

Registration number: 09892623

# Prodapt (UK) Limited

Annual Report and Financial Statements

for the Year Ended 31 March 2023

KNAV Limited  
Statutory Auditors  
Hygeia Building  
Ground Floor  
66-68 College Road  
Harrow  
Middlesex  
HA1 1BE

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17/04/2024

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## Prodapt (UK) Limited

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**Prodapt (UK) Limited**

**Company Information**

<b>Directors</b>	Mr Mukul Gupta
<b>Registered office</b>	Suite 114 Green Park 200 Brook Drive Reading RG2 6UB
<b>Auditors</b>	KNAV Limited Statutory Auditors Hygeia Building Ground Floor 66-68 College Road Harrow Middlesex HA1 1BE

**Prodapt (UK) Limited**  
**Strategic Report for the Year Ended 31 March 2023**

The director presents his strategic report for the year ended 31 March 2023.

**Principal activity**

The principal activity of the company is that of telecommunications infrastructure management and services.

**Fair review of the business**

The company achieved a turnover of £28,051,949 (2022: £16,738,859) and a gross profit of £6,030,791 (2022: £4,260,377). The profit before taxation amounted to £1,925,748 (2022: £1,261,479).

The company experienced an increase in turnover of 67.5% over the previous year mainly on account of new customer contracts won during the year and growth in our existing customer portfolio.

The directors expect improved results in 2024 and in future years. Increased demands of communication industry underpin our continued growth. The strategic vision is to continue to develop our global capabilities and evolve our existing services to meet the developing market.

**Principal risks and uncertainties**

The company, in conjunction with the ultimate parent company, has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company. The policies set out by the board and agreed with the ultimate parent company are implemented by the company's directors and management. The directors monitor performance through regular review of the financials.

Risks considered by management include the following:

**Credit risk**

The company has implemented policies that require appropriate credit checks on customers before sales are made to minimise the risk of financial loss.

**Liquidity risk**

The company maintains sufficient funds and generates cash from operations to meet working capital requirements. The company has access to short term financing options with the bank and if required, finance facilities from fellow group undertakings. The company regularly monitors and reports compliance with bank covenants and undertakes regular cash flow forecasting in order to ensure working capital requirements are met.

**Foreign exchange risk**

The company has the risk of foreign currency fluctuations associated with US Dollar and Euro denominated transactions for the services provided to customers and fellow group undertakings, as well as services provided by fellow group undertakings. This is monitored closely by management.

**Prodapt (UK) Limited**

**Strategic Report for the Year Ended 31 March 2023 (continued)**

**Interest rate risk**

During the year, the company had variable interest rate risk on its Long-Term Loan and a working capital line which is based on SOFR. The company continues to monitor the interest rate volatility.

This report was approved by the director on 10-04-2024 and signed on its behalf by:



.....  
Mr Mukul Gupta  
Director

**Prodapt (UK) Limited**

**Directors' Report for the Year Ended 31 March 2023**

The directors present their report and the financial statements for the year ended 31 March 2023.

**Directors of the company**

The directors who held office during the year were as follows:

Mr N Subbaiah (resigned 31 December 2023)

Mr G J Heffernan (resigned 31 December 2023)

The following director was appointed after the year end:

Mr Mukul Gupta (appointed 31 December 2023)

**Results and dividends**

The Company's financial results have been discussed in the Strategic Report. During the year no dividends have been paid or declared (2022: No dividends had been paid or declared).

**Financial risk management**

The Directors have identified and included the Company's key risks and associated management policies in the Strategic Report on pages 2 to 3.

**Going concern**

The company is profitable, has positive net current assets and positive shareholders funds as at 31 March 2023. On the basis of their assessment of the Company's financial position the Company's director has a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the approval of these financial statements. The company also has financial support from the parent company should it require it.

As a result, the director has prepared the financial statements on a going concern basis.

**Disclosure of information to the auditors**

The director has taken steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information. The director confirms that there is no relevant information that he knows of and of which he knows the auditors are unaware.

**Reappointment of auditors**

The auditors KNAV Limited are deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report was approved by the director on 10-04-2024 and signed on its behalf by:



Mr Mukul Gupta  
Director

## Prodapt (UK) Limited

### Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Prodapt (UK) Limited**

### **Independent Auditor's Report to the Members of Prodapt (UK) Limited**

#### **Opinion**

We have audited the financial statements of Prodapt (UK) Limited (the 'company') for the year ended 31 March 2023, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Prodapt (UK) Limited**

### **Independent Auditor's Report to the Members of Prodapt (UK) Limited (continued)**

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities [set out on page 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor 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 ISAs (UK) 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.

## Prodapt (UK) Limited

### Independent Auditor's Report to the Members of Prodapt (UK) Limited (continued)

#### Extent to which the audit is capable of detecting irregularities, including fraud

Irregularities, including fraud are instances of non-compliance with laws and regulations. We designed procedures in line with our responsibilities outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularity including fraud is detailed below.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience; through verbal and written communications with those charged with governance and other management, and via inspection of the company's regulatory and legal correspondence.

We discussed with those charged with governance and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations to our team and remained alert to any indicators of non-compliance throughout the audit, we also specifically considered where and how fraud may occur within the company.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the company is subject to laws and regulations that directly affect the financial statements, including the company's constitution, relevant financial reporting standards; company law and tax legislation and we assess the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on the amounts or disclosures in the financial statements, for instance through the imposition of fines and penalties, or through losses arising from litigations. We identified employment legislations as those most likely to have such an affect.

International Auditing Standards (UK) limit the required procedures to identify non-compliance with these laws and regulations to the procedures, and no procedures over and above those already noted are required. These limited procedures did not identify any actual or suspected non-compliance which laws and regulations that could have a material impact on the financial statements.

Our audit procedures included:

- enquiry of management about the Company's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- enquiry of management and review and inspection of relevant correspondence with any legal firms;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;
- review of accounting estimates for biases.

## Prodapt (UK) Limited

### Independent Auditor's Report to the Members of Prodapt (UK) Limited (continued)

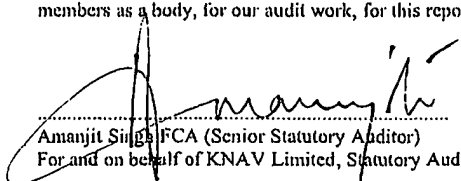
These procedures did not identify any actual or suspected fraudulent irregularity that could have a material impact on the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with International Auditing Standards UK. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the procedures that we are required to undertake would identify it. In addition, as with any audit, there remains a high risk of non-detection of irregularities, as these might involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal controls. We are not responsible for preventing non-compliance with laws and regulations or fraud, and cannot be expected to detect non-compliance with all laws and regulations or every incidence of fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

  
Amanjit Singh FCA (Senior Statutory Auditor)  
For and on behalf of KNAV Limited, Statutory Auditor

Hygeia Building  
Ground Floor  
66-68 College Road  
Harrow  
Middlesex  
HA1 1BE

Date: 10/04/2025

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**Prodapt (UK) Limited**

**Profit and Loss Account for the Year Ended 31 March 2023**

	Note	2023 £	2022 £
Turnover	4	28,051,949	16,738,859
Cost of sales		<u>(22,021,158)</u>	<u>(12,478,482)</u>
Gross profit		6,030,791	4,260,377
Administrative expenses		<u>(4,022,875)</u>	<u>(2,896,493)</u>
Operating profit	5	<u>2,007,916</u>	<u>1,363,884</u>
Interest receivable and similar income	6	210,823	-
Interest payable and similar expenses	7	<u>(292,991)</u>	<u>(102,405)</u>
		<u>(82,168)</u>	<u>(102,405)</u>
Profit before tax		1,925,748	1,261,479
Tax on profit	11	<u>(361,492)</u>	<u>(237,553)</u>
Profit for the financial year		<u>1,564,256</u>	<u>1,023,926</u>

The notes on pages 13 to 26 form an integral part of these financial statements.

**Prodapt (UK) Limited**  
**(Registration number: 09892623)**  
**Balance Sheet as at 31 March 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	12	138,542	154,196
Investments	13	<u>7,033,842</u>	<u>8,933,842</u>
		<u>7,172,384</u>	<u>9,088,038</u>
<b>Current assets</b>			
Debtors	14	12,223,591	7,678,408
Cash at bank and in hand		<u>1,467,815</u>	<u>2,033,328</u>
		13,691,406	9,711,736
<b>Creditors: Amounts falling due within one year</b>	16	<u>(14,178,571)</u>	<u>(10,373,664)</u>
<b>Net current liabilities</b>		<u>(487,165)</u>	<u>(661,928)</u>
<b>Total assets less current liabilities</b>		6,685,219	8,426,110
<b>Creditors: Amounts falling due after more than one year</b>	16	(2,882,353)	(4,287,500)
<b>Provisions for liabilities</b>	17	<u>-</u>	<u>(1,900,000)</u>
<b>Net assets</b>		<u>3,802,866</u>	<u>2,238,610</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Retained earnings		<u>3,802,766</u>	<u>2,238,510</u>
<b>Shareholders' funds</b>		<u>3,802,866</u>	<u>2,238,610</u>

These financial statements were approved and authorised for issue by the director on 16-04-2024



.....  
 Mr Mukul Gupta  
 Director

**Prodapt (UK) Limited**

**Statement of Changes in Equity for the Year Ended 31 March 2023**

	Share capital £	Retained earnings £	Total £
At 1 April 2021	100	1,214,584	1,214,684
Profit for the year	-	1,023,926	1,023,926
Total comprehensive income	-	1,023,926	1,023,926
At 31 March 2022	100	2,238,510	2,238,610
	Share capital £	Retained earnings £	Total £
At 1 April 2022	100	2,238,510	2,238,610
Profit for the year	-	1,564,256	1,564,256
Total comprehensive income	-	1,564,256	1,564,256
At 31 March 2023	100	3,802,766	3,802,866

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023

#### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Suite 114 Green Park

200 Brook Drive

Reading

RG2 6UB

United Kingdom

These financial statements were authorised for issue by the director on 10.04.2024

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102), and the Companies Act 2006.

##### Basis of preparation

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 paragraph 1.12(b), on the basis that it is a qualifying entity and its ultimate parent company, Prodapt Solutions Private Limited, includes these in its own consolidated financial statements:

- the requirement to prepare a statement of cash flows;
- certain financial instrument disclosures;
- from disclosing the company key management personnel compensation.

The functional and presentational currency is Pound Sterling (£), being the currency of the primary economic environment in which the company operates in.

##### Name of parent of group

These financial statements are consolidated in the financial statements of Prodapt Solutions Private Limited.

The financial statements of Prodapt Solutions Private Limited may be obtained from 4th Floor

Prince Infocity II

No. 283/4

Rajiv Gandhi Salai (OMR)

Kandanchavadi

Chennai 600 096

India.

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 2 Accounting policies (continued)

##### Group accounts not prepared

The financial statements contain information about Prodapt Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its ultimate parent, Prodapt Solutions Private Limited, a company incorporated in India.

##### Going concern

The company is profitable, has positive net current assets and positive shareholders funds as at 31 March 2023. On the basis of their assessment of the company's financial position the company's director has a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future, being a period of not less than twelve months from the approval of these financial statements. The company also has financial support from the parent company should it require it.

As a result, the director has prepared the financial statements on a going concern basis.

##### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;  
it is probable that future economic benefits will flow to the entity;  
and specific criteria have been met for each of the company's activities.

##### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

##### Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

##### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 2 Accounting policies (continued)

##### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

##### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Computer equipment	5 years straight line basis
Fixtures and fittings	5 years straight line basis

##### Investments

Investments in subsidiary companies are held at historic cost less any impairment. The investments are reviewed for impairment if there are any events of changes in circumstances that indicate that the carrying value may not be recoverable. If such a review indicates the carrying amount of an investment exceeds the recoverable amount, the investments carrying amount is written down to its recoverable amount in the period in which it is identified. Any impairment is charged to the profit and loss statement.

The recoverable amount is the higher of the net realisable value and value in use. The net realisable value is the amount which an asset could be disposed of less any direct selling costs and value in use is the present value of future cash flows obtainable as a result of an asset's continued use, including those resulting from its ultimate disposal.

##### Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

##### Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

##### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 2 Accounting policies (continued)

##### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

##### Financial instruments

###### Classification

###### i. Financial assets

Basic financial assets, including trade and other debtors, and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method, unless they are receivable within one year. In these instances, assets are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be received.

At the end of each reporting period financial assets are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

###### ii. Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, and amounts due from fellow group undertakings, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 2 Accounting policies (continued)

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method, unless they are payable within one year. In these instances, assets are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid.

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit or Loss Account over the period of the relevant borrowing. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

#### 3 Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS102 requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, turnover, costs, expenses and other comprehensive income that are reported and disclosed in the financial statements and accompanying notes. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant estimates and assumptions are used as follows:

##### *Contingent Consideration in Business Combinations:*

Estimations related to contingent consideration involve assessing the likelihood and timing of future payments that depend on specific outcomes or milestones being achieved post-acquisition. These assessments are based on the best information available at the balance sheet date, including projections of future performance indicators that trigger payment obligations. Valuations are inherently uncertain and involve judgments regarding future events. Changes in the probability or timing of these outcomes, based on new information or actual results, may lead to adjustments in the value of contingent consideration, which are recognised in the financial statements in the period in which the estimates are revised.

##### *Impairment of Investments:*

Determining whether investments have suffered an impairment involves judgments about the recoverability of the carrying amount of the investments, which is inherently uncertain. This assessment includes considering the present value of future cash flows expected to be derived from the investments, market conditions, and the operational performance of the underlying assets or entities. Any reduction in the recoverable amount below the carrying value constitutes an impairment loss, which is immediately recognised in the financial statements. Subsequent changes in estimates or actual outcomes that differ from initial estimates could necessitate adjustments to previously recognised impairment charges or reversals.

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 4 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2023	2022
	£	£
Rendering of services	<u>28,051,949</u>	<u>16,738,859</u>

The analysis of the company's Turnover for the year by market is as follows:

	2023	2022
	£	£
UK	18,272,016	9,018,466
Europe	5,689,409	3,451,395
Rest of world	<u>4,090,524</u>	<u>4,268,998</u>
	<u>28,051,949</u>	<u>16,738,859</u>

#### 5 Operating profit

Arrived at after charging/(crediting)

	2023	2022
	£	£
Depreciation expense	43,615	37,703
Foreign exchange losses/(gains)	<u>101,656</u>	<u>(69,468)</u>

#### 6 Interest receivable and similar income

	2023	2022
	£	£
Interest receivable from group undertakings	<u>210,823</u>	<u>-</u>

#### 7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and borrowings	237,071	102,405
Interest payable to group undertakings	<u>55,920</u>	<u>-</u>
	<u>292,991</u>	<u>102,405</u>

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2023	2022
	£	£
Wages and salaries	7,920,593	5,923,794
Social security costs	867,929	574,187
Other short-term employee benefits	35,641	32,856
Pension costs, defined contribution scheme	161,110	78,534
Other employee expense	113,948	186,925
	<u>9,099,221</u>	<u>6,796,296</u>

The average monthly number of persons employed by the company (including the director) during the year, analysed by category was as follows:

	2023	2022
	No.	No.
Production	11	8
Administration and support	2	2
Sales	73	48
	<u>86</u>	<u>58</u>

#### 9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2023	2022
	£	£
Remuneration	<u>150,000</u>	<u>325,000</u>

Emoluments of the highest paid director were £150,000 (2022: 325,000). There were no company pension contributions (2022: £Nil) made to a pension scheme on his behalf. These amounts have been processed through invoices to the company.

The remaining directors of the company are employees of the ultimate parent undertaking and their salaries are paid by the ultimate parent undertaking. The directors believe that remuneration applicable towards efforts for this company is negligible.

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 10 Auditors' remuneration

	2023	2022
	£	£
Audit of the financial statements	<u>12,000</u>	<u>12,000</u>

#### 11 Taxation

Tax charged/(credited) in the profit and loss account

	2023	2022
	£	£
<b>Current taxation</b>		
UK corporation tax	<u>361,492</u>	<u>237,553</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2022: the same as the standard rate of corporation tax in the UK) of 19% (2022: 19%).

The differences are reconciled below:

	2023	2022
	£	£
Profit before tax	<u>1,925,748</u>	<u>1,261,479</u>
Corporation tax at standard rate	365,892	239,681
Effect of expense not deductible in determining taxable profit (tax loss)	(5,781)	9,618
Tax increase/(decrease) from effect of capital allowances and depreciation	<u>1,381</u>	<u>(11,746)</u>
Total tax charge	<u>361,492</u>	<u>237,553</u>

**Prodapt (UK) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

**12 Tangible assets**

	Computer equipment £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 April 2022	208,698	216	208,914
Additions	<u>27,961</u>	<u>-</u>	<u>27,961</u>
At 31 March 2023	<u>236,659</u>	<u>216</u>	<u>236,875</u>
<b>Depreciation</b>			
At 1 April 2022	54,686	32	54,718
Charge for the year	<u>43,572</u>	<u>43</u>	<u>43,615</u>
At 31 March 2023	<u>98,258</u>	<u>75</u>	<u>98,333</u>
<b>Carrying amount</b>			
At 31 March 2023	<u>138,401</u>	<u>141</u>	<u>138,542</u>
At 31 March 2022	<u>154,012</u>	<u>184</u>	<u>154,196</u>

**13 Investments**

	2023 £	2022 £
Investments in subsidiaries	<u>7,033,842</u>	<u>8,933,842</u>
<b>Subsidiaries</b>		£
<b>Cost or valuation</b>		
At 1 April 2022		8,933,842
Other movements		<u>(1,900,000)</u>
At 31 March 2023		<u>7,033,842</u>
<b>Carrying amount</b>		
At 31 March 2023		<u>7,033,842</u>
At 31 March 2022		<u>8,933,842</u>

Other movements reflect a reduction in the investment's carrying value attributable to changes in the payable status of contingent consideration (refer to note 17 for further details).

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 13 Investments (continued)

##### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2023	2022
<b>Subsidiary undertakings</b>				
Prodapt Chile SpA	Santiago, Chile	Ordinary	100%	100%
Prodapt Colombia S.A.S	Bogota, D.C., Republic of Colombia	Ordinary	100%	100%
Prodapt Consulting (UK) Limited (formally known as SLR Consultants Limited)	England, United Kingdom	Ordinary	100%	100%

##### Subsidiary undertakings

###### *Prodapt Chile SpA*

The principal activity of Prodapt Chile SpA is that of telecommunications infrastructure management and services.

###### *Prodapt Colombia S.A.S*

The principal activity of Prodapt Colombia S.A.S is that of telecommunications infrastructure management and services.

###### *Prodapt Consulting (UK) Limited (formally known as SLR Consultants Limited)*

The principal activity of Prodapt Consulting (UK) Limited (formally known as SLR Consultants Limited) is that focussed on digital engineering and automation services in the TMT industry.

**Prodapt (UK) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

**14 Debtors**

	Note	2023 £	2022 £
Trade debtors		4,064,223	3,620,672
Amounts owed by fellow group undertakings	22	5,939,035	1,919,844
Other debtors		73,941	106,794
Prepayments		61,083	19,708
Accrued income		<u>2,085,309</u>	<u>2,011,390</u>
<b>Total current trade and other debtors</b>		<u><u>12,223,591</u></u>	<u><u>7,678,408</u></u>

Included within the amounts owed by fellow group undertakings are unsecured loans of £4.9m, attracting interest at Libor +1%, which is repayable on demand. The remainder of the amounts owed by fellow group undertakings are unsecured, bear no interest, and are payable on demand.

**15 Cash and cash equivalents**

	2023 £	2022 £
Cash at bank	<u>1,467,815</u>	<u>2,033,328</u>

**16 Creditors**

	Note	2023 £	2022 £
<b>Due within one year</b>			
Loans and borrowings	20	3,212,435	2,671,994
Trade creditors		100,061	273,995
Amounts due to related parties	22	8,372,743	5,361,017
Social security and other taxes		831,952	651,862
Other payables		711,887	646,194
Accrued expenses		536,785	502,262
Corporation tax payable	11	355,969	237,554
Deferred income		<u>56,739</u>	<u>28,786</u>
		<u><u>14,178,571</u></u>	<u><u>10,373,664</u></u>
<b>Due after one year</b>			
Loans and borrowings	20	<u><u>2,882,353</u></u>	<u><u>4,287,500</u></u>

## Prodapt (UK) Limited

### Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

#### 16 Creditors (continued)

Amounts owed to fellow group undertakings are unsecured and are payable on demand. Of this balance, £2,562,000 (2022: £Nil), accrues interest at a rate of SOFR plus 2% per annum. The remainder of the balance is interest-free.

#### 17 Provisions for liabilities

	Other provisions £
At 1 April 2022	1,900,000
Increase (decrease) in existing provisions	<u>(1,900,000)</u>
At 31 March 2023	<u>-</u>

During the prior year, the acquisition of SLR Consultants Limited included contingent consideration with potential payments structured as follows: £1.5 million due in March 2022, £1.5 million due in April 2022, £1.2 million due in March 2023, and £1.2 million due in March 2024. These payments were contingent on achieving specific EBITDA targets for the periods ending 31st March 2022 and 30th April 2022, and certain joint revenue targets for the periods ending 31st March 2023 and 31st March 2024.

As the EBITDA targets for the first two payments were not met, these considerations were excluded from the contingent consideration calculations.

The contingent consideration was initially estimated at £1.9 million as of 31st March 2022, relating to the future revenue-based milestones.

Given that the conditions for the March 2023 payment were not met, and the directors have assessed that the criteria for the March 2024 payment will also not be achieved, the company has taken steps to reverse the entire provision previously recognised for contingent consideration.

#### 18 Pension and other schemes

##### Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £161,110 (2022: £78,534). Contributions totalling £38,267 (2022: £16,154) were payable to the scheme at the end of the year and are included in creditors.

**Prodapt (UK) Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

**19 Share capital**

**Allotted, called up and fully paid shares**

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

**20 Loans and borrowings**

	2023	2022
	£	£
<b>Non-current loans and borrowings</b>		
Bank borrowings	<u>2,882,353</u>	<u>4,287,500</u>

	2023	2022
	£	£
<b>Current loans and borrowings</b>		
Bank borrowings	<u>3,212,435</u>	<u>2,671,994</u>

The company has financed its operations through two term loans from its banking partners, amounting to £2,059,494 and £4,900,000, respectively. The first loan, with a reporting date carrying amount of £2,059,494 (2022: £2,059,494), is scheduled for repayment by September 2023. The second loan, with a reporting date carrying amount of £4,035,294 (2022: £4,900,000), is structured to be repaid over 16 equal instalments ending in September 2026. The repayment schedule commenced in September 2022, leaving 13 instalments outstanding as of 31 March 2023. Of this second loan, £1,152,941 is repayable within the next year, and £2,882,353 is due after more than one year.

The first loan accrues interest at a variable rate equivalent to SONIA plus 2.2% per annum. The second loan accrues interest at a variable rate equivalent to the applicable base rate plus a spread of 3% per annum.

With respect to the first loan, the bank has a specific and special lien on all of the company's present and future stocks, shares, securities, property, book debts, all monies in all accounts whether current, savings overdraft, fixed or other deposits, held with or in custody, legal or constructive, with the bank and/or any relevant entities, now or in future. With respect to the second loan, there is a standby letter of credit (SBLC) from the same lending bank, guaranteeing the commitment of payment in the event of default, equivalent to the loan amount outstanding.

Both loans are guaranteed by the parent entity, Prodapt Solutions Private Limited.

## **Prodapt (UK) Limited**

### **Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)**

#### **21 Dividends**

During the year and as of 31st March 2023, the company have not proposed any dividends, nor have they paid any dividends during the year (2022: the company have not proposed any dividends, nor have they paid any dividends during the year).

#### **22 Related party transactions**

The company has taken advantage of the exemption available in accordance with FRS 102 section 33 'Related Party Disclosures' not to disclose transactions entered into between two or more members of the group, as the company is a wholly owned subsidiary undertaking of the group with which it is party to the transactions.

#### **23 Parent and ultimate parent undertaking**

For this year and the preceding year, the company's immediate and ultimate parent is Prodapt Solutions Private Limited, incorporated in India.

The most senior parent entity producing publicly available financial statements is Prodapt Solutions Private Limited. These financial statements are available upon request from

4th Floor  
Prince Infocity II  
No. 283/4  
Rajiv Gandhi Salai (OMR)  
Kandanchavadi  
Chennai 600 096  
India

For this year and the preceding year, the ultimate controlling party is Prodapt Solutions Private Limited.