

Borqs Technologies India Private Limited

(earlier known as "Borqs Software Solutions Private Limited")

CIN: U72200KA2009PTC050460**Balance Sheet as at 31 March, 2025**

	Notes	31 March 2025	31 March 2024
		Rs. in '00	Rs. in '00
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	1,000.00	1,000.00
Reserves and surplus	3	31,27,251.71	64,34,706.02
		31,28,251.71	64,35,706.02
Non-current liabilities			
Long-term provisions	4	6,52,583.22	1,18,725.69
		6,52,583.22	1,18,725.69
Current liabilities			
Trade payables	5	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,540.97	69,563.24
Other current liabilities	6	15,40,863.43	3,92,049.42
Short-term provisions	4	11,50,592.34	18,887.75
		26,95,996.74	4,80,500.41
Total		64,76,831.67	70,34,932.12
ASSETS			
Non-current assets			
Property, plant & equipment and intangible assets	7		
Property, plant & equipment		3,31,917.98	3,71,169.35
Intangible assets		7,357.24	20,640.85
Deferred tax assets	8	41,306.00	52,998.00
Long-term loans and advances	9	9,24,825.93	13,68,938.32
Other non-current assets	10	3,39,879.11	4,98,437.28
		16,45,286.26	23,12,183.81
Current assets			
Trade receivables	11	12,62,640.50	17,18,230.51
Cash and cash equivalents	12	17,79,687.60	28,71,393.79
Short-term loans and advances	9	16,81,023.53	50,926.27
Other current assets	13	1,08,193.78	82,197.75
		48,31,545.41	47,22,748.32
Total		64,76,831.67	70,34,932.12
Summary of significant accounting policies	1		
The accompanying notes (1-33) form an integral part of financial statements.			

As per our report of even date annexed

For J. SrinivasanChartered Accountants
Firm's Reg. No.: 040465**CA K.R. Sreenivasulu**Proprietor
Membership No. 14512
UDIN : 25014512BMNSRD8456
Date: 30 June 2025
Bengaluru**For and on behalf of Board of Directors****Hareesh Ramanna**Director
DIN:02778643**Rajiv C. Mody**Director
DIN:00092037

Borqs Technologies India Private Limited

(earlier known as "Borqs Software Solutions Private Limited")

CIN: U72200KA2009PTC050460**Statement of Profit and Loss for the year ended 31 March, 2025**

	Notes	31 March 2025 Rs. in '00	31 March 2024 Rs. in '00
Revenue from operations	14	1,00,97,419.92	98,38,318.25
Other income	15	2,14,929.12	2,03,002.49
Total income		1,03,12,349.04	1,00,41,320.74
Expenses			
Employee benefit expenses	16	1,14,69,893.54	73,71,621.34
Depreciation and amortization	7	1,40,442.60	1,78,153.88
Other expenses	17	19,63,516.27	14,85,045.33
Total expenses		1,35,73,852.41	90,34,820.55
Profit\ (Loss) before tax (PBT)		(32,61,503.37)	10,06,500.19
Tax expenses			
Current tax		-	2,47,394.60
Income tax for earlier period		34,258.94	-
Deferred tax		11,692.00	(45,080.00)
		45,950.94	2,02,314.60
Profit\ (Loss) after tax (PAT)		(33,07,454.31)	8,04,185.59
Earnings per Equity share of Rs.10/- each - basic & diluted		(33,074.54)	8,041.86
Summary of significant accounting policies	1		
The accompanying notes (1 -33) form an integral part of financial statements.			

As per our report of even date annexed

For J. Srinivasan

Chartered Accountants

Firm's Reg. No.: 04046S

For and on behalf of Board of Directors**CA K.R. Sreenivasulu**

Proprietor

Membership No. 14512

UDIN : 25014512BMNSRD8456

Date: 30 June 2025

Bengaluru

**Hareesh Ramanna**

Director

DIN:02778643

**Rajiv C. Mody**

Director

DIN:00092037

Borqs Technologies India Private Limited

(earlier known as "Borqs Software Solutions Private Limited")

CIN: U72200KA2009PTC050460**Cash Flow Statement for the year ended 31st March, 2025**

	31 March 2025	31 March 2024
	Rs. in '00	Rs. in '00
A. Cash flows from operating activities		
Profit before taxes	(32,61,503.37)	10,06,500.19
Adjustments for:		
Income tax for earlier period	(34,258.94)	-
Depreciation and amortization	1,40,442.60	1,78,153.88
Profit/(loss) on sale of asset	(4,122.44)	22,222.86
Operating profit before working capital changes	(31,59,442.15)	12,06,876.93
Decrease / (increase) in trade receivables	4,55,590.01	18,275.40
Decrease / (increase) in loans and advances and other assets	(10,53,422.73)	(9,54,064.82)
(Decrease) / increase in liabilities	27,49,353.86	(80,641.63)
Cash generated from operations	(10,07,921.01)	1,90,445.87
Taxes paid	-	(2,47,394.60)
Net cash generated from operating activities	(10,07,921.01)	(56,948.73)
B. Cash flows from investing activities		
(Purchase of Property Plant & Equipment)	(83,785.18)	(2,08,920.27)
Sale of Investment	-	-
Long Term Loans & Advances Given	-	-
Net cash used in investing activities	(83,785.18)	(2,08,920.27)
C. Cash flows from financing activities		
Dividend paid	-	-
Net cash used in financing activities	-	-
Net (increase) / decrease in cash and cash equivalents	(10,91,706.20)	(2,65,869.01)
Add: Cash and cash equivalents at the beginning of the year	28,71,393.79	31,37,262.80
Cash and cash equivalents at the end of the year	17,79,687.60	28,71,393.79

This is the Cash Flow Statement referred to in our report of even date annexed

For J. Srinivasan

Chartered Accountants

Firm's Reg. No.: 040465

CA K.R. Sreenivasulu

Proprietor

Membership No. 14512

UDIN : 25014512BMNSRD8456

Date: 30 June 2025

Bengaluru

**For and on behalf of Board of Directors****Hareesh Ramanna**

Director

DIN:02778643

Rajiv C. Mody

Director

DIN:00092037



Borqs Technologies India Private Limited

(earlier known as "Borqs Software Solutions Private Limited")

CIN: U72200KA2009PTC050460

Notes to financial statements

1 Summary of Significant accounting policies

I Corporate information

BORQS Software Solutions Private Limited ('the Company') was incorporated on 23 July, 2007 as a private limited company under the Companies Act, 1956 ('the Act'). The company later changed its name to Borqs Technologies India Private Limited on 2 January 2024.

The company is engaged in the business of providing software development services.

II Basis of preparation of financial statements

(a) Basis of preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of liabilities at the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Significant estimates used by management in the preparation of these financial statements include the estimates of the economic useful lives of the tangible and intangible assets, provision for employee benefits, provision for doubtful debts and provision for slow and non-moving inventory.

III Significant accounting policies

(a) Revenue recognition

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

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

(b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction (net of GST credit) less accumulated depreciation/amortization and impairment losses if any. Cost comprises of the purchase price and any cost attributable to bringing the asset to its working condition for its intended use.

Subsequent expenditures relating to property, plant and equipment are capitalised only when it is probable that future economic benefits associated with them will flow to the Company and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognised in the Statement of Profit and Loss when they are incurred.

Depreciation on Property, Plant and Equipment is provided under straight line method based on the useful lives of the assets as prescribed under Part C of Schedule II of the Companies Act 2013. The useful lives for the fixed assets as follows:

Asset Category	Useful Life
Office Equipment	4 Years
Furniture and Fixtures	4 Years
Motor Vehicle	5 Years
Computers and Accessories	2 Years
Computer Softwares	2 Years



(c) Income taxes

Tax expense comprises current and deferred tax. The current charge for income taxes is calculated in accordance with the relevant tax regulations. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

(d) Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts, i.e, contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

(e) Cash and cash equivalents

Cash and Cash equivalents comprises cash at bank and in Hand and short term investments with an original maturity of three months or less.

(f) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. 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 period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issues, 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.

(g) Employee benefits

Provident fund

The Company contributes to the statutory provident fund of the Regional Provident Fund Commissioner, in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The plan is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

Gratuity Fund

The Company has Defined Benefit Plan for post employment benefit in the form of Gratuity for eligible employees, which is administered through a Group Gratuity Policy with Life Insurance Corporation of India (L.I.C).

Leave encashment

The Company has defined leave encashment plan. All eligible employees after confirmation of their services are entitled to earned leave which can be accumulated upto 30 days maximum. Provision for leave encashment is made on actual accrual basis.



Borqs Technologies India Private Limited

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CIN: U72200KA2009PTC050460

Notes to financial statements

Rs. in '00

2 Share capital

	31 March 2025	31 March 2024
Authorized		
50,000 Equity shares of Rs.10/- each (31 March 2024 : 50,000 Equity Shares of Rs. 10/- each)	5,000.00	5,000.00
Issued, subscribed and fully paid-up		
10,000 Equity shares of Rs.10/- each (31 March 2024 : 10,000 Equity Shares of Rs. 10/- each)	1,000.00	1,000.00

(a) Reconciliation of number of shares outstanding at beginning and at the end of the reporting period:

Particulars	31 March 2025		31 March 2024	
	Number	Rs.	Number	Rs.
Shares at the beginning of the period	10,000	1,00,000.00	10,000	1,00,000.00
Add : Shares issued during the period	-	-	-	-
Shares outstanding at the end of the reporting period	10,000	1,00,000	10,000	1,00,000.00

(b) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having face value of Rs.10/- each. Holder of equity shares is entitled to one vote per share.

During the year ended 31 March 2025 the Board of Directors has not proposed any dividend to equity share holders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive residual assets of the Company, after meeting all liabilities of the Company, in proportion to the number of shares held by them.

(c) Details of shareholders:

Name of the shareholder	31 March 2025		31 March 2024	
	Shares	% of holding	% of holding	% of holding
Borqs International Holding Corporation	9,999	99.99%	9,999	99.99%
Others	1	0.01%	1	0.01%
Total	10,000	100.00%	10,000	100.00%

The above shareholding pattern of the company represents both legal and beneficial ownership.

(d) Aggregate number of shares issued for consideration other than cash during the year : Nil

(e) Shares held by holding company and its subsidiaries and associates

	31 March 2025	31 March 2024
Equity Shares		
Holding Company	9,999	9,999
Subsidiary Companies	-	-
Associate Companies	-	-

(f) Shares held by promoters

Name of the promoter	At the beginning of the year		At the end of the year		% of change during the year
	No of Shares	% of holding	No of Shares	% of holding	
Borqs International Holding Corporation	9,999	100%	9,999	100%	-
Others	1	0%	1	0%	-

3 Reserves and surplus

	31 March 2025	31 March 2024
Surplus in the statement of profit and loss		
Balance at the beginning of the year	64,34,706.02	56,30,520.44
Add: Profit/(Loss) for the year	(33,07,454.31)	8,04,185.59
Balance at the end of the year	31,27,251.71	64,34,706.02



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Notes to financial statements

Rs. in '00

4 Provisions

	31 March 2025		31 March 2024	
	Long-term	Short-term	Long-term	Short-term
Provision for income tax	-	-	-	-
Provision for leave encashment	-	1,71,717.51	1,18,725.69	18,887.75
Retention bonus payable	6,52,583.22	9,78,874.83	-	-
Total	6,52,583.22	11,50,592.34	1,18,725.69	18,887.75

5 Trade payables

	31 March 2025	31 March 2024
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	4,540.97	69,563.24
Total	4,540.97	69,563.24

The Company has identified enterprises which have provided goods and services and which qualify under the definition of micro and small enterprises as defined under Micro, small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at the balance sheet date has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. Further in view of the management, the impact of interest if any that may be payable in accordance with the provisions of the Act is not expected to be material.

	31 March 2025	31 March 2024
1) The principal amount remaining unpaid to any supplier at the end of the year.	-	-
2) Interest due remaining unpaid to any supplier at the end of the year.	-	-
3) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	-	-
4) 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.	-	-
5) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
6) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The Company has not received the required information from suppliers regarding their status under the Micro, small and medium enterprises Development Act, 2006, hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid or payable as required under the said Act have not been made.

	31 March 2025				
	Outstanding for following periods from due date of payment				
	<1 year	1-2 years	2-3 years	> 3 years	Total
MSME	-	-	-	-	-
Others	3,400.08	957.92	182.97	-	4,540.97
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	3,400.08	957.92	182.97	-	4,540.97

	31 March 2024				
	Outstanding for following periods from due date of payment:				
	< 1 year	1-2 years	2-3 years	> 3 years	Total
MSME	-	-	-	-	-
Others	69,380.27	182.97	-	-	69,563.24
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	69,380.27	182.97	-	-	69,563.24



Borqs Technologies India Private Limited

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Notes to financial statements

Rs. in '00

6 Other current liabilities

	31 March 2025	31 March 2024
Creditors for expenses	14,544.40	-
Audit fees payable	3,600.00	2,430.00
Employee benefits payables	2,13,745.39	5,958.66
ESPP payable	-	1,78,331.20
Statutory dues payables		
-TDS	12,34,236.95	1,41,010.68
-GST	20,835.68	16,896.14
-PT	464.00	450.00
-PF	53,437.01	51,338.35
CSR payable	-	(6,190.58)
Reimbursement of expenses	-	1,824.96
Total	15,40,863.43	3,92,049.417

7 Property, plant & equipment

Tangible assets	Furniture & Fixtures	Office Equipment	Computer & accessories	Motor vehicle	Total
Gross Block					
As at 01 April, 2023	9,495.27	6,27,121.59	4,40,177.82	90,790.30	11,67,584.97
Additions	-	3,213.26	26,680.00	1,34,723.88	1,64,617.14
Deductions/Adjustments	-	-	-	(86,957.96)	(86,957.96)
As at 31 March 2024	9,495.27	6,30,334.85	4,66,857.82	1,38,556.22	12,45,244.15
As at 01 April, 2024	9,495.27	6,30,334.85	4,66,857.82	1,38,556.22	12,45,244.15
Additions	-	84,901.23	3,600.00	1,141.62	89,642.85
Deductions/Adjustments	-	-	-	(3,832.34)	(3,832.34)
As at 31 March 2025	9,495.27	7,15,236.07	4,70,457.82	1,35,865.50	13,31,054.66
Depreciation					
As at 01 April, 2023	9,020.50	3,59,726.54	3,72,007.80	83,581.15	8,24,335.99
For the year	-	79,993.09	37,996.97	14,358.81	1,32,348.87
Deductions/Adjustments	-	-	-	(82,610.06)	(82,610.06)
As at 31 March 2024	9,020.50	4,39,719.63	4,10,004.77	15,329.90	8,74,074.80
As at 01 April, 2024	9,020.50	4,39,719.63	4,10,004.77	15,329.90	8,74,074.80
For the year	-	73,142.92	27,839.27	26,176.80	1,27,158.99
Deductions/Adjustments	-	-	-	(2,097.10)	(2,097.10)
As at 31 March 2025	9,020.50	5,12,862.55	4,37,844.04	39,409.60	9,99,136.69
Net block					
As at 31 March 2024	474.77	1,90,615.22	56,853.05	1,23,226.31	3,71,169.35
As at 31 March 2025	474.77	2,02,373.53	32,613.78	96,455.90	3,31,917.98



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Notes to financial statements

Rs. in '00

Intangible assets	Computer Software	Total
Gross Block		
As at 01 April, 2023	92,974.75	92,974.75
Additions	26,428.17	26,428.17
Deductions/Adjustments	-	-
As at 31 March 2024	1,19,402.92	1,19,402.92
As at 01 April, 2024	1,19,402.92	1,19,402.92
Additions	-	-
Deductions/Adjustments	-	-
As at 31 March 2025	1,19,402.92	1,19,402.92
Depreciation		
As at 01 April, 2023	52,957.05	52,957.05
For the year	45,805.01	45,805.01
Deductions/Adjustments	-	-
As at 31 March 2024	98,762.06	98,762.06
As at 01 April, 2024	98,762.06	98,762.06
For the year	13,283.61	13,283.61
Deductions/Adjustments	-	-
As at 31 March 2025	1,12,045.67	1,12,045.67
Net block		
As at 31 March 2024	20,640.85	20,640.85
As at 31 March 2025	7,357.24	7,357.24

8 Deferred tax assets

	31 March 2025	31 March 2024
Opening balance of deferred tax asset	52,998.00	7,918.00
Deferred tax assets /(liability)		
- arising on account of depreciation	(11,692.00)	45,080.00
	41,306.00	52,998.00

9 Loans and advances

	31 March 2025		31 March 2024	
	Non Current	Current	Non Current	Current
Secured, considered good	-	-	-	-
Unsecured, considered good :				
Other loans and advances unsecured, considered good				
Advance to suppliers	92,236.90	-	13,329.79	1,996.47
Balance with statutory authorities	8,32,589.03	-	13,54,664.03	-
Staff advance	-	-	-	10,184.01
Prepaid expenses	-	46,626.41	-	37,669.11
Other advances	-	16,34,397.12	944.50	1,076.68
Total	9,24,825.93	16,81,023.53	13,68,938.32	50,926.27

10 Other non - current assets

	31 March 2025	31 March 2024
Security deposits	459.50	-
Unsecured, considered good:		
Rental deposit	3,32,566.10	3,32,566.10
Fixed deposits with original maturity of more than 12 months	6,853.51	1,65,871.18
Total	3,39,879.11	4,98,437.28



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Notes to financial statements

Rs. in '00

11 Trade receivables

	31 March 2025	31 March 2024
Outstanding for a period exceeding six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	61,951.77
Other receivables		
Secured, considered good	-	-
Unsecured, considered good	12,62,640.50	16,56,278.74
Total	12,62,640.50	17,18,230.51

31 March 2025

	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered good	12,62,640.50	-	-	-	-	12,62,640.50
(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	12,62,640.50	-	-	-	-	12,62,640.50

31 March 2024

	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months - 1 year	1-2 years	2-3 years	> 3 years	
(i) Undisputed Trade receivables – considered	16,56,278.74	-	-	-	61,951.77	17,18,230.51
(ii) Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables – credit	-	-	-	-	-	-
(iv) Disputed Trade receivables – considered	-	-	-	-	-	-
(v) Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables – credit	-	-	-	-	-	-
Total	16,56,278.74	-	-	-	61,951.77	17,18,230.51

12 Cash and cash equivalents

	31 March 2025	31 March 2024
Cash and cash equivalents		
Balances with banks in current accounts		
Current accounts	11,93,672.47	1,68,293.79
Cash in hand		
Fixed deposits with original maturity of less than 12 months	5,86,015.13	27,03,100.00
Total	17,79,687.60	28,71,393.79



Borqs Technologies India Private Limited

(earlier known as "Borqs Software Solutions Private Limited")

CIN: U72200KA2009PTC050460

Notes to financial statements

Rs. in '00

13 Other current assets

	31 March 2025	31 March 2024
Gratuity fund with LIC (net of provision)	1,08,193.78	82,197.75
Total	1,08,193.78	82,197.75

14 Revenue from operations

	31 March 2025	31 March 2024
Sale of services	1,00,97,419.92	98,38,318.25
Total	1,00,97,419.92	98,38,318.25

15 Other income

	31 March 2025	31 March 2024
Interest income	2,14,861.04	1,79,654.02
Miscellaneous income	68.08	-
Sundry balances written back	-	1,125.61
Gain on sale of car	-	22,222.86
Total	2,14,929.12	2,03,002.49

16 Employee benefit expenses

	31 March 2025	31 March 2024
Salaries, wages and bonus	1,09,24,271.61	68,35,489.48
Gratuity and leave encashment	16,453.37	1,04,175.97
Staff welfare	2,51,747.44	1,82,171.46
Contribution to funds	2,77,421.12	2,49,784.43
Total	1,14,69,893.54	73,71,621.34

17 Other expenses

	31 March 2025	31 March 2024
Audit fee	4,000.00	2,700.00
Bank charges	5,720.31	2,115.32
Business promotion expenses	2,412.18	-
Computer maintenance	24,278.59	21,852.26
Clearing and forwarding charges	2,789.50	1,458.62
Corporate social responsibility	12,327.71	6,374.00
Insurance	7,417.26	9,594.36
Internet and telephone	30,567.64	34,010.36
Loss on foreign exchange fluctuation	77,472.47	14,521.45
Loss on sale of assets	4,122.44	-
Membership and subscription charges	44.19	672.85
Postage, printing & stationery charges	4,775.85	5,545.23
Power and fuel	91,569.15	1,11,791.89
Professional and consultancy charges	8,23,459.40	5,11,861.26
Rates and taxes	9,581.23	7,648.75
Recruitment charges	9,188.95	16,657.82
Rent	5,90,357.50	5,57,642.32
Repairs and maintenance		
- Office maintenance	58,527.29	54,673.49
- Others	23,969.76	27,158.58
Security charges	38,658.12	37,269.95
Bad debts and sundry balances written off	83,549.10	-
Travelling expenses	55,416.11	52,866.21
Vehicle maintenance	3,311.52	8,630.61
Total	19,63,516.27	14,85,045.33



18 Earnings / (Loss) per share

Basic earnings / (loss) per share is calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The computation of earnings per share is as follows:

	31 March 2025	31 March 2024
Weighted average number of shares used for computing earnings per share	10,000	10,000
Net profit after tax attributable to equity shareholders	(33,07,454.31)	8,04,185.59
Earnings per share:		
- Basic and diluted	(33,074.54)	8,041.86
Nominal value per share	10.00	10.00

19 Key financial ratios

	31 March 2025	31 March 2024	% of variance
i. Liquidity Ratio			
Current Ratio (Current Assets/Current Liabilities)	1.79	9.83	-82%
ii. Solvency Ratio			
Debt - Equity Ratio (Total Debt/Shareholder's Equity)	NA	NA	NA
Debt Service Coverage Ratio (Earnings available for debt service/Debt Service)	NA	NA	NA
Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.			
Debt service = Interest & Lease Payments + Principal Repayments			
iii. Profitability Ratio			
Net profit ratio (Net Profit/Net Sales)	(0.32)	0.10	-416%
Return on Capital employed (EBIT/Capital Employed)	(1.09)	0.13	-945%
Return on Equity Ratio (Net Profit after taxes-Preference dividend(if any) /Average Shareholder's equity)	(0.69)	0.13	-619%
Return on Investment [(Current Value of Investment-Cost of Investment)/Cost of Investment]	NA	NA	NA
iv. Utilisation Ratio			
Inventory turnover ratio (Cost of goods sold or Sales /Average Inventory)	NA	NA	NA
Trade receivables turnover ratio (Net Credit sales/Average Trade Receivables)	6.92	5.81	19%
Trade payables turnover ratio (Net Credit Purchase/ Average Accounts Payable)	52.99	17.18	209%
Net capital turnover ratio (Net Sales/Average Working Capital)	3.23	2.34	38%
The reason for variance more than 25% is provide below:			
Current ratio	Decrease in assets and current years loss		
Net profit ratio	Due to current year loss		
Return on capital employed	Due to current year loss		
Return on equity ratio	Due to current year loss		
Trade payables turnover ratio	Decrease in trade payables		
Net capital turnover ratio	Increase in sales and decrease in working capital		

20 Related party disclosures

Name of the Party	Nature of relationship
i. Parties where control exists	
Borqs Technologies Inc	Ultimate holding company
Borqs International Holding Corporation	Holding company
Borqs Hong kong Limited	Fellow subsidiary
ii. Key management personnel	
Hareesh Ramanna	Managing director
Raghavan Seshadri	Director



Borqs Technologies India Private Limited
(earlier known as "Borqs Software Solutions Private Limited")
CIN: U72200KA2009PTC050460
Notes to financial statements

Rs. in '00

iii. Transactions with related parties during the year

Name of the Party	Nature of transactions	31 March 2025	31 March 2024
Borqs Technologies Inc	Recovery of expenses	16,31,458.05	-
Borqs Hong Kong Limited	Sale of Services	9,23,445.07	6,58,039.17
	Services availed	1,99,325.98	-
Hareesh Ramanna	Director Remuneration	35,16,017.57	2,97,599.56
Raghavan Seshadri	Director Remuneration	44,522.50	1,16,371.56
Hareesh Ramanna	Reimbursements	1,039.96	626.38

iv. Balances at the year end

Name of the Party	31 March 2025	31 March 2024
Borqs Technologies Inc	16,31,458.05	-
Borqs Hong Kong Limited	-	1,25,477.10

21 Gratuity and other post employment benefit plans

a) Defined contribution plan

Provident fund

	31 March 2025	31 March 2024
Contribution to provident fund	2,77,328.32	2,49,694.83

b) Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, every employee who has completed 4 years and 240 days or more of service gets gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The level of benefits provided depends on the member's length of service and salary at retirement age. The Company has Defined Benefit Plan for post employment benefit in the form of Gratuity for eligible employees, which is administered through a Group Gratuity Policy with Life Insurance Corporation of India (L.I.C).

Reconciliation of the projected benefit obligations

	31 March 2025	31 March 2024
Change in projected benefit obligations		
Obligations at beginning of the year	6,49,608.43	-
Prior service cost	-	-
Service cost	80,980.28	6,49,608.43
Interest cost	45,607.24	-
Benefits pay-outs from plan	-35,858.51	-
Benefits payments from the company	-	-
Actuarial loss / (gain)	27,967.93	-
Present value of defined benefit obligation at year end	7,68,305.37	6,49,608.43

Change in plan assets

Fair value of plan assets at beginning of year	7,31,806.17	5,75,118.13
Expected return on plan assets	56,006.27	42,542.89
Contribution	1,23,666.50	1,63,842.27
Direct benefit payments by the company	-	-
Benefits Paid	35,858.51	49,697.12
Actuarial gain/(loss) on Plan assets	878.70	-
Direct benefit payments by the company	-	-
Fair value of the plan assets	8,76,499.13	7,31,806.17

Reconciliation of Present value of Obligation and fair value of plan assets at the year end

Present value of defined benefit obligation	7,68,305.37	6,49,608.43
Fair value of the plan assets	8,76,499.13	7,31,806.17
Liability/ (Asset) recognized in the balance sheet	-1,08,193.76	-82,197.74

C) Leave encashment

	31 March 2025	31 March 2024
Recognised during the year	42,449.43	17,724.12



22 Supplementary statutory information

a) Auditors' remuneration

	31 March 2025	31 March 2024
Statutory audit	3,000.00	1,700.00
Tax audit	1,000.00	1,000.00
Other matters	5,859.00	-
	9,859.00	2,700.00

b) Particulars relating to foreign exchange

	31 March 2025	31 March 2024
Foreign exchange inflow		
Export of services	21,14,011.20	18,14,443.25
Foreign exchange outgo		
Professional and consultancy charges	1,99,325.98	-
Travelling expenses	50,166.42	45,327.23

23 Corporate social responsibility

The provisions pertaining to corporate social responsibility as prescribed Sec. 135 of the Companies Act, 2013 are applicable to the company. The financial details as sought by the Companies Act, 2013 are as follows:

	31 March 2025	31 March 2024
a) Two percent of the average net profit as per section 135(5)	12,327.71	6,374.00
b) Amount spent during the year	6,137.13	23,000.00
c) Shortfall/ (Excess) at the end of the year	-	(6,190.58)
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Excess amount for set off if any	NA	NA
g) Nature of CSR Activities		
i) Contribution to Trust/ NGO	6,137.13	23,000.00
ii) Administrative expenses	-	-
iii) Unspent amount relation to		
Ongoing project (FY 2023)	-	-
Ongoing project (FY 2024)	-	-
Other than on going project	-	-

Further as on reporting date, the company has spent excess amount of Rs. 148.15 hundred.

24 All figures have been rounded off to the nearest hundreds.

25 There are no transactions with struck off companies under section 248 or 560

26 No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.

27 The no. of layers prescribed u/s 2(87) read with the applicable Rules are not applicable for the Company.

28 There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237

29 A - The Company has not advanced or loaned or invested funds to any other persons or entities including foreign entities 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 beneficiary)

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

B - The Company has not received any fund from persons or entities including foreign entities 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 Funding party (ultimate beneficiary)

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

30 There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

31 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year



32 There are no proceedings which have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made there under.

33 Prior year comparatives

Prior year amounts have been regrouped/reclassified wherever necessary to conform to the current years presentation.

For J. Srinivasan

Chartered Accountants

Firm's Reg. No.: 040465



CA K.R. Sreenivasulu

Proprietor

Membership No. 14512

UDIN : 25014512BMNSRD8456

Date: 30 June 2025

Bengaluru



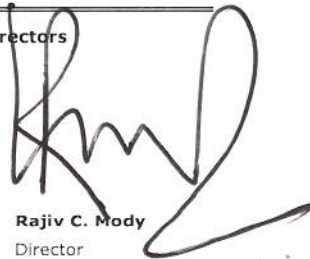
For and on behalf of Board of Directors



Hareesh Ramanna

Director

DIN:02778643



Rajiv C. Mody

Director

DIN:00092037



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INDEPENDENT AUDITORS' REPORT

To the Members of Borqs Technologies India Private Limited

(earlier known as "Borqs Software Solutions Private Limited")

Report on the audit of the standalone financial statements

Opinion

We have audited the standalone financial statements of **Borqs Technologies India Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2025, and the statement of Profit and Loss and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of management and those charged with governance for financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial



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controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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



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related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Report on other legal and regulatory requirements

A. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet and the Statement of Profit and Loss dealt and the statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.



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- g) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the limit prescribed by section 197 for maximum permissible managerial remuneration is not applicable to a private limited company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as required under the applicable law or accounting standards
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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



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- v. The company has not declared or paid any dividend during the year accordingly the compliance with section 123 of the Companies Act 2013 will not apply.
 - vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- B. 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 J. Srinivasan

Chartered accountants,
Firm Reg. No.: 04046S



CA K.R. Sreenivasulu

Partner
Membership No.: 14512
UDIN: 25014512BMNSRD8456
Place: Bangalore
Date : 30 June 2025



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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

We have audited the internal financial controls with reference to financial statements of Borqs Technologies India Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended as 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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.



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Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J. Srinivasan

Chartered accountants,
Firm Reg. No.: 04046S

CA K.R. Sreenivasulu

Partner
Membership No.: 14512
UDIN: 25014512BMNSRD8456
Place: Bangalore
Date : 30 June 2025



"ANNEXURE B" TO AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of **Borqs Technologies India Private Limited** ("the Company") for the year ended 31 March 2025. We report that:

- i.
- (a). (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b). According to the information and explanation given to us, the property, plant and equipment have been physically verified by the management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c). According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable property in the name of the Company, hence para 3(i)(c) of the Order is not applicable to the Company.
 - (d). According to the information and explanations given to us and on the basis of our examination of the records, the Company has not revalued any of its property, plant and equipment during the year, hence para 3(i)(d) of the Order is not applicable to the Company.
 - (e). According to the information and explanations given to us and on the basis of our examination of the records of the Company, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. The company is neither a Trading Company nor a Manufacturing Company, Hence, paragraph 3(ii)(a) and 3(ii)(b) of the Order is not applicable.
- iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the



J. SRINIVASAN

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provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under. Hence paragraph 3 clause (v) of the Order is not applicable to the Company.
- vi. In our opinion and according to the information and explanations given to us the provisions of sub section (1) of Section 148 of the Companies Act, 2013 with regard to maintenance of cost records are not applicable to the Company. Accordingly, paragraph 3 clause (vi) of the Order is not applicable to the Company.
- vii.
 - (a). According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing with undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Goods & Services tax and other material statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts were payable as at March 31, 2025 for a period of more than six months from the date they became payable.
 - (b). According to the information and explanations given to us, there are no material dues which have not been deposited with the appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. According to the information and explanations given to us and on the basis of our audit procedures:
 - (a). The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
 - (b). The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - (c). The Company has applied term loans for the purpose for which the loans were obtained.
 - (d). The Company has not raised funds on short-term basis and utilized them for long



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term purposes.

(e). The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates and joint ventures.

(f). The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates and joint ventures.

x.

(a). The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b). During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.

(a). During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor on the Company.

(b). We have not come across of any instance of fraud by the Company or on the Company during the course of audit for the year ended March 31, 2025, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c). As represented to us by the management, there are no whistle-blower complaints received by the Company during the year. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 clause (xii) (a) to (c) of the Order is not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with Section 188 of the Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 is not applicable to the Company.

xiv.

(a). Based on information and explanations provided to us and our audit procedures in our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business as per provisions of the Companies Act 2013.

(b). Based on information and explanations provided to us and our audit procedures in our opinion and based on our examination, the Company is not required to have an



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internal audit system as per provisions of the Companies Act 2013 and therefore clause xiv (b) of the Order is not applicable to the Company.

- xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi.
- (a). In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3 clause (xvi) (a) of the Order is not applicable to the Company.
- (b). In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, paragraph 3 clause (xvi) (b) of the Order is not applicable to the Company.
- (c). According to the information and explanations given to us and on the basis of our examination of records, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and accordingly paragraph 3 clause (xvi) (c) of the Order is not applicable to the Company.
- (d). According to the information and explanations given to us and on the basis of our examination of records, the Group does not have any CIC. Accordingly, paragraph 3 clause (xvi) (d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, 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.



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- xx. According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of our audit report. Accordingly, the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.
- xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For J. Srinivasan

Chartered accountants,
Firm Reg. No.: 04046S

CA K.R. Sreenivasulu

Partner

Membership No.: 14512

UDIN: 25014512BMNSRD8456



Place: Bangalore

Date : 30 June 2025