets	**0.55**	(0.07)
Inventories	**(9.34)**	(56.57)
Trade and Other Payables	**(0.41)**	34.08
Subtotal	**(9.15)**	(86.67)
Cash Generated from Operations	**(41.37)**	(59.50)
Taxes Paid (Net)	**(3.21)**	(3.63)
Net Cash flow used in Operating Activities	**(44.58)**	(63.13)
B: Cash Flow From Investing Activities		
Purchase of Property, Plant and Equipment and Other Intangible Assets	**(88.06)**	(124.80)
Proceeds from disposal of Property, Plant and Equipment and Other Intangible Assets		
Investment in Subsidiaries	**(5.54)**	(128.80)
Loan Repayment by Subsidiaries	**-**	19.78
Proceeds from Sale of Mutual funds	**8.44**	172.96
Purchase of Mutual Funds	**-**	(63.03)
Movement in Loans & Advances and other assets (Net)	**(0.39)**	1.47
Interest Income	**0.19**	0.78
Net Cash Flow used in Investing Activities	**(85.36)**	(121.64)
C: Cash Flow From Financing Activities		
Proceeds from Issue of Equity share (including securities premium)	**-**	150.11
Proceeds from Borrowings - Short Term	**91.63**	49.88
Proceeds/(Repayment) of Borrowings - Long Term	**56.99**	(9.74)
Lease Rent paid- principal portion	**(4.39)**	(0.79)
Lease Rent paid- interest portion	**(4.48)**	(2.55)
Interest Paid	**(12.84)**	(3.10)
Net Cash Flow (used in)/ Generated from Financing Activities	**126.91**	183.81
Net Decrease in Cash and Cash Equivalents	**(3.03)**	(0.96)
Opening Balance of Cash and Cash Equivalents	**4.21**	5.17
Closing Balance of Cash and Cash Equivalents (refer note 9 & 10)	**1.18**	4.21

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)

As per our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No:117366W/W-100018

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Partner
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Dated: 17th April, 2024

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Company Secretary

Addverb Technologies Limited (formerly Known as Addverb Technologies Private Limited)
Notes to Financial Statements for the year ended March 31, 2024
(All amounts in INR Crore unless stated otherwise)

1 Corporate information

Addverb Technologies Limited (CIN:U74999UP2016PLC122944) (formerly Known as Addverb Technologies Private Limited), (hereinafter referred to as “Addverb” or “the Company”) is a Company incorporated and registered under the provisions of the Companies Act 2013, having its registered office at Plot No. 5, Sector-156, Noida, Gautam Buddha Nagar, UP – 201301. Addverb is engaged in the business of robotics and automation solutions in warehousing, healthcare and manufacturing. The Company is engaged into transforming digitally the process of material handling that is aimed at augmenting safety, scalability and flexibility.

2 Significant accounting policies, critical accounting judgements and estimates.

2.1 Basis of preparation

The financial statements of the Company (hereafter referred as financial statements) have been prepared on the historical cost basis except for certain assets and liabilities which have been measured at fair value. The Financial Statements of the Company have been prepared to comply with the Indian Accounting Standards (‘Ind AS’), including the Rules notified under the relevant provisions of the Companies Act, 2013 as amended from time to time.

The Company’s Financial Statements are presented in Indian Rupees (₹), which is also its functional currency and all values are rounded to the nearest Crores (`00,00,000) except when otherwise stated.

2.2 Critical accounting judgements and Key Sources of estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial years.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

a) Property, plant and equipment and intangible asset

Estimates are involved in determining the cost attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the management. Property, Plant and Equipment and Intangible Assets are depreciated / amortised over their estimated useful lives after taking into account estimated residual value. Management reviews the estimated useful lives of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during the reporting period. The depreciation/amortisation method is selected so as to reflect the pattern in which future economic benefits of different assets are expected to be consumed by the Company. The useful life and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological and future risks. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

b) Intangible asset under development (IAUD)

The Company capitalises intangible asset under development for a project in accordance with the accounting policy. Initial capitalisation of costs is based on management’s judgement that technological and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model.

c) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired (IAUD as required by the standard is tested every year irrespective of an indication). If any indication exists, the Company estimates the asset's recoverable amount , unless the asset does not generate the independent cash flows the same is determined for cash generating unit (CGU). The recoverable amount is higher of an asset or CGUs fair value less costs of disposal or its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessment of time value of money and risks specific to asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

d) Revenue from contracts with customers

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

The Company’s contracts with customers could include promises to transfer multiple product. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgement is also required to determine the transaction price for the contract and to describe the transaction price to each distinct performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, cash discount, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product from the customer.

e) Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required . Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible action that can be taken to mitigate the risk of non - payment.

f) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses judgement in assessing whether a contract includes a lease / non lease, the lease term (including anticipated renewals) and the applicable discount rate.

g) Provisions and contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

2.3 Summary of significant accounting policies

a) Current versus non-current classification

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

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

All other assets are classified as non-current.

A liability is current when:

• It is expected to be settled in normal operating cycle
• It is held primarily for the purpose of trading
• It is due to be settled within twelve months after the reporting period, or
• There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period The Company classifies all other liabilities as non-current.

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

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

b) Fair value measurement

The Company measures financial instruments including certain financial assets, liabilities and derivatives if any at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

• In the principal market for the asset or liability, or
• In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.
• The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

• Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
• Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
• Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

c) Revenue recognition

Revenue from contracts with customers is recognised, when it satisfies a performance obligation by transferring promised goods or services to a customer.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:

(a) the customer simultaneously consumes the benefit of the Company's performance or

(b) the customer controls the asset as it is being created/enhanced by the Company's performance or

(c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents,

In all other cases, performance obligation is considered as satisfied at a point in time.

The revenue is recognised to the extent of transaction price allocated for the performance obligation satisfied. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring good or service to a customer excluding amounts collected on behalf of a third party. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

Costs to obtain a contract which are incurred regardless of whether the contract was obtained are charged-off in Profit & Loss immediately in the period in which such costs are incurred. Incremental costs of obtaining a contract, if any, and costs incurred to fulfil a contract are amortised over the period of execution of the contract in proportion to the progress measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.

Impairment loss (termed as provision for foreseeable losses in the financial statements) is recognized in profit or loss to the extent the carrying amount of the contract asset exceeds the remaining amount of consideration that the company expects to receive towards remaining performance obligations (after deducting the costs that relate directly to fulfil such remaining performance obligations).

In addition, the Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

For 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 "Deferred Revenue". Amounts received before the related work is commenced 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 as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Rendering of Services

Revenue from rendering of services is recognised when the performance obligation to render the services are completed as per contractually agreed terms.

Interest Income

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

Other Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

d) Taxes

Current income tax

Tax expense comprises current and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offsetor to realise the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax assets are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilised. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

e) Property, plant and equipment (PPE)

Property, plant and equipment and capital work-in-progress is stated at original cost net of tax / duty credits availed, if any less depreciation and impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing cost for long term construction projects if the recognition criteria are met. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of profit or loss as incurred. Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets estimated by the management. The Company has aligned the useful life of its fixed assets with those specified in Part C of Schedule II to the Companies Act, 2013 wherever the useful lives of assets are determined Depreciation for assets purchased/ sold during a period is proportionately charged. Leases relating to land are amortized equally over the period of lease. The Management estimates the useful lives for the Property, plant and equipment as follows except leasehold land which is amortised over the lease period.

Plant and Machinery	15 years
Office equipment	5 years
Furniture and Fixtures	10 years
IT equipment(Computers & Servers)	3&6 years

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life in a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.
Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.
Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

Software	3-5 years
Technical know how	5 years

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for management intended use. During the period of development, the asset is tested for impairment annually.

g) Borrowing costs
Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

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

Company as a lessee
The Company applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of- use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets which includes leasehold land with lease term of 90 years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (j) Impairment of non-financial assets.

ii) **Lease Liabilities**
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses unless they are incurred to produce inventories in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments.

iii) **Short-term leases and leases of low-value assets**
The Company applies the short-term lease recognition exemption to its short-term leases of rental premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option).Lease payments on short-term leases and leases for which the underlying asset is of low value are recognised as expense on a straight-line basis over the lease term.

i) Inventories
Inventories, except for Stores & Spares and Loose Tools, are stated at cost or net realizable value, whichever is lower Costs incurred in bringing each product to its present location and condition are accounted for as follows:

• Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost.

• Finished goods: Cost of Finished Goods include material cost, cost of conversion, other overheads to the extent applicable and excise duty. Cost is determined on weighted average cost.

• Work in progress: It is valued at cost determined by taking material cost, labour charges, and direct expenses. Cost is determined on weighted average cost.

• Stock in trade: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Stores and spares are stated at cost less provision, if any, for obsolescence.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

j) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU)(The smallest identifiable group of assets that generates independent cash flow) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets the same is determined for a CGU. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of three years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the third year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

k) Provisions and Contingent liability

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a 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. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 estimated. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

l) Gratuity and other post-employment benefits

Defined Contribution plans:

Contribution towards Superannuation Fund, Pension Fund, government administered Provident Fund and Employee State Insurance Scheme are treated as Defined Contributions Schemes. In respect of contributions made to Superannuation Fund, Pension Fund, government administered Provident Fund and Employee State Insurance Scheme, the Company has no further obligations beyond its monthly/yearly contributions. Such Contributions are recognized as an expense in the period in which the employee renders related service.

If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit plans:

The employees gratuity fund scheme is the Company's defined benefit plan as the Company pays gratuity to the employees who have completed five years of the service at the time of resignation/superannuation. The liability in respect of gratuity and other post employment benefits is calculated using the Projected Unit Credit method and spread over the period during which the benefit is expected to be derived from employees services.

Re- measurements gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in other comprehensive income.

Other Long-term Benefits:
The obligation for long term employee benefits such as long term compensated absences, long service award etc. is recognized in the similar manner as in the case of defined benefit plans as mentioned above.

Short term employee benefits
Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.
The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employee are recognised as an expense during the period when employee renders the service.

m) Earnings per share
Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of parent company (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.
Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year. The weighted average number of equity shares outstanding during the year is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.
For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders of the company and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares are considered.

n) Onerous Contracts
If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

o) Financial instruments
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets
Initial recognition and measurement
All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchase and Sale of Financial Assets are recognised using trade date accounting.

Subsequent measurement

Financial Assets measured at amortised cost
A Financial Asset is measured at the amortised cost if both the following conditions are met:
(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the EIR.
Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)
A Financial Asset is classified as FVTOCI if both of the following criteria are met
(a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
(b) The asset's contractual cash flows represent SPPI.

Financial Assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss.

Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)
FVTPL is a residual category for financial assets which are debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Equity Instruments unless designated as FVTOCI are measured at FVTPL. All the changes in fair value are recognised in the P&L.

Derecognition
A financial asset is primarily derecognised (i.e. removed from the Company's balance sheet) when:

• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets
In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL) and Fair Value Through Other Comprehensive Income(FVTOCI):

ECL are measured, through a loss allowance at an amount equal to:
The 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) or
Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade receivables the Company applies simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.
The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.
For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk, full lifetime Expected Credit Loss is used.

Financial liabilities

Initial recognition and measurement
All financial liabilities are recognised initially at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

Subsequent measurement
Financial Liabilities are carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Derivative Financial Instruments

The Company uses various derivative financial instruments such as forward and option contracts, currency and interest rate swaps to mitigate the risk of changes in interest rates and exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. Such derivative financial instruments are initially recognised at fair value on date on which a derivative contract is entered into and are also subsequently measured at fair value.
Derivatives are carried as financial assets when fair value is positive and as financial liabilities when the fair value is negative.

Cash Flow Hedge
The Company designates derivative contracts or non derivative financial asset / liabilities as hedging instruments to mitigate the risk of movement in interest rate and foreign exchange rates for exposure on highly probable future cash flows or firm commitments. When derivative is designated as a cash flow hedging instrument , the effective portion of changes in fair value of the derivative is recognised in cash flow hedge reserve being part of other comprehensive income and any ineffective portion of changes in fair value of derivative is recognised in statement of profit and loss. If the hedging relationship no longer meet the criteria for hedge accounting , then hedge accounting is discontinued prospectively. If the hedging instrument is expired or sold , terminated or exercised the cumulative gain or loss on the hedging instrument recognised in cash flow hedge reserve till the period the hedge was effective remains in cash flow hedge reserve until the underlying transaction occurs. The cumulative gain / loss previously recognised in cash flow hedge reserve is transferred to the statement of profit and loss upon occurrence of underlying transaction.

Fair Value Hedge

The Company designates derivative contracts as hedging instruments to hedge the risk of change in fair value of hedged item due to movement in prices, interest and foreign exchange rates.

Changes in fair value of hedging instruments and hedged items that are designated and qualifies as fair value hedges are recorded in statement of profit and loss. If the hedging relationship no longer meets the criteria for hedge accounting the adjustment to the carrying value of a hedged item is amortised to statement of profit and loss over the period to maturity.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash at bank and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

q) Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency, using the spot exchange rates at the date of the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date with respect to monetary items are translated at the closing rate and are recognised as income or expenses in the period which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of nonmonetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

r) Investment in subsidiary

Investment in subsidiary is carried at cost in the standalone financial statements. Investment carried at cost is tested for impairment, if indicator exists.

s) Share-based payments

Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled, in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

1 Property, Plant and Equipment, Intangible Assets, Capital Work-in-progress and Intangible Assets under Development (IAUD)

₹ in crore

Description	Gross block				Depreciation/ amortisation				Net block	
	As at 1st April, 2023	Additions	Deductions	**As at 31st March, 2024**	As at 1st April, 2023	For the year	Deductions	**Upto 31st March, 2024**	**As at 31st March, 2024**	As at 31st March, 2023
Property, Plant and Equipment										
Own Assets:										
Buildings	75.63	10.77	-	**86.40**	2.18	2.57	-	**4.75**	**81.65**	73.45
Plant and Machinery	49.26	20.77	-	**70.03**	4.68	4.15	-	**8.83**	**61.20**	44.58
Electrical Installations	6.88	2.08	-	**8.96**	0.58	0.75	-	**1.33**	**7.63**	6.30
Equipment	11.76	3.99	0.29	**15.46**	5.59	2.92	0.28	**8.23**	**7.23**	6.17
Furniture and Fixtures	10.16	3.12	-	**13.28**	1.27	1.15	-	**2.42**	**10.86**	8.89
Leasehold Improvements	0.16	2.25	-	**2.41**	0.06	0.23	-	**0.29**	**2.12**	0.10
Sub-Total	**153.85**	**42.98**	**0.29**	**196.54**	**14.36**	**11.77**	**0.28**	**25.85**	**170.69**	**139.49**
Right-of-Use Assets										
Right-of-Use Assets-Land	83.81	-	-	**83.81**	1.42	0.93	-	**2.35**	**81.46**	82.39
Right-of-Use Assets-Building	34.48	-	7.32	**27.16**	2.42	7.18	3.72	**5.88**	**21.28**	32.06
Sub-Total	**118.29**	**-**	**7.32**	**110.97**	**3.84**	**8.11**	**3.72**	**8.23**	**102.74**	**114.45**
Total (A)	**272.14**	**42.98**	**7.61**	**307.51**	**18.20**	**19.88**	**4.00**	**34.08**	**273.43**	**253.94**
Other Intangible Assets										
Technical Know how (Internally generated)*	27.55	62.35	-	**89.90**	7.20	6.86	-	**14.06**	**75.84**	20.35
Softwares (Acquired)	7.49	2.68	-	**10.17**	3.18	2.02	-	**5.20**	**4.97**	4.31
Total (B)	**35.04**	**65.03**	**-**	**100.07**	**10.38**	**8.88**	**-**	**19.26**	**80.81**	**24.66**
Total (A+B)	**307.18**	**108.01**	**7.61**	**407.58**	**28.58**	**28.76**	**4.00**	**53.34**	**354.24**	**278.60**
Previous Year		193.05	0.14	192.91		15.12	0.01	15.11		
Capital Work-in-Progress (CWIP)									**2.03**	27.00
Intangible Assets Under Development (IAUD)									**31.58**	24.14

* Technical Know-how includes Patent, Trademarks and Development cost.

1.1 CWIP and IAUD Ageing Schedule as at 31st March, 2024

₹ in crore

Particulars	**Less than 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Capital Work-in-Progress					
Projects in process	**0.62**	**1.41**	**-**	**-**	**2.03**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**0.62**	**1.41**	**-**	**-**	**2.03**

₹ in crore

Particulars	**Less than 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Intangible Assets Under Development					
Projects in process	**26.39**	**4.05**	**0.91**	**0.23**	**31.58**
Projects temporarily suspended	**-**	**-**	**-**	**-**	**-**
Total	**26.39**	**4.05**	**0.91**	**0.23**	**31.58**

1.2 CWIP and IAUD Ageing Schedule as at 31st March, 2023

₹ in crore

Particulars	**Less than 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Capital Work-in-Progress					
Projects in process	26.39	0.61	-	-	27.00
Projects temporarily suspended	-	-	-	-	-
Total	26.39	0.61	-	-	27.00

₹ in crore

Particulars	**Less than 1 Year**	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**Total**
Intangible Assets Under Development					
Projects in process	19.52	2.66	1.96	-	24.14
Projects temporarily suspended	-	-	-	-	-
Total	19.52	2.66	1.96	-	24.14

(i) For capital commitments towards acquisition of property, plant and equipment and capital work-in-progress, please refer note no. 32
(ii) The company does not have any CWIP or IAUD, whose completion is overdue or has exceeded its cost compared to its original plan.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

2 Investments-Non Current

Investments in Subsidiary measured at cost	As at 31st March, 2024 Units	₹ in crore	As at 31st March, 2023 Units	₹ in crore
In Equity Shares of Subsidiary Companies - Unquoted, Fully paid up				
Addverb Technologies Pte Ltd, Singapore (SGD 1 per share)	2,655,000	15.23	1,755,000	9.69
Addverb Technologies Pty Ltd, Australia (9,324 shares of AUD 540.45 per share; 4,327 shares of AUD 513 per share; 17,500 shares of AUD 10 per share)	31,151	41.91	31,151	41.91
Addverb Technologies B.V, Netherlands (Euro 1 per share)	3,995,100	34.42	3,995,100	34.42
Addverb Technologies USA,Inc., USA (USD 100 per share)	70,000	55.49	70,000	55.49
Total Investment in Subsidiary		**147.05**		141.51

	As at 31st March, 2024	As at 31st March, 2023
Aggregate Value of Unquoted Investments	**147.05**	141.51

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

3 Others Financial Assets - Non Current (Unsecured and Considered Good)	As at 31st March, 2024	As at 31st March 2023
Security Deposits*	3.37	2.98
Total	**3.37**	2.98

* includes interets free deposits.

₹ in crore

4 Deferred Tax (Liabilities)/ Assets (Net)	As at 31st March, 2024	As at 31st March 2023
At the start of the year	(5.48)	(2.73)
(Charge)/ Credit to Statement of Profit & Loss	20.64	(2.75)
At the end of year	**15.16**	(5.48)

₹ in crore

Component of Deferred Tax (Liabilities)/ Assets	As at 31st March 2023	(Charge)/Credit to Statement of Profit and Loss	(Charge)/Credit to Other comprehensive Income	Others (Including Exchange Difference)	As at 31st March 2024
Deferred tax (Liabilities)/Assets in relation to:					
Property, Plant and Equipment and Other Intangible Asset	(9.66)	(3.94)	-	-	**(13.60)**
Carried Forward Losses	-	25.71	-	-	**25.71**
Disallowance under the Income Tax Act, 1961	4.18	(1.13)	-	-	**3.05**
Net Deferred Tax (Liabilities)/Assets	**(5.48)**	**20.64**	**-**	**-**	**15.16**

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

5	Other Non- Current Assets (Unsecured and Considered Good)	As at 31st March, 2024	As at 31st March, 2023
	Capital Advances	0.24	0.93
	Prepaid Expenses	0.21	0.07
	Advance Income Tax (Net of Provision)	9.08	5.93
	Total	**9.53**	6.93

5.1	Advance Income Tax (Net of Provision)	As at 31st March, 2024	As at 31st March, 2023
	At start of year	5.93	2.65
	Charge for the year	0.06	(0.35)
	Others	0.14	1.67
	Tax paid during the year (net of refunds)	2.95	1.96
	At end of year	**9.08**	5.93

₹ in crore

6	Inventories (Valued at lower of cost or net realisable value)	As at 31st March, 2024	As at 31st March, 2023
	Raw materials, packing material, stores and others	90.85	88.33
	Work-in-Progress	30.63	22.24
	Finished Goods	4.05	5.62
	Total	**125.53**	116.19

1. There has been no write down of inventories to net realisable value or subsequent reversal thereof during the period.
2. There is a Pari passu hypothecation charge on the inventories in respect of the Bank Overdraft (including Working Capital Demand Loan) taken by the Company as mentioned in note 17.

₹ in crore

7	Current Investments	As at 31st March, 2024	As at 31st March, 2023
	Investments Measured at Fair Value Through Profit and Loss (FVTPL)		
	Kotak Saving Fund-Direct Plan Growth	-	6.02
	HDFC Liquid DP Growth Fund	-	2.38
	Total Investments-Current	**-**	8.40
	Aggregate Value of Quoted Investment	**-**	8.40
	Market Value of Quoted Investment	**-**	8.40

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

8 Trade Receivables (Unsecured)	As at 31st March, 2024	As at 31st March, 2023
Trade receivables (Considered Good)	136.29	154.93
Credit Impaired	4.72	3.89
Less: Impairment allowance (allowance for doubtful debts)	(4.72)	(3.89)
Total	**136.29**	154.93

8.1 Trade Receivables ageing

₹ in crore

Particulars	Not due	Outstanding for following periods from due date of payment					
		< 6 Months	6 months - 1 year	1-2 years	2-3 years	>3 years	Total
As at 31st March, 2024							
(i) Undisputed Trade receivables considered good	**90.67**	**42.03**	**2.24**	**1.35**	**-**	**-**	**136.29**
(ii) Undisputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired	-	-	-	-	-	-	-
Total	**90.67**	**42.03**	**2.24**	**1.35**	**-**	**-**	**136.29**

₹ in crore

Particulars	Not due	Outstanding for following periods from due date of payment					
		< 6 Months	6 months - 1 year	1-2 years	2-3 years	>3 years	Total
As at 31st March, 2023							
(i) Undisputed Trade receivables considered good	65.40	88.00	1.53	-	-	-	154.93
(ii) Undisputed Trade Receivables which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade Receivables credit impaired		-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good		-	-	-	-	-	-
(v) Disputed Trade Receivables which have significant increase in credit risk		-	-	-	-	-	-
(vi) Disputed Trade Receivables credit impaired		-	-	-	-	-	-
Total	**65.40**	**88.00**	**1.53**	**-**	**-**	**-**	**154.93**

-There is a Pari Passu charge on Trade receivables in respect of Bank Overdrafts (including Working Capital Demand Loan) taken by the Company (Refer note 17).

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person, nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

- Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days. The above ageing of receivables is calculated from the due date of invoice.

- The provision for the impairment of trade receivable has been made on the basis of the expected credit loss method.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)

Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

9(a) Cash and Cash Equivalents	As at 31st March, 2024	As at 31st March, 2023
Balances with banks- Current account	1.17	1.49
Cash on Hand	0.01	0.02
Cash and Cash Equivalent as per Balance Sheet	**1.18**	1.51

₹ in crore

9(b) Other Bank balances	As at 31st March, 2024	As at 31st March, 2023
Fixed deposits with HDFC Bank - original maturity more than 3 months and remaining maturity of less than 12 months from the Balance Sheet date	-	0.04
Fixed deposits with ICICI Bank - original maturity more than 3 months and remaining maturity of less than 12 months from the Balance Sheet date*	-	1.94
Fixed deposits with Kotak Bank - original maturity more than 3 months and remaining maturity of less than 12 months from the Balance Sheet date (Previous year ₹ 26,000)	-	0.00
Lien deposit with Axis Bank	-	0.72
Total	**-**	**2.70**

*Margin money deposits consist of Fixed Deposit at ICICI Bank for imported Machines

₹ in crore

10 Other Financial Assets – Current (Unsecured and Considered Good)	As at 31st March, 2024	As at 31st March, 2023
Interest accrued on Fixed Deposits	-	0.02
Security Deposits	1.05	-
Advances to employees	0.83	1.82
Total	**1.88**	1.84

- No advances are due from directors or other officers of the Company either severally or jointly with any other person, nor any advances are due from firm or private companies respectively in which any director is a partner, a director or a member other than stated above.

₹ in crore

11 Other Current Assets (Unsecured and Considered Good)	As at 31st March, 2024	As at 31st March, 2023
Balance with Statutory Authorities	16.24	7.10
Prepaid expenses	6.16	6.90
Contract Assets	2.60	-
Advances to suppliers	12.63	9.89
Others Receivables*	16.57	11.79
Total	**54.20**	35.68

*Other Receivables is on account of Unbilled revenue.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

12 Equity Share Capital	As at 31st March, 2024	As at 31st March, 2023
Authorised:		
1,000,000 equity shares of ₹ 10/- each (As on March 31, 2023 550,000 equity shares of ₹ 10/- each)	1.00	0.55
90,000 Preference shares of ₹ 100/- each and 1,000,000 Preference shares of ₹ 10/- each	1.90	0.90
'(As on March 31, 2023 90,000 Preference shares of ₹ 100/- each)		
Total	**2.90**	1.45
Issued, Subscribed and Fully Paid-Up:		
535,045 equity shares of ₹ 10 Each	0.54	0.54
Total	**0.54**	0.54

12.1 88,635 equity shares of face value of Rs 10 each were issued to M/s Reliance Retail Ventures Limited in the month of March 2021 out of which ₹ 9.75 was called-up and paid-up till 31st March 2022 and balance ₹ 0.25 was called up and paid up on 6th May 2022.

During FY 22-23, 20,674 Equity shares were issued on right issue basis and were allotted to Reliance Retail Ventures Limited, the holding company of the Company.

During FY 23-24, the Authorised Share Capital of the Company is increased from Rs. 14,500,000/- divided into 550,000 Equity Shares of Rs. 10/- each and 90,000 Preference Shares of Rs. 100/- each to Rs. 29,000,000/- divided into 1,000,000 Equity Shares of Rs. 10/- each, 90,000 Preference Shares of Rs. 100/- each and 1,000,000 Preference Shares of Rs. 10/- each.

12.2 **The details of Shareholders holding more than 5% shares :**

Name of the Shareholder	As at 31st March, 2024 No. of Shares	% held	As at 31st March, 2023 No. of Shares	% held
M/s. Reliance Retail Ventures Limited	311,458	58.21%	311,458	58.21%
M/s. Smiti Holding and Trading Company Private Limited	116,947	21.86%	116,947	21.86%
Asiana Fund I	32,000	5.98%	32,000	5.98%

12.3 **Shareholding of Promoter**

As at 31st March, 2024

Sr no	Class of Equity shares	Promoter's name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% of change during the year
1	Equity shares of ₹10 each	M/s. Reliance Retail Ventures Limited	311,458	-	311,458	58.21%	0.00%
Total			**311,458**	**-**	**311,458**		

As at 31st March, 2023

Sr no	Class of Equity share	Promoter's name	No. of shares at the beginning of the year	change during the year	No. of shares at the end of the year	% of total shares	% change during the year
1	Equity shares of ₹ 10 each	M/s. Reliance Retail Ventures Limited	290,784	20,674	311,458	58.21%	1.68%
Total			290,784	20,674	311,458		

12.4 **The Reconciliation of the number of shares outstanding is set out below :**

Particulars	As at 31st March, 2024 No. of shares	As at 31st March, 2023 No. of shares
Equity Shares outstanding at the beginning of the year	535,045	514,371
Add: Equity Shares issued during the year	-	20,674
Equity Shares outstanding at the end of the year	**535,045**	535,045

12.5 **Rights, preferences and restrictions attached to Shares:**
The Company has only one class of equity shares having face value of ₹ 10 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in the same proportion as the capital paid-up on the equity shares held by them bears to the total paid-up equity share capital of the Company.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

13 Other Equity	As at 31st March, 2024	As at 31st March, 2023
Securities Premium		
As per last Balance Sheet	475.58	325.49
Add: On issue of equity share	-	150.09
Sub-Total	**475.58**	475.58
Capital Redemption Reserve		
As per last Balance Sheet	0.73	0.73
Add: During the year	-	-
Sub-Total	**0.73**	0.73
Retained Earnings		
As per last Balance Sheet	20.20	15.25
Less: Others	-	-
Add: Profit/(Loss) for the year	(62.20)	4.95
Sub-Total	**(42.00)**	20.20
Equity component of compound instruments		
Opening balance	0.06	0.06
Changes during the year	-	-
Closing balance (D)	**0.06**	0.06
Other Comprehensive Income		
As per last Balance Sheet	(0.85)	(0.47)
Add: Movement in OCI (Net) during the year	1.07	(0.38)
Sub-Total	**0.22**	(0.85)
Share based Payment Reserve		
Opening balance	0.88	0.48
Changes during the year	5.25	0.40
Sub-Total	**6.13**	0.88
Total	**440.72**	496.60

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

14 Borrowings - Non Current	As at 31st March 2024		As at 31st March, 2023	
Secured - At amortised cost				
Term Loans from Banks	-		1.95	
Less: Current maturities of long term loans from banks	-	-	(1.95)	-
From Financial Institutions	-		1.80	
Less: Current maturities of long term loan from Financial institutions	-	-	(1.80)	-
Unsecured - At amortised cost				
Term Loans from Banks	60.74		-	
Less: Current maturities of long term loans from banks	(3.89)	56.85	-	-
Total		**56.85**	-	-

- Unsecured Term Loan is availed from ICICI bank in which the moratorium period is 1 year and repayment period is 4 year. The rate of Interest on loan is MCLR(3M)+ 0.10%.
- Previous Year ₹ 1.95 crore are secured by way of collateral on Land and Building and Plant Machinery.
- Previous Year ₹ 1.80 crore are secured by way of collateral on a Machinery of the Company.
- The company has satisfied all the covenants prescribed in the terms of borrowings.

₹ in crore

15 Other Financial Liabilities-Non current	As at 31st March 2024	As at 31st March, 2023
Creditors for Capital Expenditure	50.74	40.11
Total	50.74	40.11

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

16 Provisions - Non Current	As at 31st March, 2024	As at 31st March, 2023
Provision for Employee Benefits (Refer Note 26.1)[i]	3.19	3.55
Provision for Leave Encashment	0.55	-
Total	**3.74**	3.55

[i] The provision for employee benefit is on account of gratuity.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

17 Borrowings - Current	As at 31st March, 2024	As at 31st March, 2023
Secured - At amortised Cost		
Bank overdrafts including Working Capital Demand Loan	141.51	49.88
Current maturities of loan from bank	-	1.95
Current maturities of loan from Financial Institutions	-	1.80
Unsecured - At amortised Cost		
Current maturities of loan from bank	3.89	-
Total	**145.40**	**53.63**

(i) Working Capital Loans from Banks referred above to the extent of:
- ₹ 141.51 crore (Previous Year ₹ 49.88 crore) are secured by way of Pari Passu on Trade receivables and Inventory of the Company.

- Previous Year ₹ 1.95 crore are secured by way of collateral on Land and Building and Plant Machinery.

- Previous Year ₹ 1.80 crore are secured by way of collateral on a Machinery of the Company.
- The company has satisfied all the covenants prescribed in the terms of borrowings.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

18 Trade payables	As at 31st March, 2024	As at 31st March, 2023
Due to Micro & Small Enterprises	8.89	6.47
Due to other than Micro & Small Enterprises	84.40	94.43
Total	**93.29**	100.90

18.1 Trade Payable Ageing

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2024:						
(i) MSME	**8.89**	**-**	**-**	**-**	**-**	**8.89**
(ii) Others	**39.07**	**44.65**	**0.68**	**-**	**-**	**84.40**
(iii) Disputed Dues -MSME	-	**-**	**-**	**-**	**-**	**-**
(iv) Disputed Dues-Others	-	**-**	**-**	**-**	**-**	**-**
Total	**47.96**	**44.65**	**0.68**	**-**	**-**	**93.29**

Trade Payable Ageing

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	> 3 years	
As at 31st March, 2023:						
(i) MSME	6.47	-	-	-	-	6.47
(ii) Others	36.03	57.23	0.19	0.64	0.34	94.43
(iii) Disputed Dues -MSME	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-
Total	42.50	57.23	0.19	0.64	0.34	100.90

Dues to Micro, Small and Medium

There are no micro enterprises and small enterprises, as defined in Micro, Small, Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest. There are no overdues to medium enterprises as at 31.03.2024 & 31.03.2023. The above information regarding micro enterprises and small enterprises has been determined to the extent such parties have been identified on the basis of the information available. The disclosures pursuant to the said MSMED Act are as follows:

Particulars	**As at 31st March, 2024**	As at 31st March, 2023
- Principal amount due to micro and small enterprises	-	-
- Interest due on above	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

19	Other Financial Liabilities-Current	As at 31st March, 2024	₹ in crore As at 31st March, 2023
	MTM on Forward Contract	0.30	-
	Creditors for Capital Expenditure	2.08	10.59
	Total	2.38	10.59

20	Other Current Liabilities	As at 31st March, 2024	₹ in crore As at 31st March, 2023
	Deferred Revenue	2.08	8.35
	Advance from customer	25.97	14.68
	Statutory liabilities	3.48	2.99
	Others(Payables)	0.03	0.07
	Total	**31.56**	26.09

21	Provisions - Current	As at 31st March, 2024	₹ in crore As at 31st March, 2023
	Provision for Employee Benefits (i) (Refer note 26.1)	0.52	0.19
	Provision for Leave Encashment	0.14	-
	Total	**0.66**	0.19

(i) The provision for employee benefit is on account of gratuity.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

22	Revenue from Operations	2023-24	2022-23
	Value of Sale of Products	284.78	451.20
	Income from Services (Installation & Commissioning)	37.43	31.34
	Other operating revenue		
	Royalty Income	3.06	-
	Sale of scrap	1.61	1.18
	Duty drawback received	0.66	0.17
	Others	2.00	2.17
	Less: Taxes Recovered	(41.70)	(69.57)
	Total Revenue from contract with customers	**287.84**	**416.49**

₹ in crore

Timing of revenue recognition	2023-24	2022-23
Goods transferred at a point in time		
Goods and Services transferred over time	287.84	416.49
Total Revenue from contract with customers	**287.84**	**416.49**

Disaggregated revenue information

The table below presents disaggregated revenues from contracts with customers by geography.

Revenues by Geography (Net) ₹ in crore

Particulars	2023-24	2022-23
Within India	237.45	403.30
Outside India	50.39	13.19
Total	**287.84**	**416.49**

Reconciling the amount of revenue recognized in the statement of profit and loss with the contracted price:

Particulars	2023-24	2022-23
Revenue as per contract	289.66	418.04
Sales return	(1.82)	(1.55)
Revenue from contracts with customers	**287.84**	**416.49**

Contract balances ₹ in crore

Particulars	2023-24	2022-23
Opening balances as on April 01, 2023		
Contract Assets		
Trade receivables*	154.93	98.86
Unbilled Receivables	11.79	5.13
Contract Liabilities		
Advance from customers**	14.68	16.67
Deferred revenue#	8.35	17.76
Closing balances as at March 31, 2024		
Contract Assets		
Trade receivables*	136.29	154.93
Unbilled Receivables	16.57	11.79
Contract Liabilities		
Advance from customers**	25.97	14.68
Deferred revenue#	2.08	8.35

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

*Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

**Advance from customers relates to payments received in advance of performance under the contract. Advances from customers are recognized as revenue as (or when) the Company performs under the contract.

#Deferred revenue is recognised when the milestone under the contract is achieved, however the actual cost incurred to date to the total estimated cost attributable to such performance obligation is not incurred.

₹ in crore

23	**Other Income**	**2023-24**	2022-23
	Interest		
	Bank Deposits	0.01	0.23
	Interest on financial assets measured at amortised cost	0.16	0.09
	Other Interest income	-	0.40
		0.17	**0.72**
	Other Non-Operating Income		
	Gain on exchange (net)	0.31	0.01
	Gain on sale of investments (Mutual Funds)	0.04	0.81
	Fair value gain on financial assets measured at fair value through profit or loss (Mutual Funds)	-	0.12
	Miscellaneous income	2.24	1.58
	Total	**2.76**	**3.24**

24 Cost of materials consumed ₹ in crore

Particulars	**2023-24**	2022-23
Inventory (Raw Material) at the beginning of the year	88.33	43.54
Add:		
Purchases	156.32	240.83
Handling charges	2.05	2.00
Transportation	2.85	3.64
Other manufacturing charges	5.16	10.18
	254.71	**300.19**
Less: Inventory (Raw Material) at the end of the year	90.85	88.33
Total	**163.86**	**211.86**

₹ in crore

25	**Changes in Inventories of Finished Goods, Work-in- Progress**	**2023-24**	2022-23
	Inventories (at close)		
	Finished Goods and Work in Progress	34.68	27.86
	Inventories (at commencement)		
	Finished Goods and Work in Progress	27.86	16.09
	Total	**(6.82)**	**(11.77)**

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

26	**Employee Benefits Expense**	**2023-24**	2022-23
	Salaries and Wages	75.83	88.57
	Contribution to Provident and Other Funds (Includes Gratuity)	5.82	5.02
	Share-based payments to employees	5.25	0.40
	Staff Welfare Expenses	2.43	6.13
	Total	89.33	100.12

26.1 As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below :

Defined Contribution Plan ₹ in crore

Contribution to defined contribution plan, recognised as expenses for the year is as under:

Particulars	**2023-24**	2022-23
Employer’s Contribution to Provident Fund	4.23	3.44
Employer’s Contribution to Pension Scheme	0.29	0.22

Defined Benefit Plans

I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation ₹ in crore

	Gratuity (unfunded)	
Particulars	**2023-24**	2022-23
Defined Benefit Obligation at beginning of the year	3.74	2.04
Current Service Cost	1.01	1.22
Interest Cost	0.28	0.14
Actuarial (Gain)/ Loss	(1.07)	0.38
Benefits Paid	(0.26)	(0.04)
Defined Benefit Obligation at year end	3.70	3.74

II. Reconciliation of Fair Value of Assets and Obligations ₹ in crore

	Gratuity (unfunded)	
Particulars	**2023-24**	2022-23
Present Value of Obligation	3.70	3.74
Amount recognised in Balance Sheet (Deficit)	(3.70)	(3.74)

III. Expenses recognised during the year ₹ in crore

	Gratuity (unfunded)	
Particulars	**2023-24**	2022-23
In Income Statement		
Current Service Cost	1.01	1.22
Interest Cost	0.28	0.14
Net Cost	**1.29**	1.36
In Other Comprehensive income (OCI)		
Actuarial (Gain)/ Loss	(1.07)	0.38
Net (Income)/ Expense for the year recognised in OCI	**(1.07)**	0.38

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

IV. Actuarial Assumptions

	Gratuity (unfunded)	
Particulars	**2023-24**	2022-23
Mortality Table (IALM)	**100% of IALM 2012-14**	100% of IALM 2012-14
	(Ultimate)	(Ultimate)
Discount Rate (per annum)	7.25%	7.47%
Rate of Escalation in Salary (per annum)	9.00%	13.00%
Rate of employee turnover (per annum)	26.00%	18.00%

₹ in crore

V.Maturity analysis of contractual undiscounted cashflow	**2023-24**	**2022-23**
Year 1	0.52	0.19
Year 2	0.26	0.31
Year 3	0.33	0.26
Year 4	0.38	0.27
Year 5	0.39	0.37
After 5th Year	4.99	8.11

VI.Sensitivity analysis

Item	March 31, 2024	Impact (Absolute)	Impact %
Base Liability	3.70		
Increase Discount Rate by 0.50%	3.60	(0.11)	(2.90%)
Decrease Discount Rate by 0.50%	3.84	0.14	3.65%
Increase Salary Inflation by 1.00%	3.93	0.22	6.05%
Decrease Salary Inflation by 1.00%	3.51	(0.19)	(5.10%)
Increase Withdrawal Rate by 5.00%	3.31	(0.40)	(10.72%)
Decrease Withdrawal Rate by 5.00%	4.35	0.64	17.35%

The base liability is calculated at discount rate of 7.25% per annum and salary inflation rate of 12.00% per annum for all future years.

Liabilities are very sensitive to salary escalation rate, discount rate & withdrawal rate.

Liabilities are very less sensitive due to change in mortality assumptions. Hence, sensitivities due to change in mortality are ignored.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

VII The expected contributions for Defined Benefit Plan for the next financial year will be in line with Financial year 2023-24.

These plans typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Interest risk: A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan`s debt investments.

Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan`s liability.

Salary risk: The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan`s liability.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

27	Finance Costs	2023-24	2022-23
	Interest on financial liabilities measured at amortised cost	12.84	3.10
	Interest on lease liabilities	4.48	2.55
	Bank Charges	0.80	1.05
	Total	**18.12**	6.70

₹ in crore

28	Other Expenses	2023-24	2022-23
	Power & Fuel	0.55	0.81
	Repair & maintenance		
	Plant and machinery	0.37	0.51
	Building	0.08	0.00
	Others	0.09	0.19
	Rent	2.07	1.35
	Rates & taxes	0.03	0.46
	Printing & stationery	0.05	0.07
	Postage, telegram & telephone expenses	0.33	0.55
	Insurance expenses	0.41	0.95
	Legal & professional charges	10.13	12.75
	Travelling & conveyance	12.54	15.94
	Corporate social responsibility (CSR) expenses (refer note 28.2)	0.17	0.12
	Auditor remuneration (refer note 28.1)	0.49	0.45
	Advertisement and publicity expenses	5.29	4.98
	Commission on sales	0.01	-
	IT & Subscription Charges	5.56	5.99
	Director's sitting fees	0.13	0.11
	Packing & Forwarding Expenses	5.02	4.59
	Miscellaneous expenses	2.69	5.39
	Total	46.01	55.21

₹ in crore

28.1	Payment to Auditors as:	2023-24	2022-23
	(a) Statutory Audit Fees	0.43	0.40
	(b) Tax Audit Fees	-	-
	(c) Certification Fees	0.03	0.03
	(d) Out of Pocket Expenses	0.03	0.02
		0.49	0.45

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

28.2 Corporate Social Responsibilities (CSR)

CSR Policy - The Company aims to ensure the implementation of such CSR initiatives which outlines the Company's strategy to bring a positive impact on society. It endeavours to put special emphasis on the local area and areas around the factory of the Company for spending the amount earmarked for CSR activities amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is as follows:

₹ in crore

Expenditure on corporate social responsibility	2023-24	2022-23
(a) Gross amount required to be spent by the Company during the year	0.17	0.12
(b) Amount spent during the year on purpose other than construction/acquisition of assets in cash	0.17	0.12
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
(f) Nature of CSR activities	Stipend to Apprentices	1. Donation of Health ATM's 2. Donation for organising Health check up camps 3. Donation for Education & Training of students 4. Stipend to Apprentices
(g) Details of related party transactions	NA	NA
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	NA	NA

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

29 Taxation	**2023-24**	2022-23
Income Tax recognised in the Statement of Profit or Loss		
Current Tax	0.06	0.35
Deferred Tax	(20.64)	2.75
Total Income Tax Expense	(20.58)	3.10

The Income Tax expenses for the year can be reconciled to the accounting profit as follows:

₹ in crore

Particulars	**2023-24**	**2022-23**
Profit/(Loss) before Tax	(82.78)	8.05
Applicable Tax Rate	29.12%	29.12%
Computed Tax Expense	(24.11)	2.35
Tax Effect of :		
Carry forward losses utilised	-	(1.15)
Expenses disallowed	5.95	6.47
Additional Allowances	(2.48)	(7.32)
Prior Period Adjustment	0.06	-
Others	20.64	-
Current Tax Provision (A)	**0.06**	0.35
Incremental Deferred Tax Liability on account of Property Plant and Equipments and Other Intangible Assets	3.94	4.97
Reversal of Deferred Tax Assets on carry forward of losses and incremental deferred tax liability on disallownaces	(24.58)	(2.22)
Deferred Tax Provision (B)	**(20.64)**	2.75
Tax Expenses recognised in Statement of Profit and Loss (A+B)	(20.58)	3.10
Effective Tax Rate	24.86%	38.48%

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

30 **Earnings Per Share (EPS)**	**2023-24**	2022-23
Face Value per Equity Share (₹)	**10**	10
Basic Earnings per Share (₹)	**(1,162.52)**	95.93
Diluted Earnings per Share (₹)	**(1,156.57)**	95.85
Net Profit as per Statement of Profit and Loss attributable to Equity Shareholders (₹ crore)	**(62.20)**	4.95
Weighted average number of equity shares used as denominator for calculating EPS	**535,045**	**516,323**
Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	**537,798**	**516,747**

31 **Share based compensation**

In accordance with Ind AS 102 - Share based payments, compensation benefits in respect of the scheme is assessed and accounted by the company. To have an understanding of the scheme, relevant disclosures are given below.

Pursuant to the approval by the shareholders in the Extraordinary General Meeting dated 17th January 2020, the Company offered Employee Share Appreciation Rights (ESAR) to eligible employees of the Company under "Addverb Technologies Limited- Employee Stock Appreciation Rights Plan 2020 (ESAR 2020)" as per Section 62(1)(b) of the Companies Act, 2013 read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014. ESAR 2020 was thereafter amended pursuant to the approval of shareholders in the extraordinary general meeting held on February 27, 2023.

Details of the ESAR Plan:

The issuance of shares under ESAR 2020 Plan shall not exceed 21,081 equity shares (ESAR pool was increased by 13500 shares vide shareholders' approval dated 27th February, 2023). Further 14,700 ESARs of face value of Rs 10 each, fully paid up, were granted during FY 22-23.

First Grant

The grant date of 10,298 ESAR was January 17, 2020. Fair value of shares as at the grant date is Rs. 4,272.31. The ESAR shall vest in not earlier than 1 (one) year and not more than 4 (four) years from the date of grant of such ESARs. The vesting conditions are as per the policy approved by the shareholders. The vested ESARs can be exercised by the ESAR grantees only in connection with or upon happening of a liquidity event unless otherwise decided by the Board in this regard, which would lapse if not exercised within the time specified therein. ESAR will be converted into Equity Shares based on ESAR Price of Rs.4,272.31 exercisable at face value of Rs.10 each.

Second Grant

The grant date of 14,700 ESARs was March 24, 2023. Fair value of shares as at the grant date is Rs.48,425. The ESARs shall vest in not earlier than 1 (one) year and not more than 5 (five) years from the date of grant of such ESARs. The vesting conditions are as per the policy approved by the shareholders. The vested ESARs can be exercised by the ESAR grantees only in connection with or upon happening of a liquidity event unless otherwise decided by the Board in this regard, which would lapse if not exercised within the time specified therein. ESAR will be converted into Equity Shares based on ESAR Price of Rs.48,425 exercisable at face value of Rs.10 each.

Particulars	**31st March 2024**	**31st March 2023**
Outstanding as at beginning of the year	19,199	4,927
Granted during the year	-	14,700
Exercised during the year	-	-
Lapsed during the year	1,218	428
Outstanding as at the end of the year	17,981	19,199

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

32 Commitments and Contingent Liabilities

₹ in crore

		As at 31st March, 2024	As at 31st March, 2023
(I)	**Contingent Liabilities**		
	Performance Guarantees	**135.34**	89.41
(II)	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital accounts and not provided for	**6.01**	27.99

(III) During the year under consideration, the Company has received favourable order from CIT (Appeals) on 18th August, 2023 and demand of ₹ 8.69 Crores was queshed which was raised by the AO during assessment for AY 2020-21. The department has filed an appeal before ITAT Delhi.

33 Capital Management

The Company adheres to a disciplined Capital Management framework, the objectives of which are as follows:

a) Maintain diversity of sources of financing and spreading the maturity across tenure buckets in order to minimise liquidity risk.

b) Manage financial market risks arising from foreign exchange, interest rates and commodity prices, and minimise the impact of market volatility on earnings.

c) Leverage optimally in order to maximise shareholder returns while maintaining strength and flexibility of Balance Sheet. This framework is adjusted based on underlying macroeconomic factors affecting business environment, financial market conditions and interest rates environment.

The Net gearing ratio at the end of the reporting year was as follows: ₹ in crore

	As at 31st March, 2024	As at 31st March, 2023
Gross Debt	202.25	53.63
Cash and Marketable Securities*	1.18	9.91
Net Debt (A)	**201.07**	**43.72**
Total Equity (As per Balance Sheet) (B)	**441.26**	497.14
Net Gearing (A/B)	**0.46**	0.09

*Cash and Marketable Securities include Cash and Cash Equivalents of ₹ 1.18 crore (Previous Year ₹ 1.51 crore), Current Investments and Marketable securities of ₹ Nil (Previous Year ₹ 8.4 crore).

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

34 Financial Instruments

Valuation Methodology

All financial instruments are initially recognised and subsequently re-measured at fair value as described below:

a) The fair value of investment in quoted and unquoted Government Securities, Mutual Funds and Bonds is measured at quoted price or NAV.

b) The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates at the balance sheet date.

c) Commodity derivative contracts are valued using readily available information in markets and quotations from exchange & brokers.

d) The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

e) All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.

Fair value measurement hierarchy: ₹ in crore

Particulars	As at 31st March, 2024				As at 31st March, 2023			
	Carrying Amount	Level of input used in			Carrying Amount	Level of input used in		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial Assets								
At Amortised Cost								
Trade Receivables	**136.29**	-	-	-	154.93	-	-	-
Cash and Cash Equivalents	**1.18**	-	-	-	1.51	-	-	-
Bank Balances	**-**	-	-	-	2.70	-	-	-
Other Financial Assets	**5.25**	-	-	-	4.82	-	-	-
							-	
At FVTPL								
Investments	**-**	-	-	-	8.40	8.40	-	
Financial Liabilities								
At Amortised Cost								
Borrowings	**202.25**	-	-	-	53.63	-	-	-
Trade Payables	**93.29**	-	-	-	100.90	-	-	-
Lease Liabilities	**56.16**	-	-	-	64.73	-	-	-
Other Financial Liabilities	**53.12**	-	-	-	50.70	-	-	-

The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below:

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

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

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The sensitivity of level 3 investments is not expected to be material.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

Financial Risk Management

The different types of risks the company is exposed to are market risk, credit risk and liquidity risk.

A) Market Risk

Foreign Currency Risk is the risk that the Fair Value or Future Cash Flows of an exposure will fluctuate because of changes in foreign currency rates. Exposures can arise on account of the various assets and liabilities which are denominated in currencies other than Indian Rupee.

The following table shows foreign currency exposures in USD, EUR, SGD, JPY & AUD on financial instruments at the end of the reporting period. The exposure to other foreign currencies are not material.

(i) **Foreign Currency Exposure** **₹ in crore**

	As at 31st March, 2024						
	USD	**EUR**	**SGD**	**JPY**	**AUD**	**AED**	**CHF**
Borrowings (Net)	-	-	-	-	-	-	-
Trade Payables	14.22	5.66	1.15	1.42	-	-	-
Trade Receivables	(16.09)	(5.15)	(0.04)	-	(11.67)	(0.03)	-
Derivatives							
Forwards & Futures*	6.75	(8.79)	(1.98)	-	5.72	1.41	0.01
Net Exposure	**4.88**	**(8.28)**	**(0.87)**	**1.42**	**(5.95)**	**1.38**	**0.01**

* It includes Hedging against Trade Payables, Trade Receivables & open Purchase orders.

₹ in crore

	As at 31st March 2023						
	USD	EUR	SGD	JPY	AUD	AED	CHF
Borrowings (Net)	-	1.80	-	-	-	-	-
Trade Payables	5.92	3.84	0.66	11.03	2.15	-	-
Trade Receivables	(16.33)	(0.80)	(0.35)	(0.01)	(0.89)	-	-
Derivatives							
Forwards & Futures	-	-	-	-	-	-	-
Net Exposure	**(10.41)**	**4.84**	**0.31**	**11.02**	**1.26**	-	-

Sensitivity analysis of % change in foreign exchange rate is not likely to be material

(ii) **Interest Rate risk**

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

₹ in crore

	As at 31st March, 2024	As at 31st March, 2023
Borrowings		
Current	**145.40**	53.63
Non-Current	**56.85**	-
Total	**202.25**	53.63

Sensitivity analysis of % change in interest rate is not likely to be material

B) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the Company. Credit risk arises from Company activities in investments, dealing in derivatives and receivables from customers. The Company ensure that sales of products are made to customers with appropriate creditworthiness. Investment and other market exposures are managed against counterparty exposure limits. Credit information is regularly shared between businesses and finance function, with a framework in place to quickly identify and respond to cases of credit deterioration.

The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. Credit risk across the Company is actively managed through Letters of Credit, Bank Guarantees, advance payments and factoring & forfaiting without recourse to the Companies. The Company restricts its fixed income investments in liquid securities carrying high credit rating.

C) Liquidity Risk

Liquidity risk arises from the Company inability to meet its cash flow commitments on the due date. The Company maintains sufficient stock of cash, marketable securities and committed credit facilities. The Company accesses global and local financial markets to meet its liquidity requirements. It uses a range of products to ensure efficient funding from across well-diversified markets. Treasury monitors rolling forecasts of the Company cash flow position and ensures that the Company is able to meet its financial obligation at all times including contingencies.

The Companies liquidity is managed centrally with operating units forecasting their cash and liquidity requirements. Treasury pools the cash surpluses and arranges to either fund the net deficit or invest the net surplus in a range of short-dated, secure and liquid instruments including short-term bank deposits and similar instruments. The portfolio of these investments is diversified to avoid concentration risk in any one instrument or counterparty.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

₹ in crore

Maturity Profile as at 31st March, 2024

Liquidity Risks*	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Non Derivative Liabilities							
Borrowings	-	-	3.89	31.28	25.57	-	60.74
Total	**-**	**-**	**3.89**	**31.28**	**25.57**	**-**	**60.74**
Lease Liabilities	**1.97**	**1.97**	**3.96**	**16.79**	**9.69**	**835.29**	**869.67**
Derivatives Liabilities							
Forwards / Futures	1.80	1.30	-	-	-	-	3.10
Total	**1.80**	**1.30**	**-**	**-**	**-**	**-**	**3.10**

₹ in crore

Maturity Profile as at 31st March, 2023

Liquidity Risks*	Below 3 months	3-6 Months	6-12 Months	1-3 Years	3-5 Years	Above 5 Years	Grand Total
Non Derivative Liabilities							
Borrowings	3.68	0.06	-	-	-	-	3.74
Total	3.68	0.06	-	-	-	-	3.74
Lease Liabilities	3.13	2.23	4.49	19.50	16.84	836.45	882.64
Derivatives Liabilities							
Forwards / Futures	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

*Does not include Trade payables for 95.30 Crore (Previous year 100.90 Crore)

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

35 Related Party Disclosures :

(i) List of related parties with whom transactions have taken place and their relationship

Sr. No.	Name of the Related Party	Relationship
1	Addverb Technologies USA Inc	Wholly Owned Subsidiary
2	Addverb Technologies Pty Ltd	Wholly Owned Subsidiary
3	Addverb Technologies B.V.	Wholly Owned Subsidiary
4	Addverb Technologies Pte Ltd	Wholly Owned Subsidiary
5	Reliance Retail Ventures Limited (RRVL)	Holding Company
6	Reliance Industries Limited (RIL)	Ultimate Holding Company
7	Reliance Brands Limited	Fellow Subsidiary
8	Reliance Retail Limited	Fellow Subsidiary
9	Reliance Projects & Property Management Services Limited	Fellow Subsidiary
10	Sangeet Kumar- Whole Time Director	Key Managerial Personnel
11	Ashu Kansal- Chief Financial Officer	Key Managerial Personnel
12	Divya Wadhawan- Company Secretary	Key Managerial Personnel

* The above entities includes related parties where relationship existed for part of the year / previous year

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

ii Transaction during the year with related parties (excluding reimbursements)

₹ in crore

Sr. No.	Nature of Transactions	Ultimate Holding Company (RIL)	Holding Company (RRVL)	Fellow Subsidiaries	Wholly Owned Subsidiaries	Key Managerial Personnel	Total
1	Equity Share Capital Issued#	-	-	-	-	-	-
		-	*150.11*	-	-	-	150.11
2	Purchase/ subscription of investments	-	-		5.54	-	**5.54**
		-	-	-	*109.23*	-	109.23
3	Conversion of Loan to Investment	-	-	-	-	-	-
		-	-	-	19.58	-	19.58
4	Revenue from Operations (Net)	5.13	2.49	49.45	47.33	-	**104.40**
		-	*5.27*	*181.41*	*13.03*	-	199.71
5	*Royalty Income*	-	-	-	*3.06*	-	**3.06**
		-	-	-	-	-	-
6	Other income	-	-	-	0.42	-	**0.42**
		-	-	-	*0.40*	-	0.40
7	Reimbursement/ (Recovery) of Expenses	-	-	-	(0.04)	-	**(0.04)**
		-	-	-	(0.17)	-	(0.17)
8	Purchases	-	-	-	-	-	-
		-	-	0.07	-	-	0.07
9	Professional Fees	0.01	-	0.02	12.24	-	**12.27**
		-	-	0.16	*5.98*	-	6.14
10	Payment to Key Managerial Personnel	-	-	-	-	2.38	**2.38**
		-	-	-	-	*2.14*	2.14
iii	**Balance as at 31st March, 2024**						
a)	Equity Share Capital	-	0.31	-	-	-	**0.31**
		-	*0.31*	-	-	-	0.31
b)	Investments	-	-	-	147.05	-	**147.05**
		-	-	-	*141.51*	-	141.51
c)	Trade and Other Receivables	4.88	1.15	7.68	33.60	-	**47.31**
		-	2.27	54.52	15.58	-	72.37
d)	Trade and Other Payables	0.01	-	-	8.42	-	**8.43**
		-	-	-	0.66	-	0.66
e)	Advance from Customer	*0.44*	-	*0.05*	-	-	**0.49**
		-	-	-	-	-	-

Includes Securities Premium

Figures in *italics* represents previous year’s amount.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

(iii) Disclosure in respect of major related party transactions during the year:

₹ in crore

Sr No	Particulars	Relationship	2023-24	2022-23
1	**Equity Share Capital Issued**			
	Reliance Retail Ventures Limited	Holding Company	-	150.11
2	**Purchase/ subscription of investments**			
	Addverb Technologies B.V.	Wholly Owned Subsidiary	-	31.78
	Addverb Technologies Pte Ltd	Wholly Owned Subsidiary	**5.54**	5.56
	Addverb Technologies Pty Ltd	Wholly Owned Subsidiary	-	23.97
	Addverb Technologies USA Inc	Wholly Owned Subsidiary	-	47.92
3	**Conversion of Loan to Investment**			
	Addverb Technologies Pty Ltd	Wholly Owned Subsidiary	-	16.94
	Addverb Technologies B.V.	Wholly Owned Subsidiary	-	2.64
4	**Revenue from Operations**			
	Reliance Retail Ventures Limited	Holding Company	**2.49**	5.27
	Reliance Brands Limited	Fellow Subsidiary	-	0.02
	Reliance Projects & Property Management services Limited	Fellow Subsidiary	**49.45**	170.96
	Reliance Industries Limited	Ultimate Holding	**5.13**	-
	Reliance Retail Limited	Fellow Subsidiary	-	10.43
	Addverb Technologies B.V.	Wholly Owned Subsidiary	**9.57**	4.13
	Addverb Technologies Pte Ltd	Wholly Owned Subsidiary	**0.20**	0.79
	Addverb Technologies Pty Ltd	Wholly Owned Subsidiary	**14.31**	2.30
	Addverb Technologies Pty Ltd	Wholly Owned Subsidiary	-	(10.73)
	Addverb Technologies USA Inc	Wholly Owned Subsidiary	**23.25**	16.54
5	**Royalty Income**			
	Addverb Technologies B.V.	Wholly Owned Subsidiary	**0.34**	-
	Addverb Technologies Pty Ltd	Wholly Owned Subsidiary	**0.87**	-
	Addverb Technologies Pte Ltd	Wholly Owned Subsidiary	**0.05**	-
	Addverb Technologies USA Inc	Wholly Owned Subsidiary	**1.80**	-
6	**Other income**			
	Addverb Technologies B.V.	Wholly Owned Subsidiary	-	0.12
	Addverb Technologies Pty Ltd	Wholly Owned Subsidiary	**0.13**	0.28
	Addverb Technologies Pte Ltd	Wholly Owned Subsidiary	**0.04**	-
	Addverb Technologies USA Inc	Wholly Owned Subsidiary	**0.25**	-
7	**Reimbursement/ (Recovery) of Expenses**			
	Addverb Technologies B.V.	Wholly Owned Subsidiary	**(0.04)**	-
	Addverb Technologies Pte Ltd	Wholly Owned Subsidiary	-	(0.24)
	Addverb Technologies USA Inc	Wholly Owned Subsidiary	-	0.07
8	**Purchases**			
	Reliance Retail Limited	Fellow Subsidiary	-	0.07
9	**Professional Fees**			
	Reliance Projects & Property Management services Limited	Fellow Subsidiary	-	0.14
	Reliance Retail Limited	Fellow Subsidiary	**0.02**	0.02
	Reliance Industries Limited	Ultimate Holding	**0.01**	-
	Addverb Technologies Pte Ltd	Wholly Owned Subsidiary	**3.68**	5.98
	Addverb Technologies USA Inc	Wholly Owned Subsidiary	**8.56**	-
10	**Payment to Key Managerial Personnel**			
	Sangeet Kumar	Whole time Director	**1.26**	1.17
	Ashu Kansal	Chief Financial Officer	**0.73**	0.67
	Divya Wadhawan	Company Secretary	**0.39**	0.30

* The above entities includes related parties where relationship existed for part of the year / previous year

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

36 Segment Information

The Company is mainly engaged in the business of robotics and automation solutions in warehousing, healthcare and manufacturing. Accordingly, the Company presently has one operating and reportable business segment. As per the requirements of Ind AS 108 - Operating Segments , the geographical segment information is provided in consolidated financial statements.

37 Ratios

	Particulars	2023-24	2022-23	Variance	Comments
i	Current Ratio	1.15	1.63	-29.46%	Reduction in working capital due to losses in te current year.
ii	Debt Service Coverage ratio	(2.96)	1.51	-295.30%	Reduction in Debt service coverage ratio is due to losses in the current year.
iii	Inventory Turnover Ratio	1.58	2.73	-41.98%	Decrease in the value of purchases due to decrease in revenue.
iv	Trade Payable Turnover Ratio	2.51	3.61	-30.34%	Decrease in the value of purchases due to decrease in revenue.
v	Net Profit Ratio	-21.6%	1.2%	-1917.10%	Due to losses in the current year.
vi	Return on Investment	3.8%	2.5%	50.84%	Due to the company has sold all of his investment in MF & FDR during the year.
vii	Debt-Equity Ratio	0.46	0.11	324.89%	Increase in debt equity ratio is due to Term Loan & additional overdraft facility availed during the year and the Net worth has also reduced due to losses in current year.
viii	Return on Equity Ratio	-13.3%	1.2%	-1223.02%	Decrease in Return on Equity due to loss is incurred in the current year.
ix	Trade Receivables Turnover Ratio	1.98	3.28	-39.77%	Decrease in Trade Receivables Turnover ratio is due to decrease in revenue in the current year.
x	Net Capital Turnover Ratio	3.50	2.54	37.69%	Increase due to reduction in Working Capital during the year.
xi	Return on Capital Employed	-10.3%	2.3%	-555.60%	Due to losses in the current year.

37.1. Formulae for computation of ratios are as follows

Sr no.	Ratios	Formulas
a)	Current Ratio	$\dfrac{\text{Current Assets}}{\text{Current Liabilities}}$
b)	Debt Service Coverage Ratio	$\dfrac{\text{Earnings before Interest, Tax and Exceptional Items}}{\text{Interest Expense + Principal Repayments made during the period for long term loans}}$
c)	Inventory turnover	$\dfrac{\text{Cost of Goods Sold (Cost of Material Consumed+ Purchases + Changes in Inventory + Manufacturing Expenses)}}{\text{Average Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade}}$
d)	Trade Payable Turnover Ratio	$\dfrac{\text{Cost of Materials Consumed (after adjustment of RM Inventory) + Purchases of Stock-in-Trade + Other Expenses}}{\text{Average Trade Payables}}$
e)	Net Profit Ratio	$\dfrac{\text{Profit After Tax}}{\text{Value of Sales \& Services (including GST)}}$
f)	Return on Investment	$\dfrac{\text{Other Income (Excluding Dividend)}}{\text{Average Cash, Cash Equivalents \& Other Marketable Securities}}$
g)	Debt-Equity Ratio	$\dfrac{\text{Total Debt}}{\text{Total Equity}}$
h)	Return on Equity Ratio	$\dfrac{\text{Profit After Tax (Attributable to Owners)}}{\text{Average Net Worth}}$
I)	Trade Receivables Turnover Ratio	$\dfrac{\text{Value of Sales \& Services (including GST)}}{\text{Average Trade Receivables}}$
j)	Net Capital Turnover Ratio	$\dfrac{\text{Value of Sales \& Services (including GST)}}{\text{Average Working Capital}}$
k)	Return on Capital Employed	$\dfrac{\text{Net Profit After Tax + Deferred Tax Expense/(Income) + Finance Cost (-) Other Income}}{\text{Average Capital Employed}}$

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)
Notes to the Financial Statements for the year ended 31st March, 2024

38 **Other Statutory Information**

38.1 The Company does not have any Capital-work-in progress or intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

38.2 There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

38.3 The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

38.4 The Company have 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.

38.5 The Company have no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

39 The figures for the corresponding year has been regrouped/reclassified wherever necessary, to make them comparable.

40 The Financial statements were approved for issue by the Board of Directors on 17th April 2024.

Addverb Technologies Limited (Formerly known as Addverb Technologies Private Limited)

As per our Report of even date

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm Registration No:117366W/W-100018

Varsha A. Fadte
Partner
Membership no. 103999

For and on behalf of the Board

Sangeet Kumar
Whole Time Director
DIN:07551490

Jalaj Ashwin Dani
Director
DIN:00019080

Ashok Kumar Goyal
Director
DIN:00007920

Anish Keshavlal Shah
Director
DIN:07205243

Kiran Mathew Thomas
Director
DIN:02242745

Hetal Jignesh Rathod
Director
DIN:00010711

Dhirendra Harilal Shah
Director
DIN:00004616

Chandrakant Shripad Gokhale
Director
DIN:00012666

Ashu Kansal
Chief Financial Officer

Dated: 17th April, 2024

Divya Wadhawan
Company Secretary