ValueFirst Digital Media Private Limited
Balance Sheet as at March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
I. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	3	1,595.94	1,777.54
(b) Right-of-use assets	4	19.72	52.52
(c) Investment property	5	121.11	123.49
(d) Intangible assets under development	6	-	-
(e) Other intangible assets	6A	889.49	1,218.57
(f) Financial assets			
(i) Investments	7	9.87	9.98
(ii) Other financial assets	7A	233.51	418.36
(g) Other non current assets	7B	520.41	-
(h) Deferred tax assets (net)	8	463.52	482.15
Total non-current assets		**3,853.57**	**4,082.61**
Current assets			
(a) Financial assets			
(i) Trade receivables	9	25,052.77	24,798.17
(ii) Cash and cash equivalents	10	1,494.39	1,864.24
(iii) Bank balances other than Cash and cash equivalents	10A	12,335.16	10,107.88
(iv) Loans	11	670.91	718.42
(v) Other financial assets	12	7,374.27	7,598.07
(b) Other current assets	13	1,084.26	1,308.75
Total current assets		**48,011.76**	**46,395.53**
TOTAL ASSETS		**51,865.33**	**50,478.14**
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	14	17.75	17.75
(b) Other equity	15	38,997.15	32,289.99
Total equity		**39,014.90**	**32,307.74**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
Lease liabilities	16	7.83	41.10
(b) Provisions	17	563.74	418.42
Total non-current liabilities		**571.57**	**459.52**
Current liabilities			
(a) Financial liabilities			
(i) Lease liabilities	16	31.91	53.88
(ii) Trade payables	18		
(a) Total outstanding dues of micro enterprises and small enterprises		13.10	354.16
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		3,055.80	10,064.46
(iii) Other financial liabilities	19	8,418.81	5,833.76
(b) Other current liabilities	20	483.26	636.90
(c) Provisions	17	182.88	447.46
(d) Current tax liabilities (net)	17A	93.10	320.26
Total current liabilities		**12,278.86**	**17,710.88**
TOTAL EQUITY AND LIABILITIES		**51,865.33**	**50,478.14**

The accompanying notes form an integral part of the financial statements 1-46

As per our report of even date attached
For **M S K A & Associates LLP [Formerly known as M S K A & Associates]**
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

For and on behalf of the Board of Directors of
ValueFirst Digital Media Private Limited
CIN: U64202TS2003PTC187740

Mukesh Kumar Pugalia
Partner
Membership No. 221387

Vishwadeep Bajaj
Managing Director
DIN: 01724145

Anubhav Batra
Director
DIN: 08729006

Seshanuradha Chava
Director
DIN: 08230070

Place: Hyderabad
Date: April 24, 2026

Place: Hyderabad
Date: April 24, 2026

Place: Hyderabad
Date: April 24, 2026

ValueFirst Digital Media Private Limited
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year ended March 31,2026	For the Year ended March 31,2025
Income			
I. Revenue From Operations	21	67,082.88	73,358.03
II. Other Income	22	1,470.69	982.31
III. Total Income (I+II)		**68,553.57**	**74,340.34**
IV. Expenses			
Cost of services	23	52,159.19	56,797.60
Employee benefits expenses	24	7,559.13	5,763.44
Finance costs	25	6.45	16.79
Depreciation and amortisation expense	26	567.68	608.06
Connectivity and related expenses	27	382.04	893.29
Other expenses	28	1,802.21	1,421.39
Total expenses (IV)		**62,476.71**	**65,500.58**
V. Profit before tax (III - IV)		**6,076.85**	**8,839.76**
VI. Income Tax expense	29		
Current tax		1,452.88	2,173.45
(Excess) / Short provision of tax relating to earlier years		1.50	25.27
Deferred tax/ (benefit)		(1.70)	(19.85)
Total Income tax expense		**1,452.68**	**2,178.87**
VII. Profit for the year (V-VI)		**4,624.18**	**6,660.89**
VIII. Other Comprehensive Income			
(I) Items that will not be reclassified to profit or loss			
Remeasurements of post-employment defined benefit plans		80.93	(283.50)
Income tax relating to items that will not be reclassified to profit or loss		(20.35)	71.35
Total Other comprehensive income for the year		**60.58**	**(212.15)**
IX. Total Comprehensive income for the year (VII + VIII)		**4,684.75**	**6,448.74**
X. Earnings per equity share of par value, INR. 10 /- each (March 31,2025: INR.10/-)			
1. Basic (INR)	30	3,777.18	5,440.83
2. Diluted (INR)		2,372.31	3,420.77

The accompanying notes form an integral part of the financial statements 1-46

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For M S K A & Associates LLP [Formerly known as M S K A & Associates]
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Mukesh Kumar Pugalia
Partner
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Place: Hyderabad
Date: April 24, 2026

For and on behalf of the Board of Directors of

ValueFirst Digital Media Private Limited
CIN: U64202TS2003PTC187740

Vishwadeep Bajaj
Managing Director
DIN: 01724145

Anubhav Batra
Director
DIN: 08729006

Seshanuradha Chava
Director
DIN: 08230070

Place: Hyderabad
Date: April 24, 2026

Place: Hyderabad
Date: April 24, 2026

ValueFirst Digital Media Private Limited
Statement of Cash Flows for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Particulars		Note No	For the Year ended March 31,2026	For the Year ended March 31,2025
I	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Profit before tax		**6,077.38**	**8,839.76**
	Adjustments for:			
	Depreciation and amortisation expense	26	567.68	608.06
	Employee share based compensation expense	24	2,022.40	81.72
	Interest expense on lease liabilities	25	6.45	16.79
	Interest income on fixed deposits	22	(404.79)	(581.80)
	Gain on liquid funds	22	-	(17.15)
	Interest income on other than Fixed deposit	22	(69.15)	(63.84)
	Interest income on security deposits		-	-
	Interest income on sublease	22	(2.11)	(4.12)
	Income from investment property	22	(2.57)	(10.48)
	Interest on Income Tax Refund	22	(243.69)	-
	Unrealised foreign exchange (gain) / loss	22	(740.71)	(135.62)
	Allowance for expected credit loss	28	428.52	40.00
	Loss on sale of property, plant and equipment (net)	28	1.47	-
	Advance written off	28	38.06	38.57
	Investments writeoff		-	0.14
	Operating profits before Changes in operating assets / liabilities		7,678.96	8,812.03
	Changes in operating assets and liabilities:			
	(Increase)/Decrease in trade receivables		57.59	(10,429.94)
	(Increase)/Decrease in financial and non-financial assets		704.40	2,253.85
	Increase/(Decrease) in financial and non-financial liabilities		2,165.92	(39.55)
	Increase/(Decrease) in trade payables		(7,388.20)	1,251.73
	Cash generated from operations		3,218.67	1,848.12
	Income taxes paid net of refund received		(1,731.12)	1,097.51
	Net cash inflows from operating activities		1,487.55	2,945.63
II	**CASH FLOW USED IN INVESTING ACTIVITIES**			
	Interest income received		404.79	224.62
	Receipt of rent income on sub lease		-	26.84
	Payment for acquisition of property, plant and equipment		(23.29)	(327.81)
	Proceeds from sale of property, plant and equipment		-	-
	Payment for acquisition of intangible asset		-	(504.96)
	Investment made in development of intangible asset		-	-
	Income from investments		-	17.15
	Income from investment property		2.57	-
	Loan given to related parties		47.51	-
	Proceeds from / (Investment in) Bank deposits other than Cash & Cash Equivalents		(2,227.28)	(573.82)
	Net cash (used in) investing activities		(1,795.70)	(1,137.98)
III	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Principal Payment of lease liability		(55.24)	(109.62)
	Interest payment on lease liabiity		(6.45)	-
	Repayment of borrowings		-	-
	Net cash (used in) financing activities		(61.69)	(109.62)
IV	**Net increase in cash and cash equivalents**		(369.84)	1,698.03
	Cash and cash equivalents at the beginning of the year		1,864.24	166.21
	Effect of Exchange rates or changes in cash or cash equivalents		-	-
	Cash and cash equivalents at the end of the year (refer note 10A & 10B)		1,494.40	1,864.24

The accompanying notes form an integral part of the financial statements **1-46**

For M S K A & Associates LLP [Formerly known as M S K A & Associates]
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Mukesh Kumar Pugalia
Partner
Membership No. 221387

Place: Hyderabad
Date: April 24, 2026

For and on behalf of the Board of Directors of

ValueFirst Digital Media Private Limited
CIN: U64202TS2003PTC187740

Vishwadeep Bajaj
Managing Director
DIN: 01724145

Anubhav Batra
Director
DIN: 08729006

Seshanuradha Chava
Director
DIN: 08230070

Place: Hyderabad
Date: April 24, 2026

Place: Hyderabad
Date: April 24, 2026

ValueFirst Digital Media Private Limited
Statement of changes in equity for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Note No.	For the Year ended March 31, 2026		For the Year ended March 31, 2025	
		Number	Amount	Number	Amount
Equity shares of Rs 10 each issued, subscribed and fully paid:					
Opening		1,22,424	12.24	1,22,424	12.24
Add: Issued during the year	14				
0.1% series C cumulative compulsorily convertible preference shares of Rs 10 each fully paid up		45,100	4.51	45,100	4.51
8% series B non cumulative compulsorily convertible preference shares of Rs 10 each fully paid up		10,000	1.00	10,000	1.00
Closing		**1,77,524**	**17.75**	**1,77,524**	**17.75**

B. Other Equity

Particulars	Note No.	Reserves and Surplus					Other comprehensive Income	Total
		Retained earnings	Revaluation reserve	Securities premium account	General reserve	Employee Stock Option Account	Remeasurement of Net defined benefit plans	
Balance as at April 01, 2025		**24,145.79**	**12.85**	**5,622.70**	**2,630.23**	**81.72**	**-203.30**	**32,289.99**
Profit for the year		4,624.18	-	-	-	-	-	**4,624.18**
Total Other comprehensive income (net of Tax)	15	-	-	-	-		60.58	**60.58**
RSU cost accounted during the year (Refer note 39)		-			-	2,022.40		**2,022.40**
Balance as at March 31, 2026		**28,769.97**	**12.85**	**5,622.70**	**2,630.23**	**2,104.12**	**(142.72)**	**38,997.15**
Balance as at April 01, 2024		**17,491.88**	**12.85**	**5,622.70**	**2,630.23**	**-**	**8.85**	**25,766.51**
Profit for the year	15	6,660.89	-	-	-		-	**6,660.89**
Proposed dividend on 0.1% Series C cumulative compulsorily convertible preference		-6.98	-	-	-		-	**(6.98)**
Total Other comprehensive income (net of Tax)		-	-	-	-		(212.15)	**(212.15)**
RSU cost accounted during the year (Refer note 39)		-	-	-	-	81.72	-	**81.72**
Balance as at March 31, 2025		**24,145.79**	**12.85**	**5,622.70**	**2,630.23**	**81.72**	**(203.30)**	**32,289.99**

The accompanying notes to the Financial Statements form an integral part of the financial statements 1-46

As per our report of even date attached
For M S K A & Associates LLP [Formerly known as M S K A & Associates]
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Mukesh Kumar Pugalia
Partner
Membership No. 221387
Place: Hyderabad
Date: April 24, 2026

For and on behalf of the Board of Directors of
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CIN: U64202TS2003PTC187740

Vishwadeep Bajaj
Managing Director
DIN: 01724145
Place: Hyderabad
Date: April 24, 2026

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Director
DIN: 08729006
Place: Hyderabad
Date: April 24, 2026

Seshanuradha Chava
Director
DIN: 08230070
Place: Hyderabad
Date: April 24, 2026

1. Corporate information

ValueFirst Digital Media Private Limited (hereinafter referred to as 'the Company') is an Application to person (A2P) messaging platform provider. The Company was incorporated on October 17, 2003 under the provisions of Companies Act, 1956. Its registered and principal office of business is located at Tanla Technology Centre, Hi Tech City Road, Madhapur, Hyderabad, Telangana-500082 and corporate office is at Gurugram, Haryana. The Company provides digital media communication services including enterprise communication services, media solutions, online platforms, social media services and data analytics.

2. Material accounting policy information

2.1. Basis of preparation

(a) Compliance

The company prepare its financial statements in accordance with Indian Accounting Standards("Ind AS") as per section 133 of the companies Act, 2013 notified under the companies (Indian Accounting standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, ("Ind AS Compliant Schedule III"), as applicable to the financial statements.

The Ind AS financial statements were approved by the Board of Directors of the Company on April 24, 2026. The financial statements once approved by the Board of Directors needs to be adopted by the shareholders at the annual general meeting (AGM) of the Company.

(b) Basis of measurement

These financial statements have been prepared under the historical cost basis, except for the following items (refer to individual accounting policies for detail):

- Financial instruments carried at fair value through profit or loss and fair value through OCI
- Contingent consideration arising in business combinations
- Assets held for sale - Lower of carrying amount and fair value less costs of disposal
- Net defined benefit(asset)/ liability - Fair value of plan assets less present value of defined benefit obligation
- Share based payments - Equity settled options at grant date fair value and cash settled share-based payment liabilities at fair value at each reporting date

(c) Presentation currency and rounding off

The financial statements are presented in Indian Rupee (INR) and all values are rounded to nearest lakhs (INR lakhs), except when otherwise indicated.

(d) Going concern

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

2.2. Critical accounting estimates and judgements

In the preparation of the financial statements, the Company makes certain estimates and assumptions which affects carrying values of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

A. Estimates and assumptions

(a) Revenue recognition – estimating variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(b) Leases - estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

(c) Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cashflow ('DCF') model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Company.

(d) Provision for expected credit losses ('ECL') of trade receivables and contract assets

The Company uses a provision matrix to calculate ECLs for trade receivables and contract assets. The provision rates are based on days past due for various customers.

The provision matrix is initially based on the Company's historical observed default rates. At every reporting date, the historical observed default rates are updated.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances. The Company's historical credit loss experience may also not be representative of customer's actual default in the future.

(e) Defined benefit plans (post-employment gratuity)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds where remaining maturity of such bond correspond to expected term of defined benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(f) Provision for leasehold dilapidations

Leasehold dilapidations relate to the estimated cost of returning a leasehold property to its original state at the end of the lease in accordance with the lease terms. The cost is recognised as depreciation of leasehold improvements over the remaining term of the lease. The main uncertainty relates to estimating the cost that will be incurred at the end of the lease.

The provision for leasehold dilapidations has been estimated based on past data of similar leases and taking expert opinion.

(g) Legal proceedings – estimates of claims and legal processes

The Company is currently involved in a number of legal disputes. The amount provided represents the directors' best estimate of the Company's liability having taken legal advice. Uncertainties relate to whether claims will be settled out of court or if not whether the Company is successful in defending any action. Because of the nature of the disputes, the directors have not disclosed future information on the basis that they believe that this would be seriously prejudicial to the Company's position in defending the cases brought against it.

The Company reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Company's management as to how it will respond to the litigation, claim or assessment.

B. Judgements

Leases - determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The Company included the renewal period as part of the lease term for leases of plant and equipment with shorter non-cancellable period (i.e., three to five years). The Company typically exercises its option to renew for these leases because there will be a significant negative effect on operations if a replacement asset is not readily available. The renewal periods for leases of land and buildings with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, the renewal options for leases of other assets are not included as part of the lease term because the Company typically leases such assets for not more than the initial lease period and, hence, is not exercising any renewal options. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

2.3. Fair value measurement

A number of assets and liabilities included in the Company's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

Level 1: Quoted prices in active markets for identical items (unadjusted)
Level 2: Observable direct or indirect inputs other than Level 1 inputs
Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Company measures a number of items at fair value as follows:

Fair value measurement of financial instruments
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Share-based payments
For the measurement of the fair value of equity-settled transactions with employees at the grant date, the Company uses quoted market value or Black-Scholes Model (as applicable). Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

2.4. Climate related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model, products and services will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are as follows.

a. Useful lives of property, plant and equipment and investment properties

When reviewing the residual values and expected useful lives of assets, the Company considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures.

b. Impairment of non-financial assets

The value-in-use may be impacted in several different ways by transition risk in particular, such as climate-related legislation and regulations and changes in demand for the Company's services. The Company has concluded that no single climate-related assumption is a key assumption for the impairment test of goodwill for the current year.

2.5. Current versus non-current classification

The Company segregates assets and liabilities into current and non-current categories for presentation in the balance sheet after considering its normal operating cycle and other criteria set out in Ind AS 1 Presentation of Financial Statements. For this purpose, current assets and liabilities include the current portion of non-current assets and liabilities respectively. Deferred tax assets and liabilities are always classified as non-current.

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

2.6. Summary of material accounting policy information

(a) Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. The cost includes the purchase price, directly attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items.

Freehold land is not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives as follows. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

PPE classification	Useful life specified by Schedule II (in years)	Useful life range estimated by the Company (in years)
Furniture and Fixtures	10	10
Office Equipment	5	5
Vehicle	8	8
Computers:		
-Servers	6	6
-End user devices such as, desktops, laptops etc.	3	6
Airconditioners	10	4-6
Building	60	60

The Company, based on internal assessment made by the management, the Company depreciates certain items of PPE which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under capital work-in-progress ("CWIP"). CWIP is stated at cost, net of accumulated impairment loss, if any.

The Company reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Company considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Furthermore, the Company considers climate related matters, including physical and transition risks. Specifically, the Company determines whether climate related legislation and regulations might impact either the useful life or residual values, e.g., by banning or restricting the use of the Company's fossil fuel-driven machinery and equipment or imposing additional energy efficiency requirements on the Company's buildings.

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

(b) Leases

Identifying leases
The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

a) There is an identified asset;
b) The Company obtains substantially all the economic benefits from use of the asset; and
c) The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Company obtains substantially all the economic benefits from use of the asset, the Company considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Company has the right to direct use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable Ind AS(s) rather than Ind AS 116 “Leases”.

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

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

2) **Lease liabilities -** At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

Company as a lessor
Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease term. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company’s net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

(c) Intangible assets

Externally acquired intangible assets
Externally acquired intangible assets are initially recognised at cost and subsequently amortised on a straight-line basis over their useful economic lives. Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques (see section related to critical accounting estimates and judgements below).

The significant intangibles recognised by the Company, their useful economic lives and the methods used to determine the cost of intangibles are as follows:

Intangible asset	**Useful economic life (in years)**
Software acquired	3 years
Intellectual property right development	3 years
Software internally generated	3 years

The amortisation expense is included within the 'depreciation and amortisation expense' in the statement of profit and loss.

(d) Impairment of non-financial assets (excluding deferred tax assets)

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

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

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

(e) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Cash Flow Statement - Cash flows are reported using the indirect method, whereby Profit / (loss) before exceptional items, share of profit/loss of associate and income tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

(f) Financial instruments

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

A. Financial assets

(a) Initial recognition and measurement - Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section(s) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(b) Subsequent measurement - For purposes of subsequent measurement, financial assets are classified in four categories:

➢ Financial assets at amortised cost (debt instruments)

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. The Company's financial assets at amortised cost includes trade receivables and loans to related parties included under other financial assets.

➢ Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)

A 'financial asset' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. For debt instruments, at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value changes recognised in OCI is reclassified from the equity to profit or loss.

- <u>Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)</u>

  Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

  Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

  The Company has elected to classify irrevocably certain equity investments under this category.

- <u>Financial assets at fair value through profit or loss</u>

  Financial assets in this category are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under Ind AS 109 i.e. they do not meet the criteria for classification as measured at amortised cost or FVOCI. Management only designates an instrument at FVTPL upon initial recognition, if the designation eliminates, or significantly reduces, the inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis. Such designation is determined on an instrument-by-instrument basis. For the Company, this category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. The Company has not designated any financial assets at FVTPL. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

  Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the statement of profit and loss.

  Interest earned on instruments designated at FVTPL is accrued in interest income, using the EIR, taking into account any discount/ premium and qualifying transaction costs being an integral part of instrument. Interest earned on assets mandatorily required to be measured at FVTPL is recorded using the contractual interest rate.

(c) **Derecognition -** A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(d) Impairment of financial assets - Expected credit loss (ECL) is recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company, provides for higher of amount arrived at based on (a) the internal policy of providing old outstanding balances exceeding 1 year by 100% (other than inter-company balances and government / public sector undertaking dues) and (b) applying a simplified approach in calculating ECLs.

The Company, while following simplified approach, does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.
The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

B. Financial liabilities

(a) Initial recognition and measurement - Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, financial liabilities at amortised cost or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

(b) Subsequent measurement - For purposes of subsequent measurement, financial liabilities are classified in two categories:

- <u>Financial liabilities at fair value through profit or loss</u>
  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

  Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ losses are not subsequently transferred to profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

- <u>Financial liabilities at amortised cost</u>
  This is the category most relevant to the Company. After initial recognition, interest-bearing financial liabilities at amortised cost are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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

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

(g) Equity Share capital

Ordinary shares are classified as equity. No gain or loss is recognised in the statement of profit and loss on purchase, sale, issue or cancellation of equity instruments, except in case of employee stock options. Incremental costs directly attributable to the issuance of equity shares or buyback of equity shares are recognised as a deduction from equity, net of taxes.

(h) Dividends

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the AGM.

(i) Provisions and contingent liabilities

The Company has recognised provisions for liabilities of uncertain timing or amount including those for legal and tax related disputes. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability.

Contingent liability is-

(a) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or

(b) a present obligation that arises from past events but is not recognised because
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or
- the amount of the obligation cannot be measured with sufficient reliability.

The Company does not recognise a contingent liability but discloses its existence and other required disclosures in notes to the financial statements, unless the possibility of any outflow in settlement is remote.

(j) Revenue from contracts with customers

Performance obligations and timing of revenue recognition

Majority of the Company's revenue is derived from national long distance (NLD) & international long distance (ILD) Messaging services, WhatsApp, Rich Communication Service (RCS) and other services like Voice, email etc. or of similar nature service rendered to enterprise customers.

The Company determines, based on the terms of agreements entered into with customers, whether each performance obligation is satisfied over time or at a point in time. Revenue from contracts with customers is recognised when the service-rendering entity delivers the agreed service.

Determining the transaction price

Revenue is measured based on the transaction price, as specified in the contract with the customer. It is measured based on the number of messages delivered, as mutually agreed, which adjusted for volume discounts, if any. Revenue also excludes taxes collected from customers which are subsequently remitted to the government.

Revenue from customers is recognised at the occurrence of the event satisfying performance obligation mentioned in the agreement and the service rendering entity is entitled to the consideration in exchange of the delivery of the agreed event.

a) Revenue from messaging services is recognised at a rate per message based on the number of messages processed where there is no uncertainty as to measurement,
b) Revenue in the form of platform fee is recognised at an applicable revenue share percentage on the total consideration derived from platform usage.
c) Revenue from fixed-price contracts such as Platform set-up, integration services and training services, where the performance obligations are satisfied and where there is no uncertainty as to measurement of consideration, is recognised as and when the services are provided. Revenue also excludes taxes collected from customers which are subsequently remitted to the government.
d) Revenue from other services is recognised based on the rate per transaction for the number of transactions processed on our platform which is subject to mutual agreement of volume of transactions processed.

Allocating amounts to performance obligations

For most contracts, there is a fixed unit price for each type of service, with reductions given for bulk orders placed at a specific time. Therefore, there is no judgement involved in allocating the contract price to each unit ordered in such contracts.

Contract assets are recognized when a service is rendered but invoice is pending. Contract assets are classified as unbilled receivables when the right to receive consideration is unconditional and only the act of invoicing is pending, as per the contractual terms. The final billing is subject to mutual agreement on the volume of transactions processed or messages delivered, in accordance with the terms of the contract.

(k) Foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates('the functional currency'). The financial statements are presented in Indian National Rupee (INR), which is the Company's functional and Company's presentation currency.

Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rates between the transaction date and settlement date are recognised in the profit and loss.

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

(l) Employee benefits

Defined contribution schemes

Contributions to defined contribution schemes are charged to the profit and loss in the year to which they relate.

Defined benefit schemes
Defined benefit scheme surpluses and deficits are measured at:
i) The fair value of plan assets at the reporting date; less
ii) Plan liabilities calculated using the projected unit credit method discounted to its present value using yields available on government bonds that have maturity dates approximating to the terms of the liabilities and are denominated in the same currency as the post-employment benefit obligations; less
iii) The effect of minimum funding requirements agreed with scheme trustees.

Remeasurements of the net defined obligation are recognised directly within equity. The remeasurements include:

i) Actuarial gains and losses
ii) Return on plan assets (interest exclusive)
iii) Any asset ceiling effects (interest exclusive).

Service costs are recognised in profit or loss and include current and past service costs as well as gains and losses on curtailments.

Net interest expense (income) is recognised in profit or loss, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset) at the beginning of the annual period to the balance of the net defined benefit obligation (asset), considering the effects of contributions and benefit payments during the period.

Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in profit or loss. Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

Other employee benefits

Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are treated as short-term employee benefits and presented as current liabilities. The Company recognises expected cost of short-term employee benefit as an expense, when an employee renders the related service.

Other employee benefits that are not expected to be settled wholly within 12 months after the end of the reporting period are presented as non-current liabilities (the obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting date) and calculated using the projected unit credit method and then discounted using yields available on government bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations. Remeasurement gains/losses are immediately taken to the statement of profit and loss.

Share-based payments

Equity-settled transactions
The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share options outstanding account in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit and loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognised is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

(m) Income taxes

Tax expense comprises current income tax expense and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company reflects the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences.

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

In the situations where the entity is entitled to a tax holiday under the Income-tax Act, 1961 enacted in India, or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the entity restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity holders of the parent by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders of the parent and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(o) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of directors monitors the operating results of all product segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the Summary Statements.

The operating segments have been identified on the basis of the nature of products/services. Further:

(i) Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter - segment revenue. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result.
(ii) Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
(iii) Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
(iv) Segment results includes margins on inter-segment sales which are reduced in arriving at the profit before tax of the Company.
(v) Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.
(vi) Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated business.

(p) Events after the reporting period

If the Company receives information after the reporting period, but prior to the date when the financial statements are approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

(q) New and amended standards adopted by Company

The Ministry of corporate Affairs ("MCA") notified amendments on May 7, 2025 and August 13, 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

(i) **Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:**

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The Company does not have any supplier finance arrangements during the reporting period.

(ii) **Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants:**

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

(1) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

(2) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.

(3) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(iii) **Amendment to Ind AS 12 – Pillar-Two Tax Reforms**

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

(iv) **Amendment to Ind AS 21-Lack of exchangeability**

The Amendment introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

(r) New standards and amendments notified but not effective

Amendment to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current liabilities with covenants - The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

(a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

(b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.

(c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The below amendments are not yet notified but expected to be notified soon. Once notified, these could be added on below lines.

i) **Amendments to Ind AS 109, Disclosures, Financial Instruments : Disclosures and Ind AS 107 Financial Instruments: Disclosures-Classification and Measurement of Financial Instruments -** The NFRA has approved the below amendment and decided to recommend to the MCA the amendments to Ind AS 109 and Ind AS 107. The amendments clarify-

- the requirements related to the date of recognition and derecognition of financial asset and financial liabilities, with an exception for derecognition of financial liabilities settled via an electronic transfer
- the requirement for assessing contractual cash flow characteristics of financial assets, with additional guidance on assessment of contingent features.
- characteristics of non-recourse loans and contractually linked instruments
- The amendment introduces additional disclosure requirements for equity instruments classified as FVOCI and for financial instruments with contingent features.

ii) **Ind AS 118, Presentation and Disclosure in Financial Statements -** The standard sets out significant new requirements for how financial statements are presented. A new structure of statement of profit and loss, disclosure of management defined performance measures, and enhanced requirements for Companying (aggregation and disaggregation) of information will entail. Additional change is introduction of 'functional' classification of expenses as an option, in addition to classification of expenses by nature in the statement of profit and loss.

Consequential amendments are proposed to other standards under Ind AS, primarily Ind AS 7 Statement of Cash flows and Ind AS 107 Financial Instruments: Disclosures. Entities may need to restate previous year financials for comparison with current year, provide reconciliation for each line item in the statement of profit or loss between (a) the restated amounts presented applying Ind AS 18 and (b) the amounts previously presented applying Ind AS 1 Presentation of Financial Statements.

Consequential amendments to Ind AS 34 will also require an entity to present each of the required headings and subtotals in Ind AS 118 in its condensed interim financial statements in the first year of applying Ind AS 118. Entities with quarterly reporting requirements in accordance with Ind AS 34 will be required to report its statement of profit or loss in accordance with Ind AS 118's requirements in condensed interim financial statements after entity has issued its first set of annual financial statements prepared in accordance with this Standard.

ValueFirst Digital Media Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Note 3:

Property, Plant and Equipment

	Gross carrying amount				Depreciation				Net carrying amount	
	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Freehold										
Plant & Machinery	4.00	-	-	4.00	2.00	-	-	2.00	2.00	2.00
Furniture and Fixtures	59.99	1.64	-	61.63	10.78	5.89	-	16.67	44.96	49.21
Computers	924.46		216.66	707.80	500.54	130.83	213.28	418.09	289.71	423.92
Office equipments	166.44	21.69	11.21	176.92	51.64	28.40	13.08	66.96	109.96	114.80
Vehicles	115.25	-	15.20	100.05	51.52	15.01	15.20	51.33	48.72	63.73
Building	1,185.43	-	-	1,185.43	61.55	23.29	-	84.84	1,100.59	1,123.88
Total	**2,455.57**	**23.33**	**243.07**	**2,235.83**	**678.03**	**203.42**	**241.56**	**639.89**	**1,595.94**	**1,777.54**

	Gross carrying amount				Depreciation				Net carrying amount	
	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Freehold										
Plant & Machinery	4.00	-	-	4.00	2.00	-	-	2.00	2.00	2.00
Furniture and Fixtures	47.59	12.40	-	59.99	5.35	5.43	-	10.78	49.21	42.24
Computers	621.00	303.46	-	924.46	341.00	159.54	-	500.54	423.92	280.00
Office equipments	154.49	11.95	-	166.44	27.00	24.64	-	51.64	114.80	127.49
Vehicles	115.25	-	-	115.25	33.51	18.01	-	51.52	63.73	81.74
Building	1,185.43	-	-	1,185.43	38.25	23.30	-	61.55	1,123.88	1,147.18
Total	**2,127.76**	**327.81**	**-**	**2,455.57**	**447.11**	**230.92**	**-**	**678.03**	**1,777.54**	**1,680.65**

Notes :
(i). The company has not carried out revaluation of PPE during the year
(ii). Refer note 2.6 (a) for accounting policy related to PPE.
(iii).The amount of contractual commitments for the acquisition of PPE is Nil (March 31, 2025- Nil)
(iv). Refer to Note 40 for information on Property pledged as security by the company.

Note 5:
Investment Property

	Gross carrying amount				Depreciation				Net carrying amount	
	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Investment Property	130.62	-	-	130.62	7.13	2.38	-	9.51	121.11	123.49
Total	**130.62**	**-**	**-**	**130.62**	**7.13**	**2.38**	**-**	**9.51**	**121.11**	**123.49**

	Gross carrying amount				Depreciation				Net carrying amount	
	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Investment Property	130.62	-	-	130.62	4.75	2.38	-	7.13	123.49	125.87
Total	**130.62**	**-**	**-**	**130.62**	**4.75**	**2.38**	**-**	**7.13**	**123.49**	**125.87**

Measurement of fair values of immovable properties

The valuation technique and significant unobservable inputs used in determining the fair value measurement of investment property, as well as the interrelationship between key unobservable inputs and fair value, is detailed in the table below:

Valuation Techniques used:

The Company has used the Income approach to estimate the fair value using assumptions regarding the benefits and liabilities of ownership over the asset's life including an terminal value. Income approach involves identification of average sale value per square foot for similar commercial properties residing in same or similar area and making adjustments to sale value per square foot with factors like market competition, negotiation factor and market demand time factor.

Significant unobservable inputs:

Average sale value per square foot per square foot.

Inter-relationship between key unobservable inputs and fair value:

Significant increases/ (decreases) in estimated average sale value per square foot would result in a significantly higher/ (lower) fair value of the properties.

Investment property – Ind AS 40

Accounting policy

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment properties the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

The Company's investment properties consist of commercial property in India given on non-cancellable lease for a period of 11 Months until 30th Nov 2026.

The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Estimation of fair value

As at March 31, 2026 and 31 March 2025, the fair values of the property are INR 189.40 lakhs and INR 169.6 lakhs respectively. These valuations are based on valuations performed by Ar.Alpna Harjai, a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

Fair value hierarchy disclosures for investment properties have been provided in Note 36.

Description of valuation techniques used and key inputs to valuation on investment properties:

Measurement of fair values of immovable properties:

The valuation technique and significant unobservable inputs used in determining the fair value measurement of investment property, as well as the interrelationship between key unobservable inputs and fair value, is detailed below:

Valuation Techniques used:

The Company has used the Direct Comparison (Built-Up) approach to estimate the fair value. This approach involves identification of the prevailing built-up rate per square foot for similar commercial properties in the same or comparable area, based on inputs from real estate agents and online market surveys, and applying this rate to the built-up area of the property, with consideration for factors such as market competition, negotiation factor, floor level, and prevailing market demand.

Significant unobservable inputs:

Average sale value per square foot.

Inter-relationship between key unobservable inputs and fair value:

Significant increases/ (decreases) in estimated average sale value per square foot would result in a significantly higher/ (lower) fair value of the properties.

Note 6:
Intangible assets under development

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Balance at the beginning of the year	-	**212.75**
Add: Additions/ (reversal) during the year	-	0.54
Less: Capitalisations during the year	-	(213.29)
Balance at the end of the year	**-**	**-**

Notes :

(i). Intangible assets under development represent platforms and software under development being internally developed, whose cost includes employee benefits expenses and professional consultancy charges attributable to development.

ValueFirst Digital Media Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Intangible assets under development ageing schedule:
As at March 31, 2026

Particulars	Amounts in CWIP for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-

As at March 31, 2025

Particulars	Amounts in CWIP for a period of			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Projects in progress	-	-	-	-
Projects temporarily suspended	-	-	-	-

Note 6A:
Other Intangible Assets

	Gross carrying amount				Amortization				Net carrying amount	
	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at April 01, 2025	Additions	Disposals	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Software acquired	742.81	-	25.53	717.28	232.79	169.34	25.53	376.60	340.68	510.02
Intellectual property right development	1.00	-	-	1.00	-	-	-	-	1.00	1.00
Software internally generated	1,298.66	-	587.15	711.51	591.11	159.74	587.15	163.70	547.81	707.55
Total	**2,042.47**	**-**	**612.68**	**1,429.79**	**823.90**	**329.08**	**612.68**	**540.30**	**889.49**	**1,218.57**

	Gross carrying amount				Amortization				Net carrying amount	
	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	As at April 01, 2024	Additions	Disposals	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Software acquired	238.39	504.42	-	742.81	120.39	112.40	-	232.79	510.02	156.00
Intellectual property right development	1.00	-	-	1.00	-	-	-	-	1.00	1.00
Software internally generated	1,085.37	213.29	-	1,298.66	398.37	192.74	-	591.11	707.55	436.00
Total	**1,324.76**	**717.71**	**-**	**2,042.47**	**518.76**	**305.14**	**-**	**823.90**	**1,218.57**	**593.00**

Notes :
(i). The company has not carried out revaluation of Intangible assets during the year
(ii). Refer note 2.6 (c) for accounting policy related to Intangible assets.
(iii).The amount of contractual commitments for the acquisition of Intagible assets is Nil (March 31, 2025- Nil)

ValueFirst Digital Media Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Note 4
Right-of-use Assets and Lease Liabilities
Movement in Right of use assets and Lease liabilities is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The movement in right-of-use assets is as		
Opening balance	52.52	122.14
Additions during the year	-	-
Derecognition during the year	-	-
Depreciation charge for the year (refer Note 26)	(32.80)	(69.62)
Depreciation capitalised	-	-
Other adjustments	-	-
Closing balance	**19.72**	**52.52**
(ii) The movement in lease liabilities is as		
Opening balance	94.98	187.81
Addition during the year	-	-
Deletions during the year	-	-
Interest expense on lease liabilities (Refer Note 25)	6.45	16.79
Interest expense capitalized	-	-
Payment of lease liabilities	(61.69)	(109.62)
Total non-current liabilities	**39.74**	**94.98**
(iii) Amounts recognised in cashflows		
Total cash outflows with respect to leases	**(55.24)**	**(109.62)**
(iv) The break-up of current and non-current lease liabilities is as follows:		
Non-current lease liabilities	7.83	41.10
Current lease liabilities	31.91	53.88
(v) The contractual maturities of lease liabilities on an undiscounted basis are as follows:		
Less than one year	33.15	62.77
One to five years	2.69	35.85
More than five years	-	-

Note 7
Investments in Equity Instruments of subsidiary (at cost)- Unquoted

Particulars	As at March 31, 2026	As at March 31, 2025
10,000 (March 31, 2025 10,000) equity shares of Rs. 10 each, fully paid up, in ValueFirst Connect Private Limited	1.00	1.00
10,000 (March 31, 2025 10,000) equity shares of Rs. 10 each, fully paid up, in Transcendent Communications Private Limited	1.00	1.00
10,000 (March 31, 2025 10,000) equity shares of Rs. 10 each, fully paid up, Communique Technology Solutions Private Limited	1.00	1.00
10,000 (March 31, 2025 10,000) equity shares of Rs. 10 each, fully paid up, of Instacamp Marketing Private Limited	-	20.00
10,000 (March 31, 2025 10,000) equity shares of Rs. 10 each, fully paid up, in Octane Marketing Private Limited	1.28	1.28
1,000 (March 31, 2025 1,000) equity shares of Singapore Dollars 10 each, fully paid up in ValueFirst Digital Media PTE. Limited, Singa	5.59	5.59
Total	**9.87**	**29.87**

(All amounts are in INR Lakhs, unless otherwise stated)

Investment in Limited Liability Partnership (LLP)

Particulars	As at March 31, 2026	As at March 31, 2025
Mobtel Services LLP	-	0.03
Navin Communications LLP	-	0.03
Srinand Communications LLP	-	0.03
Supertech Communications LLP	-	0.03
Unimobile Messaging Solutions LLP	-	0.03
EyeSpot Technologies LLP	-	0.05
Ontime Communications LLP	-	0.05
Total	**-**	**0.25**
Less: Provision for diminution in value of investments		
Investment in:		
Instacamp Marketing Private Limited	-	20.00
Mobtel Services LLP	-	0.03
Navin Communications LLP	-	0.03
Srinand Communications LLP	-	0.03
EyeSpot Technologies LLP	-	0.05
Total Provision	**-**	**20.14**
Net Investment	**9.87**	**9.98**

Aggregate value of unquoted investment:		
- In subsidiary companies	9.87	29.87
- In Limited Liability Partnership (LLP)	-	0.25
Aggregate value of provision for diminution in value of investments:		
- In subsidiary companies	**-**	**20.14**

Note 7A
Non-Current Financial and Other Financial Assets

Particulars	As at March 31, 2026	As at March 31, 2025
Financial assets measured at amortised cost		
(a) Security deposits		
Considered good		
Earnest money deposits	16.33	110.22
Other deposits	217.18	278.85
(b) Bank deposits with more than twelve months maturity*	-	10.00
(c) Net investment in sublease	-	19.29
Total	**233.51**	**418.36**

* Refer note 37 for Company's financial instruments at risk, including risk management objectives, policies and methods used to measure financial instruments.

Note 7B
Other non current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets	520.41	-
Total	**520.41**	**-**

Note 8
Deferred tax assets(net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax asset (net)	463.52	482.15
Total	**463.52**	**482.15**

ValueFirst Digital Media Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Deferred tax relates to the following:

Particulars	As at April 1,	Recognised in P&L	Recognised in OCI	As at March 31, 2026
Deferred tax asset				
On Provision for gratuity	163.33	9.46	-20.35	152.44
On Provision for Compensated absences	57.00	4.56	-	61.56
On Provision for doubtful debts	502.74	(97.32)	-	405.42
Total	**723.07**	**(83.30)**	**(20.35)**	**619.42**
Deferred tax liabilities				
On property, plant and equipment	201.93	(35.68)		166.25
On Provision for Investment	0.51	(0.51)		-
On Others	38.48	(48.83)		(10.35)
Total	**240.92**	**(85.02)**	**-**	**155.90**
Deferred tax asset, net	**482.15**	**1.70**	**(20.35)**	**463.52**

Particulars	As at April 1, 2024	Recognised in P&L	Recognised in OCI	As at March 31, 2025
Deferred tax asset				
On Provision for gratuity	107.90	(8.07)	63.50	163.33
On Provision for Compensated absences	37.61	11.54	7.85	57.00
On Provision for doubtful debts	437.46	65.28	-	502.74
Total	**582.97**	**68.75**	**71.35**	**723.07**
Deferred tax liabilities				
On property, plant and equipment	162.84	39.09	-	201.93
On Provision for Investment	5.53	(5.02)	-	0.51
On Others	23.65	14.83	-	38.48
Total	**192.02**	**48.90**	**-**	**240.92**
Deferred tax asset, net	**390.95**	**19.85**	**71.35**	**482.15**

Note 9
Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
Trade receivables-Considered good	26,559.47	26,688.54
Trade receivables - credit impaired	-	-
	26,559.47	**26,688.54**
Less: Provision for impairment of trade receivables		
Trade receivables-Considered good	-	-
Trade receivables – credit impaired	(1,506.70)	(1,890.37)
Total	**25,052.77**	**24,798.17**

1. The Company has pledged their trade receivables and fixed deposit with the HDFC Bank as on March 31, 2026 and March 31, 2025 to fulfil collateral requirements.
2. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor from firms or private companies respectively in which any director is a partner, or director or a member.
3. Trade receivables are non-interest bearing and are generally on credit terms of 30 to 75 days.
4. Refer note 12 for accrued income

Trade receivables ageing schedule:

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables:							
Considered good	4,789.20	11,783.08	2,624.92	5,259.27	2,103.00	-	26,559.47
Credit impaired							-
Disputed Trade Receivables							
Credit impaired	-	-	-	-	-	-	-
Total	**4,789.20**	**11,783.08**	**2,624.92**	**5,259.27**	**2,103.00**	**-**	**26,559.47**
Less: Allowance for expected credit loss	-	-	-	-	-	-	(1,506.70)
Balance at the end of the year	**4,789.20**	**11,783.08**	**2,624.92**	**5,259.27**	**2,103.00**	**-**	**25,052.77**

(All amounts are in INR Lakhs, unless otherwise stated)

As at March 31, 2025

Particulars	Outstanding for following periods from due date of Payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables:							
Considered good	6,620.67	12,367.87	4,669.50	2,217.91	348.85	463.74	26,688.54
Credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables	-	-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**6,620.67**	**12,367.87**	**4,669.50**	**2,217.91**	**348.85**	**463.74**	**26,688.54**
Less: Allowance for expected credit loss	-	-	-	-	-	-	(1,890.37)
Balance at the end of the year	**6,620.67**	**12,367.87**	**4,669.50**	**2,217.91**	**348.85**	**463.74**	**24,798.17**

Note 10
Cash and cash equivalents

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
(i) Balances with banks		
- In current accounts	1,494.39	1,864.24
(ii) Cash on hand	-	-
Total	**1,494.39**	**1,864.24**

Note 10A
Bank balances other than Cash and cash equivalents

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Bank balances other than Cash and cash equivalents		
- Deposits with maturity for more than 3 months but less than 12 months*	12,231.26	10,107.88
- Bank guarantees and margin money	-	-
- Unspent CSR amount	103.90	-
Total	**12,335.16**	**10,107.88**

*The deposits maintained by the Company with banks comprises deposits can be withdrawn by the Company at any point without prior notice or penalty on the principal. The Company has pledged their trade receivables and fixed deposit with the same bank as on March 31, 2026 and March 31, 2025 to fulfil collateral requirements. Refer to Note 37 for information about the company exposed to financial risk.

Note 11
Loans

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
(a) Loans to related parties		
Loan to subsidiary companies	670.91	718.42
Less: Allowance for expected credit loss	-	-
Total	**670.91**	**718.42**

Notes:
Unsecured loan is given to the Company's subsidiaries repayable on demand and carries an interest rate of 9.75% p.a (March 31, 2025: 9.75%).

Note 12
Other financial assets-current

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
(i) Accrued income (refer note 35(f))	6,237.82	6,287.03
(ii) Interest receivable	67.35	799.03
(iii) Other receivables	1,069.10	501.48
(iv) Net investment in sublease	-	10.53
Total	**7,374.27**	**7,598.07**

(All amounts are in INR Lakhs, unless otherwise stated)

Ageing of accrued income as at March 31, 2026

Particulars	Outstanding for following periods from the usage month						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Accrued income	6,008.76	208.85	20.21	-	-	-	6,237.82
Balance at the end of the year	**6,008.76**	**208.85**	**20.21**	**-**	**-**	**-**	**6,237.82**

Ageing of accrued income as at March 31, 2025

Particulars	Outstanding for following periods from the usage month						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Accrued income	5,102.51	819.96	2.86	361.70	-	-	6,287.03
Balance at the end of the year	**5,102.51**	**819.96**	**2.86**	**361.70**	**-**	**-**	**6,287.03**

Note 13
Other current assets

Particulars	As at March 31, 2026	As at March 31, 2025
Advances recoverable in cash or kind	2.50	0.18
Prepaid expenses	1,081.76	1,308.57
Total	**1,084.26**	**1,308.75**

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Note 14

Equity Share Capital

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
(i) Authorised		
27,184,900 (March 31,2025 27,184,900) equity shares of Rs 10 each	2,718.00	2,718.00
45,100 (March 31,2025 45,100) 0.1% series C cumulative compulsorily convertible preference share of Rs 10 each fully paid up	4.51	4.51
10,000 (March 31, 2025) 8% series B non cumulative compulsorily convertible preference share of Rs 10 each fully paid up	1.00	1.00
	2,723.51	**2,723.51**
(ii) Issued Subscribed and fully paid up:		
122,424 (March 31,2025) equity shares of Rs 10 each fully paid up	12.24	12.24
45,100 (March 31,2025) 0.1% series C cumulative compulsorily convertible preference shares of Rs 10 each fully paid up	4.51	4.51
10,000 (March 31,2025) 8% series B non cumulative compulsorily convertible preference shares of Rs 10 each fully paid up	1.00	1.00
Total	**17.75**	**17.75**

i) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:

Particulars	**As at March 31, 2026**		**As at March 31, 2025**	
Equity shares of INR 10 each fully paid	**No. of Shares**	**Amount**	**No. of Shares**	**Amount**
Shares outstanding at the beginning of the year	1,22,424	12.24	1,22,424	12.24
Add: Issued and allotted during the year	-	-	-	-
Shares outstanding at the end of the year	**1,22,424**	**12.24**	**1,22,424**	**12.24**
0.1% Series C cumulative compulsorily convertible				
Balance as at beginning of the year	45,100	4.51	45,100	4.51
Add: Preference shares issued during the year	-	-	-	-
Preference shares at the end of the year	**45,100**	**4.51**	**45,100**	**4.51**
8% Series B non-cumulative compulsorily convertible preference shares				
Balance as at beginning of the year	10,000	1.00	10,000	1.00
Add: Preference shares issued during the year			-	-
Preference shares at the end of the year	**10,000**	**1.00**	**10,000**	**1.00**

ii) Rights, preferences and restrictions attached to the equity shares:

Equity Shares: The Company has only one class of equity shares having a face value of Rs.10 each. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends and dividend, if any declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

a) No class of shares have been issued as bonus shares or for consideration other than cash by the Company in the last five preceding financial years.

b) No class of shares have been bought back by the Company during the period of five years immediately preceeding the current year.

c) Tanla Platforms Limited is the holding Company of the Company and there has been no change in the shareholding during the financial year 2025-26 (refer note (vi))

iii) Series B Non Cumulative Compulsorily Convertible Preference shares
(a) Compulsory Conversion. The Series B Preference Shares shall be compulsorily convertible, that is,
(i) they shall not be directly redeemable by the Company; and
(ii) if not already converted into Equity Shares, subject to clause 3.1(b), they shall be compulsorily converted into one Equity Share on the Series B Conversion Date.

(b) Right of Conversion. The Series B Investor shall be entitled at any time at its discretion to convert all or any whole number of the Series B Preference Shares into a single Equity Share of the Company, whereby on each round of conversion, such Series B Preference Shares to be converted shall convert into only a single Equity Share of the Company, regardless of the number of Series B Preference Shares being converted provided there shall be no more than 5 (five) rounds of conversions or a maximum of 5 Equity Shares issued on conversion of all of Series B Preference Shares.

(c) Conversion Date. The "Series B Conversion Date" shall be the earlier of:
(i) such date on which the Series B Investor exercises its conversion right by issuing a written notice in that regard to the Company,
(ii) the day immediately before the date on which the prospectus is registered with the Registrar of Companies for the QIPO, and
(iii) one day before the expiry of 20 years from the date of issuance of the Series B Preference Shares, i.e., December 2, 2028.

(d) Dividend. The Series B Preference Shares shall carry a non-cumulative dividend of 8% per annum calculated against the Series B Preference Shares Purchase Price, with a dividend preference.

(e) Liquidation Preference. The Series B Preference Shares shall have a liquidation preference

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iv) Series C cumulative compulsorily convertible preference shares

(a) Compulsory Conversion. The Series C CCPS shall be compulsorily convertible, that is,
(i) they shall not be directly redeemable by the Company; and
(ii) each Series C CCPS shall be compulsorily converted into 1 (one) Equity Share (as adjusted for Adjustment Events) on the Conversion Date.

(b) Right of Conversion. The Series C Investors shall be entitled at any time at their discretion to convert all or any whole number of Series C CCPS into Equity Shares.

(c) Conversion Date. The "Conversion Date" shall be the earlier of:
(i) such date on which the relevant Series C Investor exercises its conversion right by issuing a written notice in that regard to the Company,
(ii) the day immediately before the date on which the prospectus is registered with the Registrar of Companies for the QIPO, and (iii) one day before the expiry of 20 years from the completion Date i.e 24 February 2031.

(d) Dividend. The Series C CCPS shall carry a cumulative dividend of 0.1% per annum calculated against the Series C CCPS Subscription Consideration, with a dividend preference.

(e) Liquidation Preference. The Series C CCPS shall have a liquidation preference.

vi) Details of shares held by holding/ultimate holding company and/or their subsidiaries/associates

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
Equity shares of Rs. 10 each fully paid				
Tanla Platforms Limited	1,22,424	12.24	1,22,424	12.24
0.1% Series C cumulative compulsorily convertible preference shares				
Tanla Platforms Limited	45,100	4.51	45,100	4.51
8% Series B non-cumulative compulsorily convertible preference shares				
Tanla Platforms Limited	10,000	1.00	10,000	1.00

vii) The details of shareholder holding more than 5% shares in the Company:

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	in %	No. of Shares	in %
Tanla Platforms Limited	1,22,423	100.00%	1,22,423	100.00%
Mr. Uday Kumar Reddy Dasari	1	0.00%	1	0.00%

Note 15
Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Securities premium	5,622.70	5,622.70
(ii) Retained earnings	28,769.97	24,145.79
(iii) General Reserve	2,630.23	2,630.23
(iv) Share based payment outstanding account	2,104.12	81.72
(v) Other comprehensive income	(142.72)	(203.30)
(vi) Revaluation Reserve	12.85	12.85
Total	**38,997.15**	**32,289.99**

(i) Securities premium

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	5,622.70	5,622.70
Add: Movement during the year	-	-
Closing balance	**5,622.70**	**5,622.70**

(ii) Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	24,145.79	17,491.88
Add: Profit for the year	4,624.18	6,660.89
Proposed dividend on 0.1% Series C cumulative compulsorily convertible preference	-	(6.98)
Closing balance	**28,769.97**	**24,145.79**

(iii) General reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	2,630.23	2,630.23
Add: Additions during the year	-	-
Less: Deletions/transfer during the year	-	-
Closing balance	**2,630.23**	**2,630.23**

(All amounts are in INR Lakhs, unless otherwise stated)

(iv)Share based payment outstanding account

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	81.72	-
Add: Amortisation of share based payment expenses	2,022.40	81.72
Less: Transfer on account of exercise of RSU to securities premium	-	-
Closing balance	**2,104.12**	**81.72**

(v) Other compresenvice income

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(203.30)	8.85
Add: Remeasurement of the net defined benefit asset/liability, net of tax	60.58	(212.15)
Closing balance	**(142.72)**	**(203.30)**

(vi) Revaluation Reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	12.85	12.85
Add: Remeasurement of the net defined benefit asset/liability, net of tax	-	-
Closing balance	**12.85**	**12.85**

(i) Securities premium: The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium, on exercise of stock options. This reserve will be utilised in accordance with provisions of Section 52 of the Act.

(ii) Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to share holders.

(iii) General reserve : The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.

(vi) Share based payment outstanding account: The fair value of the equity-settled share based payment transactions with employees is recognised in statement of profit and loss with corresponding credit to share based payment outstanding account. This will be utilised for allotment of equity shares against outstanding employee stock options.

(v) Items of Other comprehensive income: Represents re-measurement of defined employee benefit plan, i.e. Difference between the interest income on plan assets and the return actually achieved, any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income and subsequently not reclassified into statement of profit and loss.

(vi) Revaluation reserve: Revaluation reserve represents the surplus arising from the revaluation of property, plant and equipment. The revaluation surplus is recognised in other comprehensive income and accumulated under this reserve in equity. On disposal or retirement of the revalued assets, the related revaluation surplus is transferred to retained earnings.

Note 16
Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities-non current (refer note 4)	7.83	41.10
Lease liabilities- current (refer note 4)	31.91	53.88
Total	**39.74**	**94.98**

Note 17
Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Long-term provisions		
Gratuity (refer note 42)	440.66	200.96
Compensated absences	123.08	217.46
Provision for tax		-
Total (A)	**563.74**	**418.42**
Short term provisions		
Gratuity (refer note 42)	182.88	447.46
Compensated absences	-	-
Other Provisions	-	-
Total (B)	**182.88**	**447.46**

Movement in provision for compensated absences	As at March 31, 2026	As at March 31, 2025
Opening balance	217.46	151.42
Provision charged to profit and loss	44.67	86.04
Other comprehensive income	(98.79)	31.23
Payment made during the year	(40.25)	(51.23)
Closing balance	**123.08**	**217.46**

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Note 17A
Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax liability, net	93.10	320.26
Total	**93.10**	**320.26**

Note 18
Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	13.10	354.16
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,055.80	10,064.46
Total	**3,068.90**	**10,418.62**
Amounts due to related parties out of the above trade payables	**(82.81)**	**6,177.78**

Notes:
1. Refer note 33 for the details of amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).
2. Creditors other than micro and small enterprises are non-interest bearing and are settled as per the normal trade cycle.
3. The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in note 37.

Trade payables ageing schedule
As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	7.92	5.18	-	-	-	13.10
ii) Others	1,803.71	810.76	384.70	4.83	51.80	3,055.80
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
v) Unbilled dues	-	-	-	-	-	-
Total	**1,811.63**	**815.94**	**384.70**	**4.83**	**51.80**	**3,068.90**

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					
	Not due	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	0.30	353.86	-	-	-	354.16
ii) Others	4,507.08	5,273.33	233.09	7.68	43.28	10,064.46
iii) Disputed Dues-MSME	-	-	-	-	-	-
iv) Disputed Dues-Others	-	-	-	-	-	-
v) Unbilled dues		-	-	-	-	-
Total	**4,507.38**	**5,627.19**	**233.09**	**7.68**	**43.28**	**10,418.62**

Note 19
Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Other payable - Cost of services	7,521.24	5,572.93
Other payables	897.57	260.83
Total	**8,418.81**	**5,833.76**

Note 20
Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory dues payable	376.49	635.03
CSR Payable	103.90	-
Advances from customers	0.21	0.21
Security deposits	2.66	1.66
Total	**483.26**	**636.90**

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Notes forming part of the Financial Statements for the year ended March 31, 2026
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Note 21

Revenue from operations

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Sale of services (refer note 35)	67,082.88	73,358.03
Total	**67,082.88**	**73,358.03**

Note 22
Other Income

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Interest income on		
- Fixed deposit at amortised cost	404.79	581.80
- Interest Income on loan given to intercompany	69.15	63.84
- Interest income on sublease	2.11	4.12
Income from investment property	2.57	10.48
Gain on liquid funds	-	17.15
Interest on Income Tax Refund	243.69	153.91
Exchange fluctuation	740.71	145.41
Miscellaneous income	7.67	5.60
Total	**1,470.69**	**982.31**

Note 23
Cost of services

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Cost of services	52,159.19	56,797.60
Total	**52,159.19**	**56,797.60**

Note 24
Employee benefits expenses

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Salaries, wages and bonus (refer note 1 below)	5,233.23	5,355.13
Share based payment expense (refer note 2 below)	2,022.40	81.72
Contribution to provident and other funds	122.46	128.85
Staff welfare expenses	181.04	197.74
Total	**7,559.13**	**5,763.44**

Notes:

1. Amount recognised in Statement of Profit and Loss in respect of gratuity is INR. 103.16 Lakhs (March 31, 2025 - INR. 92.48 Lakhs) and in respect of compensated absences is INR. 44.66 Lakhs (March 31, 2025 - Rs. 86.01 Lakhs). Refer note 42.

2. Represents cost accounted for the Restricted Stock Units granted to certain employees of the Company.

Note 25
Finance costs

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Interest expense on lease liabilities (refer note 4)	6.45	16.79
Total	**6.45**	**16.79**

Note 26
Depreciation and amortisation expense

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Depreciation on property, plant and equipment	205.80	233.30
Depreciation on Right-of-use assets (Note no 4)	32.80	69.62
Amortisation on intangible assets	329.08	305.14
Total	**567.68**	**608.06**

Note 27
Connectivity and related expenses

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Data centre and hosting charges	366.91	882.64
Internet and cloud computing charges	15.13	10.65
Total	**382.04**	**893.29**

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Note 28
Other expenses

Particulars	**For the year ended March 31,2026**	**For the year ended March 31,2025**
Communication expenses	13.86	18.68
Dues and subscriptions	189.17	168.74
Travelling expenses	114.72	153.18
Repairs and maintenance expenses	49.72	79.04
Rent, rates and taxes	80.97	95.23
Postage & Courier	1.45	1.84
Printing & stationery	1.18	3.30
Office maintenance	200.90	90.10
General expenses	-	1.86
Insurance expenses	11.49	16.37
Professional charges	373.36	325.19
Auditor remuneration (refer note 1 below)	27.13	27.47
Bank charges	17.11	18.65
Allowance for expected credit loss	428.52	40.00
Corporate social responsibility expense (refer note 32)	143.28	103.90
Marketing expenses	51.68	183.10
Loss on sale of Property,Plant & Equipment	1.47	-
Advance written off	38.06	38.57
Power & fuel	58.16	56.17
Total	**1,802.21**	**1,421.39**

Note 1:
Following is the break-up of Auditors remuneration (exclusive of GST)

Particulars	**For the year ended March 31,2026**	**For the year ended March 31,2025**
Statutory audit	25.00	25.00
Attestation services	1.50	1.50
Reimbursement of expenses (in capacity as statutory auditor)	0.63	0.97
Total	**27.13**	**27.47**

(All amounts are in INR Lakhs, unless otherwise stated)

Note 29

(a) Tax expense

Sl No.	Particulars	For the year ended March 31,2026	For the year ended March 31,2025
(i)	**Income tax expense**		
	Current tax		
	Current tax	1,452.88	2,173.45
	Adjustment of tax relating to earlier years	1.50	25.27
		1,454.38	**2,198.72**
	Deferred tax		
	Deferred tax	(1.70)	(19.85)
		(1.70)	**(19.85)**
	Total income tax expense recognised in the Statement of Profit and Loss	**1,452.68**	**2,178.87**
(ii)	**Income tax expense recognised in other Comprehensive Income**		
	Remeasurement of net defined asset /liability	(20.35)	71.35
	Total income tax expense recognised in OCI	**(20.35)**	**71.35**

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 25.17% (March 31 2025: 25.17%) and the reported tax expense in the Statement of profit and loss is as follows:

(b) Reconciliation of effective tax rate:

S. No.	Particulars	For the year ended March 31,2026	For the year ended March 31,2025
(i)	**Profit before tax**	**6,076.85**	**8,839.76**
	Statutory income tax rate	25.17%	25.17%
	Tax at statutory income tax rate	**1,529.54**	**2,224.97**
(ii)	**Tax effect of:**		
	Reversal of taxes of earlier years	1.50	25.27
	Corporate social responsibility expense	36.06	26.15
	Others (net)	39.30	(5.33)
	Income tax expense	**1,452.68**	**2,178.87**

(c) The following table provides the details of income tax assets and income tax liabilities:

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Non current tax assets(net)	520.41	2,130.40
Current tax liabilities	(93.10)	(2,450.66)
Income tax tax/(liability), net (refer note 7B & Note 17A)	**427.31**	**(320.26)**

Note 30

Earnings per share

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

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit/(loss) attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity
The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Profit attributable to equity share holders of the Company	4,624.18	6,660.89
Profit for calculation of Basic EPS	**4,624.18**	**6,660.89**
Add: preference share dividend	-	6.98
Profit for calculation of diluted EPS	**4,624.18**	**6,667.87**
(a) Weighted average number of equity shares for computation of Basic EPS	1,22,424	1,22,424
(b) Weighted average number of equity shares for computation of Diluted EPS	1,77,524	1,77,524
Nominal value per share	10.00	10.00
Basic earnings per share	**3,777.18**	**5,440.83**
Diluted:		
(c) Effect of potential equity shares on RSUs outstanding	17,399	17,399.00
(d) Weighted average number of equity shares for computation of Diluted EPS	1,77,524	1,77,524
(b)+(c)	1,94,923	1,94,923
Diluted earnings per share	**2,372.31**	**3,420.76**

Note 31
Contingent liabilities and commitments

The Company creates a provision when there is 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 obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made

Contingent assets are neither recorded nor disclosed in the financial statements.

Particulars	Note	As at March 31,2026	As at March 31,2025
Claims against Company, not acknowledged as debts	a-d	545.27	297.05
Outstanding guarantees given by the Company	e	1,561.84	1,613.58

Note

(a). Server Hosting Charges & SMS Charges; Disallowance under Section 14A

The Company received an order from the tax department for AY 2011-12, raising certain additions related to operational expenses, specifically server hosting charges and SMS charges, along with disallowance under Section 14A. The Assessing Officer (AO) alleged that these expenses were either not incurred wholly and exclusively for business purposes or lacked sufficient justification. The total disputed tax amount is Rs.9.50 Lakhs. The Company has filed an appeal before the Commissioner of Income Tax (Appeals). It is our considered view that these are genuine business expenditures, backed by valid documentation and incurred in the normal course of operations. Further, the disallowance under Section 14A is not justified as there is no direct nexus between the expenditure and any tax-exempt income. Based on the legal merits of the case and the documentation available, the management believes that the demand is unsustainable and expects a favourable outcome in appeal.

(b).Disallowance under Section 14A; Server Hosting Charges & SMS Charges; Ad-hoc

This matter pertains to FY 2015-16, a departmental appeal filed against a favourable CIT(A) order already received by the Company. The dispute includes disallowances made under Section 14A, expenses towards server hosting and SMS services, and an ad-hoc disallowance of other business expenses without specific justification. The total tax demand under dispute amounts to Rs.273.08 Lakhs. The CIT(A), after evaluating the documentary evidence submitted by the Company, had earlier ruled in our favour, accepting that all expenses were genuine and incurred for business purposes. The department, however, has appealed against this order before the National Faceless Appeal Centre (NFAC). As the order in favour of the Company was well-reasoned and supported by detailed documentation, we are confident that the appellate authority will uphold the favourable outcome. Therefore, the management considers the likelihood of any financial outflow arising from this matter to be remote.

(c).Unexplained Cash Credit under Section 68

The Company has received a notice under Section 143(3) for AY 2023–24, wherein the tax department has proposed an addition of Rs.2.97 Lakhs under Section 68, alleging unexplained cash credits. The case is currently under scrutiny assessment. The management has already submitted all necessary documentation to support the genuineness of the transaction, including confirmation letters, PAN details, bank statements, and the creditworthiness of the parties involved. The Company believes that the identity and source of funds have been adequately explained and the addition is not warranted. Since the matter is still in the assessment phase and no final order has been passed, the outcome remains pending. However, based on the documentation submitted and the legal position, the management believes it has a robust case and is confident of a favourable resolution.

(d). Disallowance under Section 14A; Server Hosting Charges & SMS Charges

This matter pertains to FY 2014-15, a departmental appeal filed against a favourable CIT(A) order already received by the Company. The dispute includes disallowances made under Section 14A, expenses towards server hosting and SMS servicesThe total tax demand under dispute amounts to Rs.259.72 Lakhs. The CIT(A), after evaluating the documentary evidence submitted by the Company, had earlier ruled in our favour, accepting that all expenses were genuine and incurred for business purposes. The department, however, has appealed against this order before the Delhi High Court. As the order in favour of the Company was well-reasoned and supported by detailed documentation, we are confident that the High Court will uphold the favourable outcome. Therefore, the management considers the likelihood of any financial outflow arising from this matter to be remote.

(e). Guarantees outstanding

Total Guarantees outstanding as of March 31, 2026 amounting to Rs.1,561.84 Lakhs (March 31, 2025 – Rs.1,613.58 Lakhs) have been issued by banks on behalf of the Company. These guarantees have been given by HDFC bank to mobile operators/banks/public sector undertakings towards performance guarantee from the Company.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 32
Corporate Social Responsibility
As per Section 135 of the Act, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit of the immediately preceding three financial years on corporate social responsibility (CSR) activities.

Details of CSR expenditure :

Particulars	As at March 31,2026	As at March 31,2025
(i) Gross amount required to be spent by the Company during the year	143.28	103.90
(ii) Amount approved by the Board to be spent by the company during the year	143.28	103.90
(iii) Amount of expenditure incurred		-
(iv) Unspent at the end of the year	143.28	103.90
(v) Total of previous years unspent	103.90	25.13
(vi) Reason for unspent	ongoing project	ongoing project
(vii) Nature of CSR activities - Ongoing projects Refer note 1 below	NA	NA
(viii) Contribution to Related Parties/ CSR Expenditure incurred with Related Parties	NA	NA
(ix) Where a provision is made in respect to a liability incurred by entering into a contractual obligation, the movements in provision	NA	NA

Note 1: Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

Note 33

The details of amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at March 31, 2026 and March 31, 2025 by the Company. The disclosure pursuant to the said act is as under:

Particulars	As at March 31,2026	As at March 31,2025
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
- Principal	13.10	354.16
- Interest	-	-
(b) the amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) 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 this MSMED Act;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of the each accounting	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act.	-	-

The information has been determined to the extent such parties have been identified on the basis of the information available with the Company.

Note 34
Segment Reporting
The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 ‘Operating Segment’ and believes that the Company has only one reportable segment namely “CPaaS service provider".

Geography-wise details of the Company’s revenues from external customers and its non-current assets (other than financial instruments, investments accounted for using the equity method, deferred tax assets and post-employment benefit assets) are given below:

(i) Analysis of Company’s revenue based on the location of the customers:

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
India	63,759.09	66,646.99
Rest of the world	3,323.79	6,711.04
Total	**67,082.88**	**73,358.03**

(ii) Analysis of Company’s non-current assets (property, plant and equipment, right-of-use assets, capital working progress,goodwill, intangible assets and other non-current assets) based on the location of the assets:

Particulars	As at March 31, 2026	As at March 31, 2025
India	3,156.54	3,182.10
Rest of the world	-	-
Total	**3,156.54**	**3,182.10**

ValueFirst Digital Media Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Note 35
Revenue from operations

(a) Revenue recognised from contracts with customers

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Revenue recognised from customer contracts	67,082.88	73,358.03
Less: Impairment losses recognised	-	-
Total Revenue	**67,082.88**	**73,358.03**

(b) Disaggregate revenue information
The Company disaggregates the revenue from customers by types of services rendered geographically which is Primarily from A2P SMS Services and ancillary services related to A2P SMS services. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of the revenues and cash flows are affected by industry, market and other economic factors.

(c) Geographic revenue

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Overseas	3,323.79	6,711.04
India	63,759.09	66,646.99
Total	**67,082.88**	**73,358.03**

(d) Timing of revenue recognition

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Point in time	67,082.88	73,358.03
Over time	-	-
Total Revenue	**67,082.88**	**73,358.03**

(e) Movement in expected credit loss during the year

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Opening balance (A)	(1,890.37)	(1,954.53)
Additional provision (net)(Refer note 28)	(428.52)	(40.00)
Bad debts written off	812.17	104.16
Closing Balance (B)	**(1,506.72)**	**(1,890.37)**

(f) Contract balances
Following table covers the movement in contract balances during the year:

Particulars	Contract Asset	
	For the year ended March 31,2026	**For the year ended March 31,2025**
Opening balance (A)	6,287.03	9,449.97
Add: Revenue recognised during the year	67,082.88	73,358.03
Less: Progress bills raised during the year (net of adjustments)	(67,132.08)	(76,520.97)
Closing Balance (B)	**6,237.82**	**6,287.03**

Disaggregation of revenue
1.Disaggregate the revenue based on the nature of services
2. Reconciliation of revenue recognized in the statement of profit and loss to be disclosed

Reconciliation of contract price with revenue during the year	For the year ended March 31,2026	For the year ended March 31,2025
Revenue as per contract price	77,538.89	82,542.50
Adjustments:		
- Discount	-	-
- Credit notes issued	(10,456.01)	(9,184.47)
- Scheme Cost	-	-
- Variable Consideration Component	-	-
Revenue recognized in statement of profit and loss	67,082.88	73,358.03

No single customer has accounted for more than 10% of the company’s revenue for the year ended March 31st, 2026 and March 31st, 2025.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 36

Financial instruments by category
For amortised cost instruments, carrying value represents the best estimate of fair value.

Sl. No.	Particulars	Fair value hierarchy	Carrying value March 31, 2026	Fair Value March 31, 2026	Carrying value March 31, 2025	Fair Value March 31, 2025
(i)	**Financial Assets:**					
	Amortised cost					
	Trade Receivables	Level -3	25,052.77	25,052.77	24,798.17	24,798.17
	Cash and cash equivalents	Level -3	1,494.39	1,494.39	1,864.24	1,864.24
	Bank balances other than cash and cash equivalents	Level -3	12,335.16	12,335.16	10,107.88	10,107.88
	Earnest money deposits	Level -3	16.33	16.33	110.22	110.22
	Bank deposits with more than twelve months maturity	Level -3	-	-	10.00	10.00
	Other deposits		217.18	217.18	278.85	278.85
	Net investment in sublease	Level -3	-	-	29.82	29.82
	Accrued income	Level -3	6,237.82	6,237.82	6,287.03	6,287.03
	Interest receivable	Level -3	67.35	67.35	799.03	799.03
	Other receivables	Level -3	1,069.10	1,069.10	501.48	501.48
	Loans to related parties	Level -3	670.91	670.91	718.42	718.42
	Total Financial assets		**47,161.00**	**47,161.00**	**45,505.14**	**45,505.14**
(ii)	**Financial Liabilities:**					
	Amortised cost					
	Trade payables	Level -3	3,068.90	3,068.90	10,418.62	10,418.62
	Lease liabilities	Level -3	39.74	39.74	94.98	94.98
	Security deposits	Level -3	2.66	2.66	1.66	1.66
	Other payables	Level -3	8,418.81	8,418.81	5,833.76	5,833.76
	Total Financial Liabilities		**11,530.12**	**11,530.12**	**16,349.02**	**16,349.02**

Note 37
Financial risk management
The Company is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes. There have been no significant changes in the company risk management objective for managing financial risk during the year.

(a) Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.The company doesn't have significant concentration of risk with idustry or geographic region.

(i) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investment in deposits with banks are for short durations and therefore do not expose the Company to significant interest rate risk. The Company's principle source of liquidity are cash and cash equivalents and the cash flow is generated from operations. The Company believes that the working capital is sufficient to meet its current requirements and accordingly, no risk is perceived.

(ii) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company’s exposure to the risk of changes in foreign exchange rates relates primarily to the Company’s operating activities (when revenue or expense is denominated in a different currency from the Company’s functional currency).

(All amounts are in INR Lakhs, unless otherwise stated)

a) Significant foreign currency risk exposure relating to financial assets and financial liabilities are as follows:

Particulars	**As at March 31, 2026**		**As at March 31, 2025**	
	Foreign currency	**INR**	**Foreign currency**	**INR**
Financial assets				
Trade receivables				
- USD	27.10	2,525.93	68.44	5,849.85
- EUR	-	-	-	-
- SGD	-	-	0.00	0.00
Bank accounts				
- USD	8.78	779.13	5.21	445.45
Financial liabilities				
Trade payables				
- USD	0.06	6.06	1.72	146.87
- EUR	13.53	1,463.11	25.51	2,357.21
- AED	7.05	179.79	6.93	161.28
- GBP	-	-	0.00	0.17
- AUD	0.00	0.02	0.03	1.50

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar exchange rate (or any other material currency), with all other variables held constant, of the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities). The Company's exposure to foreign currency changes for all other currencies is not material.

Currency	**March 31, 2026**		**March 31, 2025**	
	5% Increase	**5% Decrease**	**5% Increase**	**5% Decrease**
AUD	0.00	0.00	0.03	0.03
AED	7.40	6.70	7.28	6.58
USD	37.74	34.14	79.14	71.60
EUR	14.21	12.85	26.79	24.23

(iii). Other Price Risk

The Company is not exposed to other price risk as it does not hold financial instruments whose value is affected by changes in market prices other than foreign exchange rates and interest rates.

(b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from the Company's receivables from customers, deposits with landlords and other statutory deposits with regulatory agencies and also arises from cash held with banks and financial institutions. The company does not hold any collateral or other credit enhancements in respect of its financials assets. Accordingly, the carrying amount of financial assets represents the maximum exposure to credit risk. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, considering their financial position, past experience and other factors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts. The Company does a proper financial and credibility check on the landlords before taking any property on lease and hasn't had a single instance of non-refund of security deposit on vacating the leased property. The Company also in some cases ensure that the notice period rentals are adjusted against the security deposits and only differential, if any, is paid out thereby further mitigating the non-realization risk. The Company does not foresee any credit risks on deposits with regulatory authorities.

Trade receivables

The customer's credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management.

Credit quality of a customer is assessed based on the individual credit limits are defined in accordance with the assessment and outstanding customer receivables are regularly monitored.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables. The maximum exposure to credit risk as at reporting date is primarily from trade receivables amounting to 26,559.47 (March 31, 2025: 26,688.54). The movement in allowance for doubtful debts in respect of trade receivables during the year was as follows:

Allowance for doubtful debts	**March 31, 2026**	**March 31, 2025**
Opening balance	(1,890.37)	(1,954.53)
Allowance for doubtful debts	(428.52)	(40.00)
Less: Bad debts written off	812.17	104.16
Closing balance	**(1,506.72)**	**(1,890.37)**

(a) The Company applies the simplified approach permitted by Ind AS 109 for measuring expected credit losses on trade receivables, whereby lifetime expected credit losses are recognised from initial recognition. The loss allowance is measured using a probability-weighted estimate of credit losses, taking into account historical experience, current conditions and forward-looking information.

(b) The Company measures expected credit losses on trade receivables based on a probability-weighted estimate of credit losses, taking into account historical experience, current conditions and forecasts of future economic conditions. The loss allowance recognised at the reporting date represents lifetime expected credit losses.

(All amounts are in INR Lakhs, unless otherwise stated)

Liquidity risk trade receivables – ECL table

		Trade receivables						Total
		Current	1-30 days past due	31-60 days past due	61-90 days past due	91-180 days past due	More than 180 days past due	
ECL rate		0.74%	1.84%	2.46%	4.19%	4.23%	11.91%	
31-Mar-26	Estimated total gross carrying amount at default	5,136.38	4,576.97	3,554.03	1,119.90	2,601.88	9,570.32	26,559.47
	ECL- simplified approach	38.27	84.15	87.27	46.93	110.15	1,139.93	1,506.70
	Net carrying amount	**5,098.11**	**4,492.81**	**3,466.76**	**1,072.97**	**2,491.73**	**8,430.39**	**25,052.77**
31-Mar-25	Estimated total gross carrying amount at default	9,091.40	3,902.03	2,420.39	1,744.27	2,739.38	6,791.07	26,688.54
	ECL- simplified approach	67.21	70.66	57.57	75.26	119.71	1,499.97	1,890.37
	Net carrying amount	**9,024.19**	**3,831.37**	**2,362.82**	**1,669.01**	**2,619.67**	**5,291.11**	**24,798.17**

Other Financial Assets
Other financial assets such as cash and bank balances, deposits and loans are considered to have low credit risk as they are held with counterparties with strong creditworthiness and no history of default. Accordingly, loss allowance is measured at an amount equal to 12-month expected credit losses.

(c) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

The table below summarises the maturity profile of the Company's financial liabilities:

Particulars	Carrying amount	Total	Contractual cash flows		
			Up to 1 year	From 1 to 5 years	More than 5 years
March 31, 2026					
Trade payables	3,068.90	3,068.90	2,627.57	441.33	-
Other financial liability	8,418.81	8,418.81	8,418.81	-	-
Security deposits	2.66	2.66	2.66		
Lease liability	39.74	39.74	31.91	7.83	-
Total	**11,530.11**	**11,530.11**	**11,080.95**	**449.16**	**-**
March 31, 2025					
Trade payables	10,418.62	5,867.96	5,627.19	233.09	7.68
Other financial liability	5,833.76	5,833.76	5,833.76	-	-
Security deposits	1.66	1.66	1.66		
Lease liability	94.98	94.98	53.88	41.10	-
Total	**16,349.02**	**11,798.36**	**11,516.49**	**274.19**	**7.68**

Note 38
Capital Management
The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Hence, the Company may adjust any dividend payments, return capital to shareholders or issue new shares or sell assets to reduce debt. Total capital is the equity as shown in the statement of financial position. Currently, the Company primarily monitors its capital structure on the basis of the following gearing ratio. Management is continuously evolving strategies to optimize the returns and reduce the risks. It includes plans to optimize the financial leverage of the Company.

The capital for the reporting year under review is summarized as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Total Borrowings	-	-
Less: Cash and cash equivalents and Bank balances other than Cash and cash equivalents	13,829.55	11,972.12
Total Surplus/(debt)	**13,829.55**	**11,972.12**
Total Equity	39,014.90	32,307.74
Gearing ratio	-	-

The Company is predominantly equity financed which is evident from the capital structure table.

(All amounts are in INR Lakhs, unless otherwise stated)

Note 39
Share based payment expenses:

A. Restricted Stock Unit Plan 2025 (RSUs)

The Company has instituted ValueFirst Employee Stock Based Plan on 13-Mar-2025, wherein shareholders of the Company have approved 17,399 (Seventeen thousand three hundred and ninety nine) RSUs to the eligible employees of the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
	No. of RSUs	No. of RSUs
RSUs outstanding at the beginning of the year	17,399	-
Granted during the year	-	17,399
Vested during the year	-	-
Exercised during the year	-	-
Lapsed during the year	-	-
Forfeited during the year	-	-
RSU outstanding at the end of the year	17,399	17,399
RSUs vested and exercisable at the end of the year	-	-

*The fair value of each option is estimated on the date of grant using the Discounted cash flow method under income approach.

Break-up of share based payment expense (refer note 24)		
Particulars	**As at March 31, 2026**	**As at March 31, 2025**
KMP	1,602.76	65.680
Employees other than KMP	501.36	16.040
Total	**2,104.12**	**81.720**

Note 40: Assets pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
Current assets			
Trade receivables	9	25,052.77	24,798.17
Fixed deposits	10A & 7A	12,231.26	10,117.88
Total Current assets pledged as security		**37,284.03**	**34,916.05**

Note : Sanctioned limit has been secured by giving security as collateral being books debts, fixed deposits and commercial property with HDFC bank .

Note 41: Related Party Disclosures

A) List of Related Parties:

(i) Name of the Related Party	Country	Relationship with the Entity
Tanla Platforms Limited	India	Holding Company
PT Karix Communications Indonesia (w.e.f February 14, 2025)	Indonesia	Entity under common control
Karix Mobile Private Limited	India	Fellow Subsidiary
Gamooga Softtech Private Limited (Merged with Karix Mobile Private Limited w.e.f. April 01, 2025)	India	Fellow Subsidiary
Tanla Mobile Asia Pacific Pte Limited	Singapore	Fellow Subsidiary
Tanla Digital Labs Private Limited	India	Fellow Subsidiary
Tanla Digital (India) Private Limited	India	Entity under common control
Karix Mobile FZ LLC (Formerly known as Tanla Digital Labs FZ-LLC)	UAE	Entity under common control
Tanla Foundation	India	Fellow Subsidiary
Tanla Digital Labs Private Limited., London,(UK) (liquidated on February 11, 2025)	United Kingdom	Entity under common control
Tanla Mobile Middle East LLC, Saudi Arabia (w.e.f January 30, 2025)	UAE	Entity under common control
TPL ESOP Trust (w.e.f May 28, 2024)	India	Fellow Subsidiary
ValueFirst Connect Pvt Ltd	India	Subsidiary
Transcendent Communications Pvt Ltd	India	Subsidiary
Communique Technology Solutions Pvt Ltd	India	Subsidiary
Instacamp Marketing Pvt Ltd. (dissolved on September 15, 2025)	India	Subsidiary
ValueFirst Digital Media Pte Ltd., Singapore	Singapore	Subsidiary
Navin Communications LLP (dissolved on September 28, 2024)	India	Subsidiary
Supertech Communications LLP (dissolved on March 18, 2026)	India	Subsidiary
Unimobile Messaging Solutions LLP	India	Entity under common control
Eyespot Technology LLP (dissolved on February, 2024)	India	Entity under common control
Octane Marketing Pvt Ltd	India	Subsidiary
Karix Mobile LLC (w.e.f June 19, 2025)	Saudi Arabia	Entity under common control
Karix Brazil LTDA (w.e.f January 09, 2026)	Brazil	Entity under common control
Mobtel Services LLP (dissolved on September 28, 2024)	India	Subsidiary
Srinand Communications LLP (dissolved on September 28, 2024)	India	Subsidiary
Ontime Communications LLP (dissolved on March 18, 2026)	India	Subsidiary

(ii) Key Managerial Personnel

Vishwadeep Bajaj	Managing Director
Abhishek Kumar Jain	Director (resigned w.e.f 12-08-2025)
Anubhav Batra	Additional Director (appointed w.e.f 14.08.2025)
Amrita Gangotra	Independent director (resigned w.e.f 25-07-2024)
Rohit Bhasin	Independent director (resigned w.e.f 25-07-2024)
Rahul Khanna	Independent director(resigned w.e.f 16-07-2025)
Ram Sewak Sharma	Independent director(appointed w.e.f 26-09-2024)
Seshanuradha Chava	Professional Director (appointed w.e.f 26-09-2024)

(All amounts are in INR Lakhs, unless otherwise stated)

B) Related party outstanding balances for the year ended March 31, 2026:

Name of the party and Nature of Transactions	Transactions Dr/(Cr)		Balance Outstanding Dr/(Cr)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Tanla Platforms Limited				
Services received	9,945.06	27,352.01	604.14	(6,177.28)
Services rendered	243.66	591.59	-	647.77
Dividend Paid	-	6.98	-	-
Rent paid	1.50	2.75	-	-
Karix Mobile Private Limited				
Services received	2,632.32	5,861.98	185.43	0.50
Services rendered	592.35	2,111.59	463.17	-
ValueFirst Connect Private Limited				
Loan given including interest accrued	-	-	61.17	53.36
Other advances given	-	-	-	-
Interest Expenses\(Income)	(5.20)	(4.74)	-	-
Transcendent Communications Pvt Ltd				
Advances given	-	-	2.52	2.52
Communique Technology Solutions Pvt Ltd				
Loan given including interest accrued	-	-	13.79	12.04
Interest Expenses\(Income)	(1.16)	(1.07)	-	-
Instacamp Marketing Pvt Ltd.				
Loan given including interest accrued	-	-	-	3.89
Interest Expenses\(Income)	-	-	-	-
ValueFirst Digital Media Pte Ltd.				
Other advances repaid	-	-	-	-
Interest Expenses\(Income)	(67.72)	(57.69)	-	-
Loans given including interest accrued	-	-	1,424.28	649.12
Unimobile Messaging Solutions LLP				
Services received	-	2.23	-	-
Advances given	-	-	3.55	4.26
Tanla Mobile Asia Pacific Pte Ltd				
Services received	273.21		258.68	
Services rendered	73.42	-	69.51	-

C) Transactions with KMP

Particulars	Transactions Dr/(Cr)		Balance Outstanding Dr/(Cr)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Salaries and other employee benefits to KMP	387.091	1,001.06	-	-
Other benefits to non-executive directors	2	26.00	-	-
Total	**389.09**	**1,027.06**	**-**	**-**

(D) Terms and conditions of transactions with related parties:
The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

42. Employee Benefit Plans

The Company has following post employment benefit plans:

(a) Defined contribution plans

Contributions were made to provident fund and Employee State Insurance in India for the employees of the Company as per the regulations. These contributions are made to registered funds administered by the Government of India. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any other constructive obligation.

Employee benefit Plan – Provident fund

Contribution to Defined Contribution Plan	March 31, 2026	March 31, 2025
Employer's Contribution towards Provident Fund (PF) and NPS	115.56	121.17
Employer's Contribution towards Employee State Insurance (ESI)	0.05	0.16

(All amounts are in INR Lakhs, unless otherwise stated)

(b) Defined benefit plan

The Company has a defined benefit gratuity plan and governed by the Payment of Gratuity Act, 1972. Every employee who has completed five years or more of service is entitled to a gratuity on departure at 15 days salary for each completed year of service. The following table summarise net benefit expense recognized in the statement of Profit and Loss, the status of funding and the amount recognised in the balance sheet for the gratuity plan.

Particulars	**As at March 31, 2026**	**As at March 31, 2025**
Net Employee Benefit Expense		
(Recognised in Employee Benefit Expense)		
Current service cost	63.08	66.01
Past service cost	-	-
Interest cost	40.08	26.47
Expected return on plan assets	-	-
Net employee benefit expense	**103.16**	**92.48**
Amount recognised in Balance Sheet		
Defined benefit obligation	622.35	647.22
Fair value of plan assets	-	-
Liability recognised in Balance sheet	**622.35**	**647.22**
Changes in the present value of the defined benefit obligation		
Opening defined benefit obligation	647.22	430.69
Current service cost	63.08	66.01
Past service cost	-	-
Interest cost	40.08	26.47
Benefits paid	(145.90)	(128.23)
Net actuarial (gains)/losses on obligation for the year recognised under OCI	17.86	252.28
Closing defined benefit obligation	**622.34**	**647.22**
Actuarial Assumptions		
Discount Rate	7.78%	6.98%
Rate of increase in Salary	7.05%	6.00%
Expected average remaining working lives of employees (years)	23.86	23.21
Attrition Rate	30%	30%

A quantitative sensitivity analysis for significant assumption is as shown below:

Impact on defined benefit obligation	**As at March 31, 2026**	**As at March 31, 2025**
Discount rate		
1% increase	606.27	630.65
1% decrease	639.52	664.94
Rate of increase in salary		
1% increase	639.67	665.04
1% decrease	605.54	629.91
Mortality rate		
1% increase	622.38	647.26
1% decrease	622.32	647.19
Attrition rate		
1% increase	622.70	647.54
1% decrease	621.96	646.87

Maturity profile of defined benefit obligation		
Year	**As at March 31, 2026**	**As at March 31, 2025**
Apr 2025- Mar 2026	182.42	132.28
Apr 2026- Mar 2027	134.14	107.30
Apr 2027- Mar 2028	122.09	94.90
Apr 2028- Mar 2029	80.46	63.49
Apr 2029- Mar 2030	66.89	51.05
Apr 2030- Mar 2031	50.35	37.67
Apr 2031- Mar 2032	38.18	28.59
Apr 2032- Mar 2033	31.20	23.37
Apr 2033- Mar 2034	21.78	16.08
Apr 2035 onwards	74.52	52.05

The weighted average duration of the defined benefit obligation as of March 31,2026 is 4 years (March 31, 2024: 3 years)

ValueFirst Digital Media Private Limited
Notes forming part of the Financial Statements for the year ended March 31, 2026
(All amounts are in INR Lakhs, unless otherwise stated)

Note 43. Ratios

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	% of Variance	Reason for Variance
(a) Current ratio	Current assets	Current liabilities	3.91	2.62	49.26%	Increase in current ratio is due to decrease in outstanding to trade payable.
(b) Debt-equity ratio	Total debt	Shareholders equity	NA	NA	NA	NA
(c) Debt Service Coverage ratio	Net profit after taxes+ Non-cash operating expenses +finance cost	Interest payments+Principal repayments	NA	NA	NA	NA
(d) Return on equity ratio	Net profits after taxes	Average shareholders equity	0.13	0.23	-43.62%	Decrease in profit is due to increase in employee cost and reduction in sales.
(e) Trade receivables turnover ratio	Net credit sales	Average trade and unbilled receivables	2.15	2.63	-18.22%	Refer Note 1
(f) Trade payables turnover ratio	Cost of services+connectivity expenses+other expenses	Average Trade Payables and other payables towards cost of services	4.09	3.86	5.93%	Refer Note 1
(g) Net capital turnover ratio	Net sales	Working capital=Current assets-Current liabilities	1.88	2.56	-26.59%	The ratio decrease is primarily due to reduction in sales
(h) Net profit ratio	Net profit after taxes	Net sales	0.07	0.09	-24.08%	Refer Note 1
(i) Return on capital employed	Earnings before interest and taxes	Capital employed=Total equity	0.16	0.27	-43.12%	Decrease in return on capital employed is due to increase in employee cost and reduction in sales.
(j) Return on investment	Interest income	Fixed deposits & liquid funds	0.03	0.00	0.00%	Refer Note 1

Note 1: As the variation in the respective ratios does not exceed 25%, no explanation is provided for the variance.

Note 44
Previous year figures have been reclassified/regrouped wherever necessary to correspond with the current year's classification/disclosures.

Note 45 Audit Trail

The Company has used an accounting software for maintaining its books of account (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility,the company is unable to assess Audit trail enablement at database level in the absence of coverage in SOC report. Accordingly, we are unable to assess whether the audit trail feature has been operated throughout the year for all relevant transaction recorded in the software or whether there is any instance of audit trail feature being tampered with or whether the audit trail of prior years(s) has been preserved by the Company as per the statutory requirements for record retention.

Note 46
Other Statutory information
i. The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property under Benami Transactions (Prohibitions) Act 1988 and rules made there under.

ii. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

iii. The Company doesn't have any charges or sanction which is yet to be registered with Registrar of Companies beyond the statutory period.

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

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

vi. The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vii. The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

viii. The Company does not have 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).

ix. The Company has been sanctioned working capital limits from Banks on the basis of security of debtors and fixed deposits. Quarterly returns / statements are filed with such Banks are in agreement with the books of accounts.

x.The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act and with the Companies (Restriction on number of layers) Rulers 2017.

xi. The Company has not entered into any Scheme of Arrangement (including merger, amalgamation, or demerger) during the current or previous financial year under the provisions of the Companies Act, 2013 that has an accounting impact on the financial statements.

xii. The Company has obtained Borrowings from Bank and utilised for the purpose for which it was obtained.

As per our report of even date attached

For M S K A & Associates LLP [Formerly known as M S K A & Associates]
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Mukesh Kumar Pugalia
Partner
Membership No. 221387

Place: Gurugram
Date: April 24, 2026

For and on behalf of the Board of Directors of
ValueFirst Digital Media Private Limited
CIN: U64202TS2003PTC187740

Vishwadeep Bajaj
Director
DIN: 01724145

Anubhav Batra
Director
DIN: 08729006

Seshanuradha Chava
Director
DIN: 08230070

Place: Gurugram
Date: April 24, 2026

Place: Gurugram
Date: April 24, 2026