

ZNET TECHNOLOGIES PRIVATE LIMITED
JAIPUR
CIN:U72200RJ2009PTC030491

BALANCE SHEET AS AT 31st March 2024

(Rs. in Millions)

Particulars	Notes	As At 31st March 2024	As At 31st March 2023
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	1	4.40	5.17
(b) Right-of-Use Assets	1A	2.99	0.86
(c) Intangible Assets	2	13.15	22.37
(d) Financial Assets	3	0.16	0.18
(e) Deferred Tax Assets	4	42.91	58.55
(f) Non-current tax assets (net)	4A	40.15	25.85
Total Non- Current Assets		103.76	112.98
Current Assets			
(a) Financial Assets			
(i) Trade Receivable	5	39.44	70.61
(ii) Cash and Cash Equivalents	6	39.77	4.86
(iii) Bank Balances other than (ii) above	6A	0.21	0.20
(iv) Loans & Advances	7	-	0.04
(v) Others	8	2.42	2.84
(b) Other Current Assets	9	8.64	8.87
Total Current Assets		90.48	87.43
Total Assets		194.24	200.41
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	3.61	3.61
(b) Other Equity	11	(95.72)	(143.77)
Total Equity		(92.11)	(140.17)
LIABILITIES			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	45.83	74.32
(ii) Lease Liability	13	0.88	-
(iii) Other Non Current Financial Liabilities	13A	6.39	10.40
(b) Provisions	14	10.75	10.73
Total Non-Current Liabilities		63.85	95.45
Current Liabilities			
(a) Financial Liabilities			
(i) Short Term Borrowings	15	15.49	1.80
(ii) Lease Liability	18	1.97	0.76
(iii) Trade Payables			
-Total outstanding dues for micro enterprises and small enterprises	16	-	-
-Total outstanding dues of creditors other than micro and small enterprises	16	103.62	102.30
(iv) Other Financial Liabilities	17	10.74	12.83
(b) Provisions	14A	2.88	1.34
(c) Other Current Liabilities	18A	87.80	126.08
Total Current Liabilities		222.50	245.12
Total Equity and Liabilities		194.24	200.41
Material Accounting Policies Information and Notes to Accounts on Financial Statements	I & II		

For ZNet Technologies Private Limited

In terms of our Audit Report of even date
For Kalani & Company
Chartered Accountants
FRN: 000722C

[Munesh Singh Jadon]
DIRECTOR
DIN : 02722092

[Sureshkumar Pansari]
DIRECTOR
DIN : 00215919

[Vikas Kumar Pareek]
PARTNER
M. No. 422687

PLACE :
DATE : 21-05-2024

ZNET TECHNOLOGIES PRIVATE LIMITED
JAIPUR
CIN:U72200RJ2009PTC030491

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2024

(Rs. in Millions)

Particulars	Notes	Year Ended	
		March 31, 2024	March 31, 2023
INCOME			
Revenue From Operations	19	534.15	442.33
Other Income	20	7.56	2.84
Total Income		541.71	445.18
EXPENSES			
Operating Expenses	21	428.58	345.78
Employee benefits expenses	22	102.92	97.50
Depreciation and amortization expenses	1, 1A & 2	12.41	12.90
Finance costs	23	8.62	8.01
Other expenses (Administrative & Selling Exp.)	24	29.23	31.74
Total Expenses		581.76	495.92
Profit/(loss) before exceptional items and tax		(40.05)	(50.74)
Exceptional Items	25	103.82	-
Impairment Loss		-	-
Profit/(loss) before tax		63.77	(50.74)
Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		15.66	(14.07)
Profit (Loss) for the year from continuing operations		48.11	(36.67)
Profit/(loss) for the year		48.11	(36.67)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss		(0.08)	(0.57)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.02	0.15
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the year (Comprising Profit/(Loss) and Other Comprehensive Income for the year)		48.05	(37.09)
Earnings per Equity Share: (Face Value Rs. 10/-per share) (Not annualized for Quarters)			
(1) Basic	26	133.64	(101.65)
(2) Diluted	26	133.64	(101.65)

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[Munesh Singh Jadon]
DIRECTOR
DIN : 02722092
PLACE : JAIPUR
DATE : 21-05-2024

[Krishna Kumar Choudhary]
DIRECTOR
DIN : 00215919

[Vikas Kumar Pareek]
PARTNER
M. No. 422687

ZNET TECHNOLOGIES PRIVATE LIMITED
JAIPUR
CIN:U72200RJ2009PTC030491

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2024

(Rs. in Millions)

Particulars	Notes	Quarter Ended			Year Ended	
		March 31, 2024 (Unaudited)	December 31, 2023 (Unaudited)	March 31, 2023 (Unaudited)	March 31, 2024 (Audited)	March 31, 2023 (Audited)
INCOME						
Revenue From Operations	19	148.06	130.80	179.46	534.15	442.33
Other Income	20	3.60	1.26	(2.99)	7.56	2.84
Total Income		151.66	132.06	176.47	541.71	445.18
EXPENSES						
Operating Expenses	21	88.04	107.13	126.26	428.58	345.78
Employee benefits expenses	22	20.88	25.89	25.41	102.92	97.50
Depreciation and amortization expenses	1, 1A & 2	3.14	3.13	3.69	12.41	12.90
Finance cost	23	2.36	2.28	1.92	8.62	8.01
Other expenses (Administrative & Selling Exp.)	24	6.22	7.19	10.74	29.23	31.74
Total Expenses		120.64	145.61	168.02	581.76	495.92
Profit/(loss) before exceptional items and tax		31.02	(13.55)	8.45	(40.05)	(50.74)
Exceptional Items	25	103.82	-	-	103.82	-
Impairment Loss		-	-	-	-	-
Profit/(loss) before tax		134.84	(13.55)	8.45	63.77	(50.74)
Tax Expense:		-	-	-	-	-
(1) Current Tax		-	-	-	-	-
(2) Deferred Tax		34.86	(3.48)	31.54	15.66	(14.07)
Profit (Loss) for the year from continuing operations		99.98	(10.07)	(23.09)	48.11	(36.67)
Profit/(loss) for the year		99.98	(10.07)	(23.09)	48.11	(36.67)
Other Comprehensive Income		-	-	-	-	-
A (i) Items that will not be reclassified to profit or loss		1.17	-	(0.03)	(0.08)	(0.57)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.31)	0.01	0.01	0.02	0.15
B (i) Items that will be reclassified to profit or loss		-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-	-
Total Comprehensive Income for the period/ year (Comprising Profit/(Loss) and Other Comprehensive Income for the period/ year)		100.84	(10.06)	(23.11)	48.05	(37.09)
Earnings per Equity Share: (Face Value Rs. 10/-per share) (Not annualized for Quarters)		-	-	-	-	-
(1) Basic	26	277.15	(27.91)	(64.01)	133.64	(101.65)
(2) Diluted	26	277.15	(27.91)	(64.01)	133.64	(101.65)

For ZNet Technologies Private Limited

In terms of our Audit Report of even date
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DIN : 02722092
PLACE : JAIPUR
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[Krishna Kumar Choudhary]
DIRECTOR
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[Vikas Kumar Pareek]
PARTNER
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ZNET TECHNOLOGIES PRIVATE LIMITED
JAIPUR
CIN:U72200RJ2009PTC030491

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st March 2024

(Rs. in Millions)

PARTICULARS	For the year ended 31st March 2024		For the year 31st March 2023	
	DETAILS	AMOUNT	DETAILS	AMOUNT
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before tax as per Profit & Loss A/c		63.69	(51.31)	
Adjusted for :-				
Provision for Gratuity		1.56	2.74	
Finance Costs		8.62	8.01	
Depreciation & Amortization Expense		12.41	12.90	
Loss on sale of Land		-	-	
Profit on sale of Computer server		-	(0.06)	
Operating Profit before Working Capital Changes		86.28	(27.72)	
Adjusted for:-				
Increase / (Decrease) in Other Liabilities		(41.85)	89.31	
(Increase) / Decrease in Long term/Short term Loans & advances		0.06	-	
(Increase) / Decrease in Trade Receivables		31.17	(30.78)	
(Increase) / Decrease in Other Current Assets		(13.65)	(19.99)	
Cash Generated From Operations		62.01	10.82	
Taxes Paid		-	-	
Net cash generated from Operating Activities		62.01		10.82
B) CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Land		-	-	
Sale of Computer Servers		-	0.07	
Purchase of Property, Plant & Equipment		(4.55)	(2.63)	
Net cash used in Investing Activities		(4.55)		(2.56)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Borrowing Raised (Long term/short term)		(14.80)	0.08	
Change in Lease Liability		0.88	(2.39)	
Finance Cost		(8.62)	(8.01)	
Net cash used in Financing Activities		(22.54)		(10.32)
Net Increase/(Decrease) in Cash and Cash Equivalents		34.92		(2.07)
Opening balance of Cash and Cash Equivalent		5.06		7.12
Closing balance of Cash and Cash Equivalent		39.98		5.06

NOTES:

	As at 31st March, 2024 (Rs Millions)	As at 31st March, 2023 (Rs Millions)
1. Cash and Cash Equivalent consists of following:-		
Cash on hand	0.03	0.03
Balances with Banks	39.95	5.03
	39.98	5.06

2. Cash flow Statements has been prepared adopting the Indirect method as prescribed under para 18 of Indian Accounting Standard-7 (IAS-7) on "Cash Flow Statement".

3. Reconciliation of liabilities arising from financing activities

Sl. No.	Particulars	As At 31st March 2023	Financing cash Flows	Non-cash changes	As At 31st March 2024
1	<u>Borrowing - Current and Non Current</u>				
	- Directors	7.68	(1.12)	-	6.56
	- Holding company	68.44	(13.68)	-	54.76

Sl. No.	Particulars	As at 31st March 2022	Financing cash Flows	Non-cash changes	As at 31st March 2023
1	<u>Borrowing - Current and Non Current</u>				
	- Directors	10.65	(1.17)	-	9.48
	- Holding company	65.39	3.05	-	68.44

For ZNet Technologies Private Limited

In terms of our audit report of even date
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[Munesh Singh Jadon]
DIRECTOR
DIN : 02722092

[Sureshkumar Pansari]
DIRECTOR
DIN : 00215919

[Vikas Kumar Pareek]
PARTNER
M. No. 422687

PLACE : Jaipur
DATE : 21-05-2024

Note No. 28:- Other Disclosures

28.01 **Disclosure as per Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets**

(1) Capital commitments:- NIL

(2) Contingent liabilities :-NIL

(3) Movement in Provision (Gratuity)

(Rs. in Millions)

Nature of Provision	Provision for Gratuity	Provision for Leave Encashment
As at 1 April,2022	9.05	0.29
Provision during the year	2.64	0.18
Less: Utilised during the year	-	(0.08)
As at 31 March,2023	11.69	0.39
Provision during the year	2.67	(0.15)
Less: Utilised during the year	(0.97)	-
As at 31 March, 2024	13.39	0.24

28.02 Disclosure as per by Indian Accounting Standard 24 "Related Party Disclosures" :

A. Names of the related party and description of relationship:

S.No.	Name of Persons	Relationship
1	Munesh Singh Jadoun	Key Managerial Personnel
2	Sabarinathan Sampath	Key Managerial Personnel (Upto 15.12.2023)
3	Suresh kumar Pansari	Key Managerial Personnel
4	Krishna Kumar Choudhary	Key Managerial Personnel
5	Kapal Suresh Pansari	Key Managerial Personnel
6	Kranti Singh Jadon	Relative of Key Managerial Personnel
7	Rashi Peripherals Ltd.	Holding Company

B. Transactions with Related Parties

1. Holding Company

(Rs. in Millions)

Particulars	2023-24	2022-23
Loan repayment to Rashi Peripherals Ltd.*	20.00	3.62
Loan obtained from Rashi Peripherals Ltd.*	-	-
Sales to Rashi Peripherals Ltd.*	0.02	0.46
Commission to Rashi Peripherals Ltd.*	0.24	1.35

(Rs. in Millions)

2. Loan from Directors	2023-24	2022-23
Loan repayment to Munesh Singh Jadon	1.80	3.89
Loan obtained from Munesh Singh Jadon	-	-

(Rs. in Millions)

3. Compensation to Key Managerial Personnel	2023-24	2022-23
Directors Remuneration		
-Munesh Singh Jadon	4.20	4.20
-Sabarinathan Sampath (Upto 15.12.2023)	2.13	3.00

C. Outstanding Balances with related parties

(Rs. in Millions)

Particulars	As At 31st March 2024	Year ended 31st March 2023
Amount Payables		
-To Directors	12.14	13.41
-To Holding Company	54.76	68.44

Nature of Transaction	(Rs. in Millions)			
	Holding Company		KMP	
	C. Y. 2023-24	P. Y. 2022-23	C. Y. 2023-24	P. Y. 2022-23
Unsecured Loans				
Opening Balance	68.44	65.39	7.68	10.65
(+) Accepted During the Year	-	-	-	-
(+) Interest Payable	7.02	6.67	0.76	0.92
(-) TDS deducted on interest payable	0.70	0.67	0.08	0.09
(-) Repayment During the Year	20.00	2.95	1.80	3.80
Closing Balance	54.76	68.44	6.56	7.68
Payment of remuneration & Bonus				
Balance Payable/(Receivable)	-	-	-	572.99
Income				
Domain sales	0.01	-	-	-
Security sales	0.01	0.01	-	-
Cloud IAAS	-	(0.11)	-	-
Cloud SAAS	-	0.56	-	-
Expenditure				
Purchase of Computers	-	2.67	-	-
Repairs and Commission	-	1.36	-	-
Consumable store expenses	-	0.00	-	-
Receipt	-	0.57	-	-
TDS Receivable	-	0.06	-	-
Payment	0.24	4.07	-	-

Outstanding Balance of Related Parties (Rs. in Millions)		
Particulars	31.04.2024	31.03.2023
-Payable of Salary & Bonus		
Sabarinathan Sampath	0.91	1.11
Munesh Singh Jadon	4.67	4.62
-Payable of Loan		
Munesh Singh Jadon	6.56	7.68
Rashi Peripherals Ltd.*	54.76	68.44

*Converted from Rashi Peripherals Private Limited w.e.f. 4th August, 2022.

28.03 Disclosure as per Ind AS 12' Income Taxes'

a) Income tax expense		
Income tax recognised in Statement of Profit and Loss (Rs. in millions)		
Particulars	As At 31st March 2024	Year ended 31st March 2023
Current Tax Expense		
Current year	-	-
Adjustment for earlier years	-	-
Total current tax expense	-	-
Deferred tax expense		
Origination and Reversal of Temporary Differences	(42.91)	(58.55)
Less: Deferred Asset for Deferred Tax Liability	(58.55)	(44.33)
Total deferred tax expense	15.64	(14.22)
Total Income Tax Expense	15.64	(14.22)

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

Particulars	(Rs. in Millions)	
	As at 31st March 2024	As at 31st March 2023
Profit Before Tax (A)	-	-
Income Tax Rate (B)	26%	26%
Tax Expense C= A*B	-	-
Add Tax effect of the amount as under:		
Deferred Tax Expenses/(Income)	15.64	(14.22)
Minimum Alternate Tax Adjustments	-	-
Tax as per Statement of Profit & Loss	15.64	(14.22)

In compliance with Ind AS-12: The component of Deferred Tax Assets and liabilities are as under :

Particulars	(Rs. in Millions)	
	As at 31st March 2024	As at 31st March 2023
I) Deferred Tax Assets (A)		
On Losses	39.22	56.32
On difference of depreciation between Income Tax and Companies Act	-	-
On Account of Ind AS 116 (Lease Liability)	0.74	0.20
On difference of Gratuity and Leave Encashment between Income Tax and Companies Act	3.54	3.14
MAT Entitlement	-	-
Total (I)	43.50	59.66
II) Deferred Tax Liabilities (B)		
On difference of depreciation between Income Tax and Companies Act	0.59	1.10
Total (II)	0.59	1.10
Net Deferred Tax Assets (I-II)	42.91	58.56

28.04 Disclosure as per Indian Accounting Standards 107 , Financial Instruments - Disclosure

Particulars	(Rs. in Millions)		
	31.04.2024		
	FVTPL	FVTOCI	Amortized cost
Financial Assets - Trade Receivables	-	-	39.44
Cash and Cash equivalents	-	-	39.77
Other Bank Balances	-	-	-
Loan	-	-	-
Bank deposits with more than 12 months maturity	-	-	0.21
Other Financial Assets	-	-	2.58
Total Financial Assets	-	-	82.00

Particulars	(Rs. in Millions)	
	31.04.2024	
	FVTPL	Amortized cost
Financial Liability:		
Term Loans	-	61.32
Other Financial Liabilities	-	17.13
Trade Payables	-	103.62
Lease Liability	-	2.85
Total Financial Liability	-	184.92

Particulars	(Rs. in Millions)		
	31.03.2023		
	FVTPL	FVTOCI	Amortized cost
Financial Assets:			
Financial Assets - Trade Receivables	-	-	70.61
Cash and Cash equivalents	-	-	4.86
Other Bank Balances	-	-	0.20
Loan	-	-	0.04
Bank deposits with more than 12 months maturity	-	-	-
Other Financial Assets	-	-	3.02
Total Financial Assets	-	-	78.73

(Rs. in Millions)		
Particulars	31.03.2023	
	FVTPL	Amortized cost
Financial Liability:		
Term Loans	-	76.12
Other Financial Liabilities	-	23.23
Trade Payables	-	102.30
Lease Liability	-	0.76
Total Financial Liability	-	202.41

The following are the contractual maturities of financial liabilities based on contractual cash flows:

(Rs. in Millions)					
Contractual maturities of financial liabilities	Contractual Cash Flows				
	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial Liability:					
Term Loans	15.49	20.05	25.78	-	61.32
Other Financial Liabilities	17.13	-	-	-	17.13
Trade Payables	103.62	-	-	-	103.62
Lease Liability	1.97	0.88	-	-	2.85
Total Financial Liability	138.21	20.93	25.78	-	184.92

(Rs. in Millions)					
Contractual maturities of financial liabilities	Contractual Cash Flows				
	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due after 5th year	Total
Financial Liability:					
Term Loans	1.80	1.80	72.52	-	76.12
Other Financial Liabilities	23.23	-	-	-	23.23
Trade Payables	102.30	-	-	-	102.30
Lease Liability	0.76	-	-	-	0.76
Total Financial Liability	127.33	1.80	72.52	-	202.41

The following table details the Company's remaining contractual maturity for its Non-derivative financial assets. The table has been drawn up based on the undiscounted cash flows of Financial assets based on the earliest on which the company can collect the cash flows. (Rs. in Millions)

Particulars	Contractual Cash Flows (31.03.2024)		Contractual Cash Flows (31.03.2023)	
	< 1 Year	> 1 Year	< 1 Year	> 1 Year
Financial Assets:				
Financial Assets - Trade Receivables	39.44	-	70.61	-
Cash and Cash equivalents	39.77	-	4.86	-
Other Bank Balances	-	-	0.20	-
Loan	-	-	0.04	-
Bank deposits with more than 12 months maturity	-	0.21	-	-
Other Financial Assets	2.58	-	3.02	-
Total Financial Assets	81.79	0.21	78.73	-

B.

Financial Risk Management			
Risk	Exposure arising from	Measurement	Management
Credit Risk	Trade receivables	Ageing analysis, Credit Ratings	Credit limits, Escrow Cover, letters of credit and diversification of bank deposits. Prefer nationalized bank for deposit.
	Instruments financial assets measured at Amortised cost and cash & cash equivalents	Credit ratings	
Liquidity risk	Borrowing and other liabilities	Rolling cash flows forecast	Availability of committed credit lines and borrowing facilities
Market risk, interest rate risk	Long-term Borrowings at variable rates	Sensitivity Analysis, Cash Flow Analysis	Different kinds of loan arrangements with varied terms (e.g., Fixed, floating, rupee, foreign currency, etc.) & swapping of high cost debts into low cost debt.

Market Risk

Market Risk mainly relates to the investment & deposits. There is no regular business of company for making investment & deposits. However, work of Finance Department of the company is to manage the cash resources, borrowings strategies and ensuring compliance of the same with the guidelines & directions of the Higher Management.

Interest Rate Risk		Particulars	(Rs. in Millions)	
			As at	
S.No.			31.04.2024	31.03.2023
Fixed rate borrowings				
1	Loans from Banks		-	-
2	Loans from Others		61.32	76.12
Total			61.32	76.12
Floating rate borrowings				
1	Loans from Banks		NIL	
2	Loans from others		NIL	
Total			NIL	
Grand Total			61.32	76.12

Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed.

Liquidity Risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach is to ensure liquidity of funds to meet its liabilities/obligations when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the company reputation. In addition, processes and policies related to such risks are overseen by Higher Management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Foreign Currency Risk**Details of Foreign Currency Payables/ Receivables**

(Rs. in Millions)

Particulars	31.04.2024	31.03.2023
-Trade Payables	8.72	23.00
-Trade Receivables	3.30	2.39

Foreign Currency Sensitivity Analysis

The Company is principally exposed to risk against US \$. Sensitivity of profit or loss arises mainly from US \$ denominated receivable and Payables.

As per the management's assessment of reasonable possible changes in the exchange rate of (+/-) 5% between US\$-Rs. currency pair, sensitivity of profit or losses only on outstanding US\$ denominated monetary items at the period end is presented below:

US\$ sensitivity at year end	(Rs. in Millions)	
	As at 31.03.2024	As at 31.03.2023
- Trade Payables		
Weakening of Rs. By 5%	(0.44)	(1.15)
Strengthening of Rs. By 5%	0.44	1.15
- Trade Receivables		
Weakening of Rs. By 5%	0.17	0.12
Strengthening of Rs. By 5%	(0.17)	(0.12)

Foreign currency risks on account of receipts / revenue and payments / expenses are managed by netting off naturally-occurring opposite exposures through export earnings, wherever possible and carry unhedged exposures for the residual.

C. The trade Payables ageing schedule for the year ended as on March 31, 2024 is as follows :

(Rs. in Millions)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Trade and other Payables					
(i) Undisputed Dues - MSME	-	-	-	-	-
(ii) Undisputed Dues - Others	103.61	0.01	-	-	103.62
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	103.61	0.01	-	-	103.62

The trade payables ageing schedule for the year ended as on March 31, 2023 is as follows :

(Rs. in Millions)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 Years	
Trade and other Payables					
(i) Undisputed Dues - MSME	-	-	-	-	-
(ii) Undisputed Dues - Others	102.13	0.17	-	-	102.30
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	102.13	0.17	-	-	102.30

D. The trade receivables ageing schedule for the year ended as on March 31, 2024 is as follows:

(Rs. in Millions)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	32.25	6.30	0.77	0.11	0.01	39.44
(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	32.25	6.30	0.77	0.11	0.01	39.44

The trade receivables ageing schedule for the year ended as on March 31, 2023 is as follows:

(Rs. in Millions)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade receivables – considered good	70.16	0.32	0.13	-	-	70.61
(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	70.16	0.32	0.13	-	-	70.61

E. The Company has access to the following undrawn facilities at the end of reporting period

(Rs. in Millions)

Particulars	31.03.2024	31.03.2023
Floating Rate Borrowings		
Loans from Banks	-	-
Loans from others	-	-

F. Capital Management

Note on Capital Management: For the purpose of Company's Capital Management, Capital includes issued equity share capital and borrowings from various financial institutions. The primary objective of Company's Capital Management is to maximize shareholder's value and to maintain an appropriate capital structure of debt and equity. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants.

The company manages its capital using Debt to Equity Ratio which is Total Debt/Total Capital

(Rs. in Millions)

Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
Total Debt	61.32	76.12		Profit Increase due to non-compete fee and proceeds from transfer of intangible assets
Equity	(92.11)	(140.17)		
Debt Equity Ratio (No. of times)	(0.67)	(0.54)	24.07	

Current Ratio

(Rs. in Millions)

Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
Current Assets	90.48	87.43		Due to decrease in unearned revenue and increase in bank balance because of receipt of non compete fee and proceeds from transfer of intangible assets
Current Liabilities	222.50	245.12		
Current Ratio	0.41	0.36	13.89	

Debt Service Coverage Ratio

(Rs. in Millions)

Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
Net Operating Income	84.80	(29.89)		Due to increase in operating income mainly due to Income from Non-compete fee and proceeds from transfer of intangible assets
Debt Services	8.62	9.87		
Debt Service Coverage Ratio	9.84	(3.03)	(424.75)	

Return on Equity Ratio

(Rs. in Millions)

Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
Net Income	48.11	(36.67)		Due to increase in operating income mainly due to Income from Non-compete fee and proceeds from transfer of intangible assets
Shareholder's Equity	(92.11)	(140.17)		
Return on Equity Ratio	(0.52)	0.26	-300.00	

Trade Receivables Turnover Ratio

(Rs. in Millions)

Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
Net Sales	534.15	442.33		Increase in Net Sales due receipt of non compete fee and proceeds from transfer of intangible assets
Average Trade Receivables	55.03	55.22		
Trade Receivables Turnover Ratio	9.71	8.01	21.22	

Trade Payables Turnover Ratio

(Rs. in Millions)

Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
Net Credit Purchase	428.58	345.78		Increase in credit purchases from Ingram Micro India Pvt. Ltd. and Google.com.
Average Trade Payables	102.96	64.14		
Trade Payables Turnover Ratio	4.16	5.39	(22.82)	

				(Rs. in Millions)	
Net Capital Turnover Ratio	Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
	Net Sales	534.15	442.33		Due to increase in net sales because of receipt of non compete and proceeds from transfer of intangible assets and increase in working capital , the overall ratio has decreased.
	Working Capital	(132.02)	(157.69)		
	Net Capital Turnover Ratio	(4.05)	(2.81)	44.13	

				(Rs. in Millions)	
Net Profit Ratio	Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
	Net Profit	48.11	(36.67)		Increase in Net sales due to receipt of non compete fee and proceeds from transfer of intangible assets and profit results in increasing this ratio.
	Net Sales	534.15	442.33		
	Net Profit Ratio	0.09	(0.08)	(212.50)	

				(Rs. in Millions)	
Return on Capital Employed	Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
	Earning Before Interest And Tax	(31.43)	(42.73)		N.A.
	Capital Employed	(82.80)	(114.00)		
	Return on Capital Employed	0.38	0.37	2.70	

				(Rs. in Millions)	
Return on Investment	Particulars	31.03.2024	31.03.2023	Deviation(%)	Reason for deviation
	Net return Capital Employed Return on Investment	This ratio is not applicable for the company as the company does not have any Investments.			

28.05 Disclosure pursuant to Ind AS 113 - Fair Value Measurement

Fair Value Hierarchy:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:-

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level follows underneath the table:

				(Rs. in Millions)		
Financial assets and liabilities measured at fair value As at 31 March 2023	Level 1	Level 2	Level 3			
Financial Assets	NIL					
Financial assets and liabilities measured at fair value As at 31 March 2022	Level 1	Level 2	Level 3			
Financial Assets	NIL					

Fair Values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Fair value of financial assets and liabilities measured at amortised cost

1)The fair values for loans, borrowings and non current deposits are calculated based at their respective amortised costs.

2)The carrying amounts of trade and other receivables, trade payable, cash and cash equivalents and other financial assets and liabilities are considered as their fair value due to short term nature.

28.06 Disclosure as per Ind AS 115, 'Revenue from contracts with customers'

I.

Nature of goods and services

The revenue of the Company comprises of income from sales of software, cloud space,webhosting,domains. The following is a description of the principal activities:

(a) Revenue from software sales

The revenue of the Company comes from sale of software, cloud space,webhosting,domains. The Company sells software to bulk customers . Sale of customer is mainly made on advance basis however credit period of up to 60 days, is also allowed in certain cases. Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for software sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sales of cloud , hosting services and maintenance	The Company recognises revenue from contracts for cloud, hosting and maintenance services over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from software sales is determined as prescribed by IND AS - 115 as notified from time to time. The amount of revenue recognised for such sales is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company.
Sales of Domain /software	The Company recognises revenue from contracts for sales of domain and software instantly on raising of invoice and transferring the risk and reward associated with these components to its customer. The tariff for computing revenue from software sales is determined as prescribed by IND AS - 115 as notified from time to time. The amount of revenue recognised for such sales is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company.

II Disaggregation of Revenue

In the following table, revenue is disaggregated by type of product and services and timing of revenue recognition:

(Rs. in Millions)

Particulars	Sale of Software		Others	
	31st March 2024	31st March 2023	31st March 2024	31st March 2023
Timing of Revenue Recognition				
Point of time	35.97	33.51	0.05	0.73
Over a period of time	498.18	408.82	-	-
Total	534.15	442.33	0.05	0.73

III Reconciliation of revenue recognized with contract price:

(Rs. in Millions)

Particulars	31st March 2024	31st March 2023
Contract Price	534.15	442.33
Adjustments for Rebates/discounts	-	-
Revenue Recognized	534.15	442.33

IV Contract Balances

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as 'advance from customers' and 'Unearned Revenue'.

V The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

VI The Company adopted Ind AS 115 using the cumulative effect method and therefore the comparatives have not been restated and continues to be reported as per Ind AS 11 and Ind AS 18. On account of adoption of Ind AS 115, no cumulative adjustment was required as at 1 April 2020. Further, no financial statement line items are affected in the current year as a result of applying Ind AS 115 as compared to Ind AS 11 and Ind AS 18.

28.07 As required by the Indian Accounting Standard (Ind AS-36) "Impairment of Assets" issued by the Ministry of Corporate Affairs, the company has carried out the assessment of impairment of assets. There are no external/internal indicators which lead to any impairment of assets during the year.

28.08 Disclosure as per Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

28.09 Information in respect of micro and small enterprises as at 31 March 2024 as required by Micro, Small and Medium Enterprises Development Act, 2006

(Rs. in Millions)

Particulars	31-Mar-24	31-Mar-23
a) Amount remaining unpaid to any supplier:		
Principal Amount	-	-
Interest due thereon	-	-
b) Amount of interest paid in terms of Section 16 of MSMED Act along with the amount paid to the suppliers beyond the appointed day	-	-
c) 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.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

28.10 Going Concern

During the year, the company has a profit of Rs. 48.05 million solely due to a non-compete fee income of Rs. 103.82 million, however without considering the impact of this income the company has incurred a loss of Rs. 55.77 million (March 31,2023 company incurred loss of Rs. 37.09 million). Total accumulated losses upto 31.03.2024 reached to Rs. 114.93 million with negative Net Worth of Rs. 92.11 million. There is a negative working capital as at 31.03.2024 of Rs. 91.87 million (as at 31.03.2023 Rs. 131.83 million).

Management of the company has diligently assessed current operational conditions and strategic indicators and affirms that there no material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. This assurance is grounded in business forecasts and the comprehensive actions implemented by management.

Further, the company has already taken following measures which will improve revenue vis a vis its margins: -

- Transition to a more Partner oriented model (than direct customer) to leverage existing Partner relationships of Holding/Parent company Rashi Peripherals Limited.
 - Changing Sales mix in terms of products (focus more on high-margin products - Akamai cloud, Wasabi, RACKNAP etc.) and with deeper engagement with Partners.
 - Overall margins are likely to improve as contribution from low margin vendors will start coming down in months ahead.
 - Increased in revenue is assumed considering future trends in various product mix vis-à-vis market / industry trends
- The company has undertaken a strategic reduction in its workforce, aimed at enhancing operational efficiency and aligning staffing levels with current business requirements. This initiative is anticipated to yield significant cost savings while ensuring optimal resource allocation.
 - In line with its strategic objectives, the company has divested a specific class of business assets while simultaneously entering into a non-compete agreement. This strategic move not only facilitates diversification but also safeguards the company's interests and preserves its competitive position in the market.

Further, the Holding/Parent company and other shareholders have also undertaken to provide their proportionate share of such financial support as necessary to enable the company to meet the operational requirement as they arise and to meet its liability as and when they fall due atleast for a period of not less than twelve months from the date of closure of these financial statements.

28.11 Other Disclosures

A. Details of Payment to Auditors:-

Particulars	(Rs. in Millions)	
	31-Mar-24	31-Mar-23
Statutory Auditor	0.25	0.25
Tax Auditor	0.06	0.03
Certification Fees	0.56	0.75
Taxation Matters	0.10	0.04
Other Services	0.25	0.41
Reimbursement of out of pocket expenses	-	-
Total	1.22	1.48

B. Details of expenditure in foreign currency on import of services are as under:-

Particulars	(Rs. in Millions)	
	31-Mar-24	31-Mar-23
Royalty	0.01	21.72
Professional & consultation fees	2.09	1.25
Other matters	74.24	74.72
Total	76.34	97.69

C. Earnings in foreign currency during the financial year are as under:-

Particulars	(Rs. in Millions)	
	31-Mar-24	31-Mar-23
Hosting Services	8.06	10.67
Domain Services	3.00	1.83
Backup Services	-	-
Cloud IAAS	3.01	3.68
Cloud SAAS	6.53	6.77
DHN/WIRE 19	1.13	1.91
Prime Membership	-	-
Racknap	17.76	9.32
Managed Services	2.29	-
Security	0.26	0.29
Total	42.04	34.47

D. Figures of the current & previous year have been reclassified, regrouped & rearranged to make them comparable with the current year's figure.

E. Segment Reporting

The company is engaged in IT and related services, which is considered as single business segment. The company operates in single geographical segment in India. The disclosure as required under Indian Accounting Standard AS-108 on segment reporting are not applicable as the company deals in one business and geographical segment.

F. The amount remitted during the year in foreign currencies on account of dividend is Nil.

G. The company has adopted the system of obtaining yearly confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of any bank account, borrowings from banks, NBFC's etc. So far as the loans and advances, deposits, trade payables, other assets and liabilities are concerned, the balance confirmation letters with the negative assertion were sent to the parties as referred in the Standards on Auditing (SA) 505 (Revised), 'External Confirmations'. In respect of certain trade payables outside India, the balance gets confirmed online on the portal. So far as balances of Trade Receivables are concerned, the company is having a system of sending the online Invoices to the respective customers, which got automatically confirmed on receipt of the amount from such customers.

H. No fund have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind or 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 lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries).The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identifies by or on behalf of the Company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

I. The Company have not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority from where the Company has availed banking facilities.

J. The company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of Layers) Rules, 2017.

K. The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

L. The Company has not traded or invested in Crypto Currency or Virtual Currency.

M. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

N. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

O. Additional Regulatory Information/disclosures as required by General Instructions to Division II of Schedule III to the Companies Act,2013 are furnished to the extent applicable to the company.

28.12 Figures of the current & previous year have been rounded off to nearest rupees in millions.

For ZNet Technologies Private Limited

[Munesh Singh Jadon]
DIRECTOR
DIN : 02722092

[Kapal Suresh Pansari]
DIRECTOR
DIN : 00215919

PLACE : Jaipur
DATE : 21-05-2024

**In terms of our Audit Report of even date
For Kalani & Company
Chartered Accountants
FRN: 000722C**

[Vikas Kumar Pareek]
PARTNER
M. No. 422687